

3 Employment and work futures

3.1 Overview

Numerous **videos** and **interactivities** are available just where you need them, at the point of learning, in your digital formats, learnON and eBookPLUS at www.jacplus.com.au.

3.1.1 Introduction

How many times have you been asked, ‘What do you want to do when you leave school?’ For many young people, this is a difficult question. There are just so many possible pathways in education, training and work.

Joining the workforce starts you on an exciting journey; a journey filled with opportunities, excitement, satisfaction, personal fulfilment, and sometimes frustration and disappointment. It is likely you will change careers a number of times over your working life. Also, because the world of work is constantly changing, you may one day end up working in a job that has not yet been invented. Throughout your career, you will gain some job-specific skills and you will likely need to do some additional training. However, you will also need cross-over skills such as communication, problem-solving and resilience. Embracing learning is one of the ways you can ensure that you will be successful in the ever-changing world of work.

Planning for your future career begins now!



CONTENT FOCUS

On completion of this topic, you will have:

- investigated the contribution of work to the individual and society and the changing nature of work
- examined how individuals may derive an income, and the changing rights and responsibilities of workplace participants
- analysed a range of perspectives in their consideration of employment and work futures.

-  **Video eLesson** Employment and work futures (eles-3508)
-  **Digital documents** Key terms glossary (doc-32666)
Worksheet 3.1 Start up! (doc-32693)
-  **eWorkbook** Customisable worksheets for this topic (ewbk-0860)

3.2 Work and wellbeing

3.2.1 Economic and wellbeing benefits of work

Can you imagine what life would be like if you couldn't afford to pay the water bill, have a working fridge or buy groceries? Or if you couldn't pay for any transport and worried about how to pay for the roof over your head? Having access to these things is only possible if you (or your parents, carers or guardians) work to earn an income to pay for them.

Life would be quite different from what it is today if people did not work. Food production would stop, and people would begin to starve. Other supplies such as electricity, gas and clean water would dry up. The very nature of society would change, as would Australia's ability to trade with other countries.

This makes you (and your parents, carers or guardians) an important part of the **economy** because you all contribute money whenever you choose to buy goods and services to satisfy your needs and wants. The money spent has come from the income earned from working – your family has been involved in production.

A major economic benefit of work is that workers pay taxes to the government. The government will then redistribute these funds and provide the collective wants that the society desires such as education, health, roads, railways, and social welfare such as the aged pension.

3.2.2 Work to earn a living

How many times have you heard the saying, 'Money doesn't grow on trees'? As you get older, the importance of money and its uses becomes clearer. For example, you need money when you catch up with friends and plan a day out to the movies, ice skating, rollerblading, visiting the art gallery or any other exciting or interesting activities. You need money to fund your lifestyle.

So where does the money you need come from? If you said your parents, carers or guardians, you know that the money comes from them going to work. Once you leave school, chances are you will enter the workforce if you haven't already started working while at school. Being part of the workforce will enable you to start earning money, which you can then use to buy things that you want. Earning a living is often the primary reason that people work. It is, however, not the only one.

Going to concerts with friends is just one of the many activities for which you need money.



Jobs provide income that is used to buy goods and services



3.2.3 Why do people work?

Imagine for a moment that you are unbelievably rich. You have so much money that you will never have to worry about working to earn more. What would you do? Most likely you are imagining a life of non-stop fun. Now it's time for a reality check! Even the wealthiest people in the world often choose to work. This is because there are many personal benefits to be gained from working aside from financial benefits.

Non-financial benefits of working	Financial benefits of working
• Opportunity to use your skills and abilities in a positive way • Meeting and mixing with new people • Doing something you love and are passionate about • Increasing your self-esteem and confidence • Developing your natural strengths and talents • Being part of a group or a team • Making friends • Contributing to the Australian economy • Being happy	• Earning an income • Exchanging money for goods and services • Being a consumer • Having the ability to buy what you need and want • Creating and maintaining a good standard of living for your family

3.2.4 Benefits of work

The main reason that people work is to be paid — to receive an income — but there are other reasons too. Let's look at some of the most common ones.



To earn money

To survive, we must have money. Most people sell their labour to an **employer** and receive an income in return. The worker becomes the **employee**, while the person paying for their work is the employer. The most common forms of income are wages and salaries. While earning money, many workers will struggle to maintain some degree of balance between work and leisure, known as the **work–life balance**. This need for work–life balance is important to many workers and can form the foundations of a good life and a worker's sense of **wellbeing**.

To improve living standards

Imagine a teenage girl who has just received her first pay packet from a part-time job. On her way home, she decides to visit a shopping centre and buy new clothes. The income from her job has allowed her to improve her **standard of living** and given her a brand new wardrobe.

Working generates an income that enables consumers to satisfy their needs and wants. What if those needs and wants are intrinsic? That describes something inside the individual that will motivate them to want to go to work — for example, to be happy, to have a good life, to feel valued for the work they perform, and to pass on their knowledge and skills to the next generation. The quality of the work is also important to employees. Studies of modern values have revealed few employees want to be wasting their life contributing to questionable or immoral work. After all, many hours are spent working, and people want them to count for something.

Earning money is important for most workers, but achieving a work–life balance is necessary for wellbeing.



To gain status and prestige

The type of work a person does is often used to measure that person's status and prestige within our society. In other words, their status comes from their occupation. The value we place on a person's job determines his or her income. For example, to be a heart surgeon requires an intense level and length of training, with a very specific skill set needed. As such, heart surgeons receive high incomes. This is partly due to the education and training needed to become a surgeon as well as their high skill level and specialisation.

Historically, society has tended to place a lower value on work in what are referred to as the 'caring professions', such as childcare, nursing and aged care. For this reason, salaries for people who work in these areas have generally been lower than in many other fields. These roles have traditionally been filled by women, and this provides another reason for the disparity that is often seen between the relative wages of men and women in Australia. This attitude is slowly changing, with wage rises being fought for and won in many of these areas. In a 2016 survey that asked Australians to rate professions in terms of their perceived ethics and honesty, nursing emerged as the number one ranked

The work of a heart surgeon is well remunerated because of the high level of training and skill needed to perform the job.



profession. This was the 22nd year in a row that nurses were recognised as number one in ethics and honesty. Doctors were ranked second in the survey and school teachers ranked fifth.

To obtain self-satisfaction

Two hundred employees of a factory were asked to write down the most important aspect of their work. The responses revealed that it was not money: 67 per cent of the employees said that knowing they had done the job well and received some praise from the supervisor were the most rewarding aspects. Both job satisfaction and self-satisfaction were seen as important. This doesn't mean that money is not important; it is. However, there are many other rewards you can get from a job.

To make friends

The social aspects of work increase its value. On average, employees spend more time at work with their co-workers than they do at home with their families (not including sleep time). Work provides the opportunity to meet other people and make friends. Sometimes workplaces have social clubs that employees can join to make friends and have fun, and participate in organised activities aimed at increasing the sense of staff connectedness and satisfaction.

To help others

Voluntary workers play an essential role in our society. Many people in the local community work for voluntary agencies such as country fire brigades, Meals on Wheels or the State Emergency Service. They receive no financial payment, but do it for pleasure and the satisfaction of being able to help others.

To have disposable income

Many people work in order to pay the bills and survive. However, most people work for an enjoyable life. A disposable income is funds that are available to be spent after all taxes, bills and compulsory costs of living are paid for. This surplus income can then be spent in any manner desired; that is, disposed on fun, holidays and hobbies. Paying for needs is ideal, but being able to pay for wants is a luxury that most aspire to.

To be able to manage a household

Managing a household is not easy. Many people find the costs of day-to-day living stressful, so having a job enables ease in paying compulsory expenses first, but also then having surplus funds left over to be disposed of in any desired manner. Disposable income normally goes on luxuries and wants such as hobbies and pastimes, technology and travel.

Social interaction is one of the key reasons that people work.



Volunteers, such as lifesavers, receive no payment for their work but offer their services to the community freely.



To add to superannuation

Often, people want to make their retirement as carefree as possible. They make mature decisions about their money, pay off all their bills, have savings and still realise that even after disposable income has been spent, they could put more into their future. Many people make choices to add extra funds into their **superannuation**, so they have more available when they are no longer working. Adding more into superannuation now can have tax advantages.



Resources



Digital document Worksheet 3.2 Work and wellbeing (doc-32831)

3.2 Activity: Research and communication

1. Conduct a small survey of your family and friends to find the reasons they go to work. Present your information in a table similar to the one shown. What are the top three reasons people work? Present your results to the class and discuss your conclusions.

	Reasons for working
Person 1	
Person 2	
Person 3	
Person 4	

2. You have been hired by a voluntary agency such as Lifeline to prepare a float display in a forthcoming street procession. The display must raise the status of the agency's volunteer workers. Work in groups to design and present a float display for your selected voluntary agency. Consider your message, costumes, roleplay actions, banners, decorations and music. Incorporate constructive feedback provided by the class when deciding how you could improve a future display.
3. Using online resources, prepare a list of five volunteer agencies that operate in your area. Present this as a database or spreadsheet, including contact details, addresses and purpose of the organisation.
4. In pairs, decide whether you would work if you were so wealthy that it was not necessary. Give two reasons for your decision.

3.2 Exercise: Knowledge and understanding

To answer questions online and to receive **immediate feedback** and **sample responses** for every question, go to your learnON title at www.jacplus.com.au.

1. What benefit can you see working would bring to your life?
2. What benefit has working brought into the life of someone you know?
3. List three examples of voluntary work.
4. Look at the reasons given in this section for why people work. Do you agree with them? Explain your answer.
5. For each of the following occupations, write one positive benefit and one negative consequence of the career choice. Compare your list with other class members.
 - Athletes
 - Bankers
 - Computer programmers
 - Doctors
 - Entertainers
 - Firefighters
 - Plumbers
 - Police
 - Scientists
 - Teachers
6. Describe some of the economic benefits from the government imposing taxes on workers.

Fully worked solutions and sample responses are available in your digital formats.

3.3 Workplace participants

3.3.1 Who is in the workplace?

You could be forgiven for assuming that the Australian workplace involves only two groups of people — employers and employees. Our nation's work environments are much more complex than this simple relationship. Trade unions and governments have a significant impact on the nature of Australian workplaces. The ways in which these groups function and interact with each other form the basis of Australian work environments and, on a larger scale, our country's economy. In this subtopic, we identify and examine the participants in the Australian workplace.

The major participants in the Australian workplace



3.3.2 Employees

In the coming months, many of you will enter the Australian workforce for the first time. Some of you probably already have. Whether you flip burgers at the local fast-food shop, stack shelves at the supermarket or work in some other retail business, you are part of the Australian workforce. An employee is someone who works for another person or entity in return for financial compensation. This work may vary in a number of ways including the nature of the work completed, the level of responsibility and the time spent completing the work. Whether you work as a server at the drive-through at McDonald's or as the company's **chief executive officer (CEO)**, you are an employee of McDonald's. Although their roles and responsibilities differ greatly, both the server and the CEO undertake specific jobs and are paid for their time and effort.

As of February 2019, more than 12.7 million Australians were working as employees. This figure equates to just over half of Australia's total population. Casual, seasonal, part-time and full-time employment are all included in this calculation. An increasing number of employees are looking for more flexible working conditions. It is estimated that just under 31 per cent of Australia's workforce are employed on a casual or contract basis. Although this kind of work provides employees with more flexibility, casual work does not come with the same rights and benefits as part-time or full-time employment. The different types of employment are discussed in section 3.4.3.

A McDonald's server. Their job may be very different from that of the CEO, but both are employees of the same company.



Contractors

Another way that businesses can hire workers for labour is through contracting. This is becoming more and more popular as businesses realise specific skillsets are only needed at certain times. This enables businesses to get the best help they need in specialist areas, but also cut costs. For example, Target stores need visual merchandisers to design window displays at peak periods such as Christmas. Each Target store, therefore, contracts the work of the visual merchandiser to complete the required window display, and then pays them for their contracted time, rather than employing them as full-time employees. Contract work can also last for set periods of time; for example, to assist when a full-time employee is on maternity leave, a contracted employee may fill in for six months.

3.3.3 Employers

A diverse range of employers exists within Australia. As at June 2018, there were more than 875 000 employing businesses in Australia. The majority of these were micro businesses with only one to four employees. The full breakdown of employing businesses in Australia is shown in the following table.

Number of businesses (by size) in Australia as at June 2018

Business size	Number of employees	Number of businesses in Australia
Small	1–19	823 551
Medium	20–199	50 338
Large	200+	3855
	Total	877 744

Source: Data derived from ABS 8165.0 — *Counts of Australian businesses, including entries and exits* (June 2013 to Jun 2018)

From the smallest self-run business to the largest **multinational company**, all employers in Australia are subject to the same responsibilities and requirements. These include the provision of:

- a safe workplace
- adequate financial compensation for work completed

- necessary and relevant education and training
- contributions to superannuation
- essential rights to employees (such as adequate breaks and supervision).

A number of government organisations hold employers to these responsibilities. The most influential of these is the Fair Work Commission (FWC). There have been several versions of the FWC including Fair Work Australia and the Australian Industrial Relations Commission. The Fair Work Commission is Australia's national workplace relations tribunal and is responsible for administering the provisions of the *Fair Work Act 2009*. The Commission's powers and functions include setting the national minimum wage and minimum wages in modern awards, approving, varying and terminating enterprise agreements, and dealing with unfair dismissal, anti-bullying and general protections claims. The Commission does not enforce compliance with the Fair Work Act. The Fair Work Ombudsman's role includes enforcing compliance with the Act and educating people about fair work practices, rights and obligations.

The Fair Work Commission is Australia's national workplace relations tribunal.



Source: © Commonwealth of Australia (Fair Work Commission) 2018

3.3.4 Trade unions

Much progress has been made for working conditions and improved rights due to actions of unions. These bodies were strong in reaching change and improving conditions to be what they are today.

The history of trade unions can be traced back to the merchants guilds of the Renaissance. In those organisations, workers who held the same job banded together to organise their industry, set prices, agree upon standard practices and protect the rights of their members. Australian trade unions play a similar role. They are organisations of workers who actively seek better pay, safer working conditions and increased job security. It is not compulsory for workers in a particular industry to join a union, although it is strongly encouraged by union members.

A union with a large number of active members can place more pressure on governments and employers than a smaller union. This pressure usually takes the form of **industrial action**, which can include strikes and work bans. Industrial action can be brief and isolated, or it can continue for days or weeks — even years in extreme cases. The longest industrial action in Australia occurred in 1946 and lasted for three years. It started when Aboriginal pastoral workers in Western Australia's Pilbara region refused to work until they were properly paid and provided with safe working conditions. Participation in industrial action is one way in which trade unions can affect the Australian workplace. Through this mechanism, they can be a crucial part of the Australian working environment.



Teachers protesting for higher wages and better conditions at the Rod Laver Arena in Melbourne



Trade unions: early beginnings

The Industrial Revolution began in England over 220 years ago, in the late eighteenth century. This revolution changed the way people lived and worked. People who once used to work as farm labourers moved to the towns and began to work in factories where conditions were very harsh. Men, women and children were forced to work long hours in noisy, dirty and dangerous workplaces. Small children were often sent down coal mines or up chimneys (as chimneysweeps). Accidents often happened around machinery, but there was no compensation or sick leave. If a person was injured, someone else took their job.

It was illegal to join with other workers to discuss how you could try and improve your working conditions. However, this did not stop workers from forming these illegal 'associations' as they were known. These associations were the beginnings of trade unions.



COMFACT

The first workers to form a trade union were six farm labourers from the village of Tolpuddle in Dorset, England. In 1834, they were arrested and sentenced to seven years' transportation. Over the years, they became known as the Tolpuddle Martyrs.

Children were cheap labour in coalmines.



Ellison Jack, an 11-year-old girl coal-bearer, Report of the Commission of Mines, 1842

I have been working below three years on my father's account; he takes me down the mine at two in the morning and I come up at one or two next afternoon. I go to bed at six at night to be ready for work next morning; the part of the pit I bear [coal] in, the seams are much on edge. I have to bear my burthen up four traps, or ladders, before I get to the main road, which leads to the pit bottom. My task is four to five tubs; each tub holding $4\frac{1}{4}$ hundredweight¹. I fill five tubs in 20 journeys. I have had the strap when I did not do my bidding. I am glad when my task is wrought² as it sore fatigues me.³

¹ One English hundredweight = about 50 kg

² finished

³ wears me out

Role of trade unions

A trade union is an organisation that looks after workers in a particular job or industry. Members pay a fee to finance the union's operations. The working conditions experienced by many of today's employees are the result of past trade union action. By joining together, workers were able to approach employers and bargain with more strength for improved pay and conditions. Australia, for example, was the first country to legislate the eight-hour working day.

Unions generally aim to:

- protect the interests of union members; for example, by undertaking campaigns and negotiations for increased pay rates
- improve the working conditions of members; for example, by monitoring health and safety
- ensure fair treatment of employees at work; for example, by preventing unfair dismissals
- promote quality of life issues; for example, by limiting work hours.

Usually, each individual workplace will elect a voluntary union representative who will:

- attend local union meetings
- keep members informed and assist them with work-related issues
- organise meetings at the workplace
- represent the members in negotiations with the management.

Trade unions have helped employees to improve conditions in a large range of areas relating to their employment. The following achievements have helped shape our society into what it is today.

- 1902: The first **workers' compensation** law was established in Western Australia.
- 1908: The Pastoral Workers **Award**, established by the Australian Workers Union, was the first award in Australia. Since then, awards have been the cornerstone of setting out terms of working conditions for millions of employed workers.
- 1920s: **Paid sick leave** was introduced. Prior to this, workers went to work sick or stayed home without pay.
- 1936: A campaign by the printing workers led to the beginning of **paid annual leave**.
- 1947: **Penalty rates** (extra money for working outside of normal hours) were established after unions raised the issue with the Arbitration Commission.
- 1951: New South Wales became the first state to introduce **Long Service Leave**.
- 1969: The principle of **equal pay for women** was adopted by the Australian Conciliation of Arbitration Commission. (Attempts to achieve this principle can be traced back to the end of the 1940s.)
- 1971: The Australian Workers Union fought for **protection against unfair dismissal**.
- 1973: The first annual paid leave with a 17.5 per cent **leave loading** was achieved by the Metal industry.
- 1973: Industrial action was taken to fight for the demand of proper **meal and rest breaks**. Prior to this, workers had to go a whole day without a break.

- 1980s: Trade unions were successful in banning the use of asbestos as part of their fight for **safe working environments**.
- 2011: After a long campaign, the **Paid Parental Scheme** was introduced, entitling parents of children born or adopted after 1 January 2011 to 18 weeks' pay on the National Minimum Wage.
- 2011: The trade unions' 'Stand Up For Super' campaign led to an increase to the **compulsory Superannuation Guarantee**, at the time set to increase to 12 per cent by 2019. (Prior to 1986, only a select group of employees were entitled to superannuation. Trade Unions battled for this to become an entitlement for all.)

The union movement conducts campaigns on issues that affect their members.



Despite all of these achievements, however, the number of workers belonging to trade unions is declining. Reasons for this include enterprise bargains, laws that are unfriendly towards unions and stifle their ability to take action, hostility from upper management and young people not seeing the point of joining. In order to increase memberships, unions are now offering other services such as cheap personal loans, free legal services, discounted goods and services as well as private health care plans.

3.3.5 Employer associations

Employers also have found it necessary to join together to protect their common interests. The Australian Industry Group (AIG) is a peak industry association, representing about 60 000 businesses. Other important associations include the Australian Chamber of Commerce and Industry, the Business Council of Australia (BCA) and the Australian Retailers Association (ARA). These and other associations have as their main roles to:

- advocate for their industry to be a career of choice
- represent employers in dealings with trade unions
- give advice and assistance on a wide range of issues such as taxation, industrial relations and employment legislation
- lobby governments with their memberships' views.

In some cases, an employers' association will negotiate with a union to establish a new set of pay and conditions. At other times, an association will represent its members before an industrial relations tribunal. These services are a great benefit to all members, especially small business owners.

Employers' associations have always been involved in lobbying governments. Over the years, they have set up a number of research offices to provide economic and industrial advice to their members and the public. Their representatives often appear in the media to present and discuss the employers' views on current workplace and economic issues.

Logos for the Australian Retailers Association, and the Australian Industry Group. The ARA employ more than 1.2 million people across Australia and continue to advocate for retail to be a career of choice.



Australian
Retailers
Association



3.3.6 Governments

If support isn't possible through trade unions or employees associations, federal, state and local government agencies can also provide support.

Governments play a crucial role in the Australian workplace. By setting and enforcing employment standards, our governments are one of the most important components of the Australian working environment. The regulation of minimum wages, leave and superannuation **entitlements** are just some examples of these standards. Government projects both create and sustain employment in Australian states and territories. All three levels of government are involved in the planning and implementation of new projects. Regardless of whether these projects involve the construction of new infrastructure or the creation of new training programs, they will generate jobs. Although private enterprise also generates jobs and helps set standards in certain industries, governments often have greater power and influence over job markets.

on Resources



Digital documents Worksheet 3.3 The eight hour day (doc-32694)

Worksheet 3.4 'The labourer is worthy of his hire' (doc-32695)



Weblinks

Australian Council of Trade Unions (ACTU) Worksite

Australian Retailers Association

3.3 Activity: Research and communication

1. Research an industrial action in Australian history. Write a summary of the dispute, answering the following questions:
 - (a) What was the dispute about?
 - (b) Who was involved in the dispute?
 - (c) What kind of industrial action was taken?
 - (d) How was the dispute resolved?
2. Set up a class debate to consider the topic: 'Trade unions should not be allowed to call a strike.' Share roles so that those not debating are involved either in assisting with research or in running the debate, and keeping notes on the arguments of both sides.
3. Use the **Australian Council of Trade Unions (ACTU) Worksite** weblink in the Resources tab and access the 'Q & A Quizzes' section of the site. Select and complete four separate quizzes. How would you rate your knowledge of the topics quizzed? Write down two things you learned from doing the quizzes.
4. Research one employer association referred to in the text by using one of the three **Employers' association** weblinks in the Resources tab. Find out the number of members, the association's aims and the services it provides.

3.3 Exercise: Knowledge and understanding

To answer questions online and to receive **immediate feedback** and **sample responses** for every question, go to your learnON title at www.jacplus.com.au.

1. What proportion of Australia's population is currently employed in casual, part-time or full-time work?
2. When did the first trade unions begin and what was their purpose?
3. What is the main role of governments in the Australian workplace?
4. Suggest reasons why someone would choose:
 - (a) casual work over part-time/full-time work
 - (b) part-time/full-time work over casual work.
5. Explain the role of the Fair Work Commission.
6. Copy the table in section 3.3.3 and add a column titled 'Percentage of all Australian businesses'. For this new column, you will need to take each category of business and calculate the percentage of Australian businesses that fall into that category. For example, what percentage of Australian businesses have 1–19 employees? Complete this calculation for each category in the table.
7. Describe the role played by trade unions in the workplace.
8. Explain the benefit to employees of joining a trade union.
9. Analyse how governments may assist in maintaining a work environment that benefits all parties.
10. 'The bigger the business, the easier it is to manage the workplace.' Do you agree with this statement? Justify your response.
11. Read Ellison Jack's comments in section 3.3.4 and then answer the following questions.
 - (a) Ellison Jack makes the statement, 'I have had the strap when I did not do my bidding.' Explain what you think she means by this.
 - (b) Approximately how many hours did Ellison Jack work each day?
 - (c) Explain why people had to endure these poor working conditions.
 - (d) Outline how a trade union could have helped to improve the conditions for Ellison Jack.
12. Choose two items from the list of achievements of trade unions and explain why each achievement is of importance in our society.
13. What is the main difference between trade unions and employers' associations?
14. List the main roles of:
 - (a) trade unions
 - (b) employers associations.
15. What gives a trade union and employer association their strength?
16. Why do you think young people are deciding not to join trade unions?
17. Many people say that trade unions have outlived their purpose — with working conditions greatly improved, there is no longer the need for trade unions. Do you agree or disagree with this statement? Justify your answer.

Fully worked solutions and sample responses are available in your digital formats.

3.4 Types of employment and work arrangements

3.4.1 Paid and unpaid work

Paid work is defined by the Australian Bureau of Statistics as performing services for one hour or more per week in return for receiving money or income, while unpaid work comprises those tasks performed without receiving an income. Jobs such as cooking, cleaning and gardening are all work, but you cannot argue that you are employed when you are cleaning your room! Household chores do not earn an income, although your parents may reward you with pocket money for performing them. In the world of Economics, pocket money is not considered an income. Other examples of unpaid work are family duties, school work, voluntary work and community service.

People who work or are looking for work are part of the labour force.



3.4.2 Types of employment

Once you gain employment, you can be employed in many ways. A variety of employment contracts and types of employment are available, as shown in the following table.

Type of work	Features
Full-time	• Continuing, ongoing employment • Number of hours per week is 38 or more • A range of entitlements received
Part-time	• Ongoing employment • Number of hours per week is fewer than 38 • Number of hours may be fixed or variable • Entitlements received on a pro-rata basis
Casual	• Employed on an hourly, or 'as needed', basis • No permanent weekly roster • Hours vary from week to week; for instance, 10 hours one week and 3 hours the next • May work for more than one employer. • No access to entitlements but a loading received to compensate
Self-employed	• An individual who works for himself or herself

Each type of employment option has advantages and disadvantages.

Karl Gerstenberg — full-time nurse

'This is my first full-time job. I work 40 hours per week over a five-day cycle. Sometimes I also work overtime. I get additional pay for working more than my allocated hours. The hourly rate is also higher if I work at night or on weekends.'

Although I have to spend more time at work than in my previous part-time job, I enjoy earning a higher income. This has made it easier to start saving on a regular basis. As well, I am entitled to a wide range of non-wage benefits, especially paid holiday leave and long service leave. However, the greatest benefit is the job security. The main disadvantage of full-time work is not having time for my hobbies but I guess the extra money makes up for that.'



Virginia Dimitriadou — part-time fashion designer

'Part-time work suits me. I can earn some money on a regular basis but, because I am taking a TAFE course, I need time to study. As a part-time employee, I have job security because I work regular days and regular hours but for fewer days or hours than a full-time employee. As a part-time employee, I receive a number of entitlements on a **pro-rata** (proportional) basis. For example, I work three days per week so, therefore, I am entitled to three-fifths of the non-wage benefits available to full-time employees. However, part-time work does have a few disadvantages. Firstly, because I work fewer hours, I receive a smaller weekly pay and



reduced entitlements compared to full-time employees. Secondly, I do not receive the loading paid to casual staff. Overall, while I'm studying, part-time employment offers better conditions than casual employment. An added benefit is that I'm presently able to work in the industry I want to have a career in. I'm studying fashion while I work with fashion, gaining real hands-on experience and training alongside my study.'

Sally Nicholson — casual checkout operator

'As a casual worker, I am employed on an hourly basis. The main disadvantages of casual employment are that I do not receive a range of **entitlements** (non-wage benefits), such as long service leave or sick leave, and the lack of job security. If there is no work for me to do, I can be dismissed at one hour's notice, or with one hour's pay instead of notice. However, to compensate, I am paid a **loading**; that is, extra pay, on top of the normal full-time rate. As well, I have the flexibility to agree or refuse to work at a particular time. If I have agreed to take a job, I can take a few days unpaid leave if needed for emergencies such as my children getting sick, or illness or death within the family. While this job provides me with some income, because it is not regular, I am finding it difficult to obtain a home loan. If both myself and my employer agree, my employment status can be changed to permanent. Some places have a process that allows this to happen when you have worked for them for a specific period of time. This is different for each workplace though, so it's important to find out what rights you have.'



Anderson Tubino — works from home

'I've recently moved to Australia but still wanted to keep working for my boss in Brazil. I consider myself to be a crucial part of his business because I am in prototypes and design. So, my boss pays me to work from home. I've set up a small space where I can make the products and experiment with their creation but most of my work is actually just paperwork online and can be done anywhere. I recently travelled to China for a wedding and was able to check design mock-ups online and video conference while out and about. I really like the flexibility of my work and appreciate my boss being able to provide this opportunity for me. Sometimes I struggle with motivation of a morning, to get up and get focused on work because the comfort of my home is so relaxing. What I like best, though, is being able to help my son get ready for school each day. I don't have to travel to work so I am available as a family man in the mornings and afternoons. Working from home gives me freedom and a lifestyle I enjoy.'



Grace Bernardini — self-employed landscape gardener

'Being self-employed gives me the freedom and flexibility to work where and when I want to. I especially like making business decisions and being responsible for the business's success. Creating an idea in my head and seeing it actually appear out there, that's huge to me. I get enormous satisfaction from creating designs that delight my clients. There are also some tax advantages to being self-employed. However, being your own boss does have a number of disadvantages. I have no guaranteed income each week and, consequently, a lack of financial security. I have to pay for all my own entitlements and if I am ill, I earn no money unless I have some insurance. Risks are involved but hopefully the rewards will be greater.'



Maria Noel Machado — traineeship

'I got a job as a receptionist at a local business. They realised I was great within the role and wanted me to train further to be the Business Administration Manager. I was then placed on a **traineeship**, (where you combine employment and training in order to gain a qualification) where I went to a private college for two years, part-time, while I was still working and getting paid. It's great! I love that the theory I am learning matches what I am doing as part of my job. My workplace is really supportive too, and always provides me with learning opportunities and understands that I am still learning. Even better is that I have a job while I study, and I will be promoted when I finish my training, as well as being fully qualified.'



James Scott — apprenticeship

'I knew I wanted to work in the trade industry, but I didn't realise how easy it would be! Upon leaving school I saw a job online that a plumbing company needed apprentice workers. I didn't really know what this meant, so I went along to the job interview and asked. Basically, the workplace pays for me to learn on the job as an **apprentice** (training that involves following and studying a qualified practitioner of a trade e.g. plumber). I work alongside more experienced employees for four years, gaining knowledge that they share with me. I also go to TAFE one day per week, and get paid to be there! I have to pass my TAFE assessments, but my workplace is really good and allows me time to prepare for them. I get paid slightly less than if I were fully qualified but this isn't too bad, because I know my boss is paying for all my costs of learning, giving me equipment for learning and setting me up for my career.'



3.4.3 The labour force and its workers

Australia's **labour force** is made up of people who are working and people who are actively looking for employment, whether it is **full-time**, **part-time**, **casual** or **seasonal**. The labour force is made up of people aged 15 and over who are either employed (including self-employed people) or unemployed. People not regarded as part of the labour force include:

- pensioners
- people with a physical or mental disability who are unable to work
- full-time students who do not work
- full-time carers who look after children or other family members
- volunteers working without pay in institutions such as the State Emergency Service and charities.

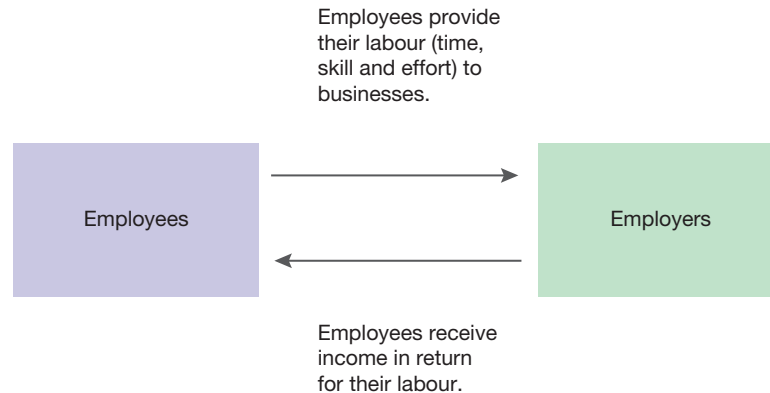
A small percentage of the labour force (5.1 per cent in January 2019) is unemployed. This group is still included in the statistics on employment rates in Australia.

To be considered employed, you must fulfil all these requirements:

- be aged 15 years or over
- have worked for at least one hour in the week, or have a job even though you were not at work in the week
- have received pay, profit, commission, or payment of some kind for your work.

In Australia we have industry-wide awards that set out the minimum wages and working conditions for all employees in an entire industry or occupation. These awards also set out the award hours, which are the minimum weekly hours of work that a person covered by that award must be given.

The employment relationship



3.4.4 Voluntary work

Voluntary workers play an essential role in our society. Many people in the local community work for voluntary agencies such as rural fire services, surf lifesavers and state emergency services. They receive no financial payment. They do it for pleasure and the satisfaction of being able to help others. Just because volunteers do not receive an income does not mean that the job they do is any less valuable.

Alex Varen — volunteer

‘I wanted to contribute a bit more to my community. I only go to uni two days per week and I also work another two days. I realised that volunteer work was a nice way for me to give back to the people who helped me so much. So I signed up to be a volunteer lifeguard. I get about one shift per week, which is normally on a weekend. This suits me because I can enjoy the beach, and get to keep fit and active as well as helping out where needed. I think I got the desire to volunteer from my mum — she volunteers at a homeless shelter two nights per week. She always told me how rewarding it is to give and expect nothing back, and she is right! I love the satisfaction I get from assisting others with my skills and being a good citizen.’



3.4.5 Forms of income

Wages

Wages are what an employee receives in exchange for their labour or services. Normally, a wage is a fixed regular payment, paid in increments. If working casually, a wage will be paid per hour; if working part- or full-time, it will be paid per week, fortnight or month as part of a salary.

Salaries

A salary is the total package of remuneration paid to an employee. Salaries tend to include your base pay, as well as superannuation, leave allowances and any other elements of finance such as bonuses.



Commission

A commission is another form of payment for a job or service. However, commissions mostly are percentages or 'cuts' of a bigger sale and are an incentive for that sale. Commissions are largely used in sales; for example, when reaching targets that boost business income, the business then shares a portion back with the employee who made the sales.



Profits

People who operate their own business are self-employed. They make their own income from the **profit** of the business. Profit is calculated by subtracting the expenses of a business from its revenue. This is given by the below equation:

$$\text{Profit} = \text{Revenue} - \text{Expenses}$$

Dividends

A dividend is a sum of money paid regularly by a company to its shareholders out of its profits (or reserves). Some people use dividends as their main form of income and live off their investment dividend payments.

on Resources

 **Digital document** Worksheet 3.5 The workplace (doc-32832)

3.4 Activity: Research and communication

1. Undertake a quick survey of the class as to what type of work each student wants to do when they are no longer at school. Research the type of income and state the current pay rates that would be received. Present this information as a table.
2. Conduct a survey of your family and friends on the hours they work. Present your information in a table and discuss your conclusions with the class.
3. (a) Locate ten volunteer agencies that operate within your community. The Yellow Pages and the internet may help to get you started.
(b) Choose one of the agencies and research the benefits that they provide.
4. If you had the opportunity to be a voluntary worker, what would you do and why?

3.4 Exercise: Knowledge and understanding

To answer questions online and to receive **immediate feedback** and **sample responses** for every question, go to your learnON title at www.jacplus.com.au.

1. How does the ABS define work?
2. Why do you think the ABS definition requires a minimum of one hour of work per week?
3. Distinguish between paid and unpaid work.
4. Why is remuneration important for someone who is working?
5. Are the following statements true or false?
 - (a) Pocket money is a form of income.
 - (b) If you work only three hours per week, you are not employed.
 - (c) A full-time employee works, on average, about 38 hours per week.

6. Explain the difference between the following.
- Casual work and part-time work
 - Paid and unpaid work
7. Tom stays home and looks after the house and children all week, and Janet works as a doctor. Who is working? Explain your answer.
8. Complete the statements by selecting the correct words from the following list.
- | | | | | |
|----------------------|----------------|--------------------|-----------------|----------------|
| risks | service | pro-rata | fewer | freedom |
| self-employed | sick | flexibility | security | |
- Casual employment offers _____, but does not provide job _____.
 - Part-time employees work regular but _____ hours than full-time workers and receive entitlements only on a _____ basis.
 - Full-time employees have the benefit of entitlements such as paid _____ leave and also long _____ leave.
 - _____ people have the _____ to work where and when they want to, but face greater _____ than other types of employment options.
9. Which 16-year-old employee, performing the same duties, will receive higher hourly payments from her or his employer?
- Casual employee
 - Part-time employee
- Justify your answer.
10. In your notebook or on your computer, construct and complete a table like the one below. The first answer has been filled in for you.

	Employment options available			
	Casual	Part-time	Full-time	Self-employed
Advantages	1. Paid a loading			
Disadvantages				

11. How is a profit calculated? Think of your local area and name three individual people who would earn a profit.

Fully worked solutions and sample responses are available in your digital formats.

3.5 The nature of work

3.5.1 Choosing careers

Even as a teenager, you have probably been asked the question, ‘What do you want to do when you grow up?’ From a young age, some people have a strong interest and desire to work in a particular job. In many cases, this interest comes from observing a parent, carer or guardian, sibling or family friend who works in a particular industry. Other people spend much of their teenage life and young adult life trying to decide exactly what they would like to do for work. In the contemporary Australian workforce, people may change their mind about what they want to do for work many times in their working lives.

Choosing a career is a significant decision. It is natural for people to feel confused, unsure and nervous about making such a decision. A common tool people use to help them determine the type of work that may be suited to them is a ‘personality and career aptitude test’. This tool aims to identify the strengths, weaknesses, interests and personality traits of a particular person in order to suggest industries or occupations that may suit them. While these tests are useful, they are just one of many tools that young people can use to help determine the type of work they may be suited to. Parents, carers or guardians, siblings, friends, teachers, career counsellors and employment agencies may also provide useful information.

3.5.2 Changing industries

Within Australia, you can generally be employed in a wide range of occupations, in a variety of different industries. An **industry** refers to a group of businesses involved in similar or related work. An occupation relates to the work or activities that a person performs in order to earn a living.

However, over the last 100 years, the work people do has changed a lot. New occupations and industries are constantly being created as the Australian economy responds to influences such as technology, globalisation and sustainability.

The three main types of industries are primary, secondary and tertiary. The nature of work within these industries is changing a lot and employees need to be aware of their dynamic role within the workforce.

Primary industry

A **primary industry** is one that produces raw materials (for example, fresh fruit) from what nature has provided. All types of farming, mining, fishing, grazing and forestry are primary industries. Primary industries provide all our food. Hence, the work of employees in these industries is essential. As well, approximately 60 per cent of all Australia's exports are primary industry products.

Secondary industry

Secondary industry include all workers involved in turning raw materials into finished or semi-finished products. For example, iron ore, coal and limestone are turned into steel — a semi-finished product. Steel is then used to manufacture cars and steel-framed houses — finished products.

Tertiary industry

People who work in **tertiary industry** provide a service to others (for example, retailers, dentists, bankers and solicitors). The number of employees in tertiary industries has grown so rapidly since the 1960s that it has been broken down into the quaternary industry and quinary industry.

Farming — primary production



Manufacturing steel frames — secondary production



Dentistry — tertiary industry



Quaternary industry

The **quaternary industry** is made up of service industries that deal with processing information and knowledge. The ability to connect people online is one of the reasons this sector has grown. The sector includes technology jobs such as network specialists and IT professionals, along with services such as financial advisors, libraries and education.

Quinary industry

The **quinary industry** is made up of domestic services, many of which were once carried out by people within their own homes. Hospitality, childcare, domestic cleaning and home maintenance services are examples of quinary industry services. They include both paid and unpaid workers.

IT consultant — quaternary industry



Hospitality — quinary industry



3.5.3 Changes in occupations

In 1900, nearly one-third of our labour force worked in primary industries, mainly farming and mining. Since then, the proportion of primary industry workers in the labour force has dwindled to about 3 per cent. Because of improved methods of farming and mining, and the use of mechanical equipment, fewer workers are needed to produce our food supply and minerals.

For a long time, many of those who left the farms and mines moved into jobs within secondary industries. They took factory jobs in the city. In recent years, however, the proportion of the labour force needed to do factory work has been decreasing and is presently about 17 per cent. This is because many factory jobs have been eliminated by technology, especially automation.

As opportunities for employment have decreased in some occupations, they have increased in others. In fact, about 80 per cent of the labour force consists of people working in service industries. This growth in employment in service industries is expected to expand rapidly during the next two decades because of advances in computing, especially telecommunications, as well as social and lifestyle changes.

3.5 Activity: Research and communication

1. The 'Job Outlook' website is an initiative of the Australian government's Department of Employment. The website identifies a range of industries in the Australian economy and provides useful data about the characteristics and trends in different industries and occupations. Use the website to research two industries and present current trends within these industries in a table.

3.5 Exercise: Knowledge and understanding

To answer questions online and to receive **immediate feedback** and **sample responses** for every question, go to your learnON title at www.jacplus.com.au.

1. Explain how the occupations of the labour force changed over the past century.
2. Use a table to list which industry each of the jobs below belongs to.
Lawyer, chef, farmer, dentist, carpenter, computer operator, real estate agent, tow-truck driver, factory hand, cleaner, teacher, child carer, welder, journalist, newsreader, miner, secretary, surgeon, writer, machinist

3. Use the table below to answer the questions that follow.

Proportion of employment by industry in Australia 1900–2020 (%)

Year	Primary	Secondary	Tertiary
1900	34	20	46
1940	21	25	54
1980	8	21	71
2000	5	21	74
2020 (est.)	3	17	80

Source: Data derived from ABS statistics.

- In which year was the proportion of people employed in the following industries at its highest and lowest?
(i) Primary (ii) Secondary (iii) Tertiary
 - Which industry experienced the greatest increase and which suffered the greatest decline in employment over time?
 - Which industry was the most stable, with regard to employment over time?
4. In small groups, brainstorm these questions.
- Why has the tertiary sector grown so rapidly over the past 100 years?
 - What does this tell you about future employment prospects?
5. With a partner, compile a list of tertiary jobs that are essential for the production of a reality tv show. Place the letters 'Qt' next to those jobs that would be classified as quaternary and the letters 'Qn' for those jobs in the quinary sector. What conclusions can you draw from the list?

Fully worked solutions and sample responses are available in your digital formats.

3.6 Patterns of employment

People are dynamic, as are workplaces. This means the nature of work is constantly changing to better meet the needs of the economy, of businesses and of society.

3.6.1 Participation rates

When your grandparents worked, the majority of the Australian workforce was male. Most of these men were the 'breadwinners' — supporting their wives and families until retiring in their sixties. Women often 'retired' from the workforce when they married, and it was relatively uncommon for a woman to work if she had young children. Today, the two-income family is more common, with women continuing to work throughout the period of having dependent children. Employment is more likely to be part-time or casual and there have been significant changes in the types of jobs in which people are employed.

The labour force today is well educated, and employees increasingly want more challenging, interesting work. Many feel driven to build their career through a succession of jobs in a range of different businesses. They want to be more involved in the decision-making process, and to make decisions for themselves. Employees want greater responsibility for their own actions and want to initiate tasks without being ordered to.

With this shift in the way people approach their careers, human resources management has become increasingly important within the business world — emphasising the value placed on finding the right person for a particular role. In this subtopic, we will explore these and other changes to the Australian workforce and work patterns.

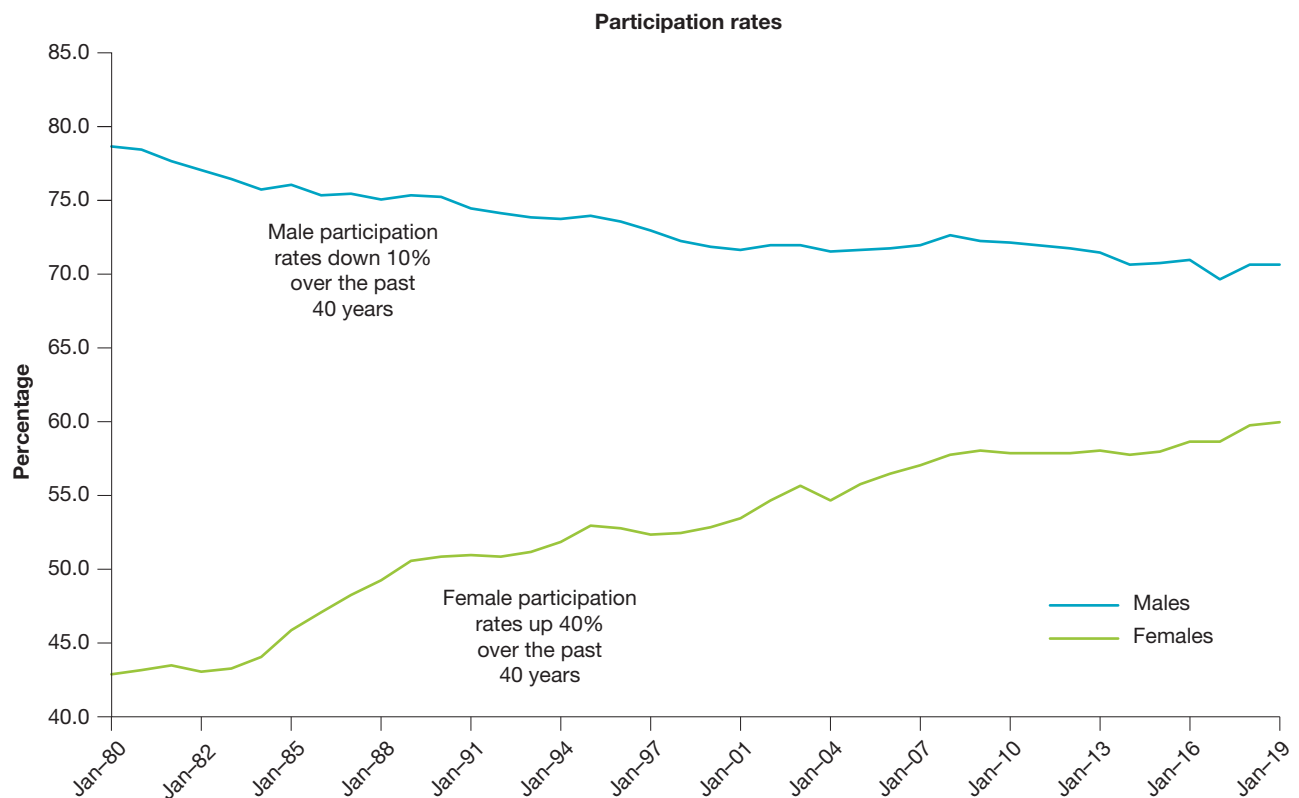
The changing roles of women and men

One of the most significant changes seen in the Australian workforce has been the increased participation of women. As mentioned, in the past it was common for women to leave the workforce when they had children, and often they never returned to paid work. This is no longer the case.

Overall, the number of women in the workplace has risen rapidly in recent decades — women now comprise approximately 47.0 per cent of the workforce and have a **participation rate** of 61.1 per cent. The participation rate measures an economy's active labour force and is the sum of all employed workers divided by the working age population. It refers to the number of people who are either employed or are actively looking for work. On average, the labour force participation rate of women is still lower than that of males; however, the gap has narrowed slightly over the years. This rise reflects increasing educational levels as well as women choosing to work longer instead of retiring. The following graph shows the change in workforce participation rates from January 1980 to January 2019.



Labour force participation rates for men and women



Source: Adapted from Australian Bureau of Statistics, *Labour Force, Australia*, 2019 (cat. no. 6202.0).

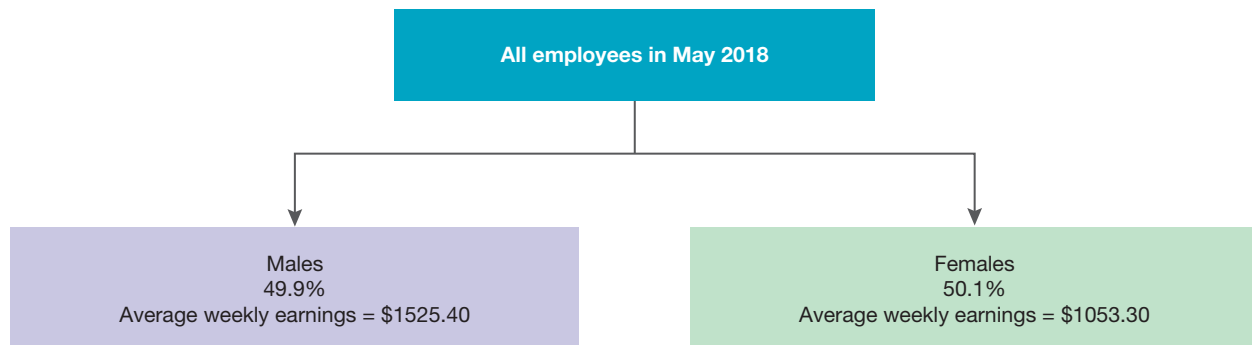
As women have entered the workforce in greater numbers and continued to work after having children, the need for formal childcare has increased. This has led to the growth of the childcare industry and has created significant new job opportunities in this area. Another significant change has been an increase in flexible work options, offering benefits such as parental leave (for both women and men) and part-time work, which allows greater flexibility to juggle the demands of work and parenthood.

The following figure shows the proportion of males and females in the employed Australian labour force in May 2018, and their average weekly earnings.

The increased participation of women in the workforce has created the need for formal childcare



Proportion of males and females in the paid workforce in 2018, and their average weekly earnings



Source: Australian Bureau of Statistics, www.abs.gov.au/ausstats/abs@.nsf/mf/6306.0

Female employees slightly outnumber males, but as can clearly be seen, women's average weekly earnings are significantly lower than that of men. This can be explained to some extent by looking at the differences in full-time and part-time participation rates. It is important to make sure women are not being discriminated against and that 'glass ceilings' as an unacknowledged barrier to advancement in a profession of a particular group (e.g. female), are shattered to allow equal opportunities for all genders.

COMFACT

A study in 2017 found that among Australia's 200 largest companies, only 12 (6 per cent) have female chief executive officers (CEOs). Ironically, 7 per cent of the CEOs are called Andrew. This means you are more likely to gain a high leadership position within these companies if you are called Andrew than if you are a woman.

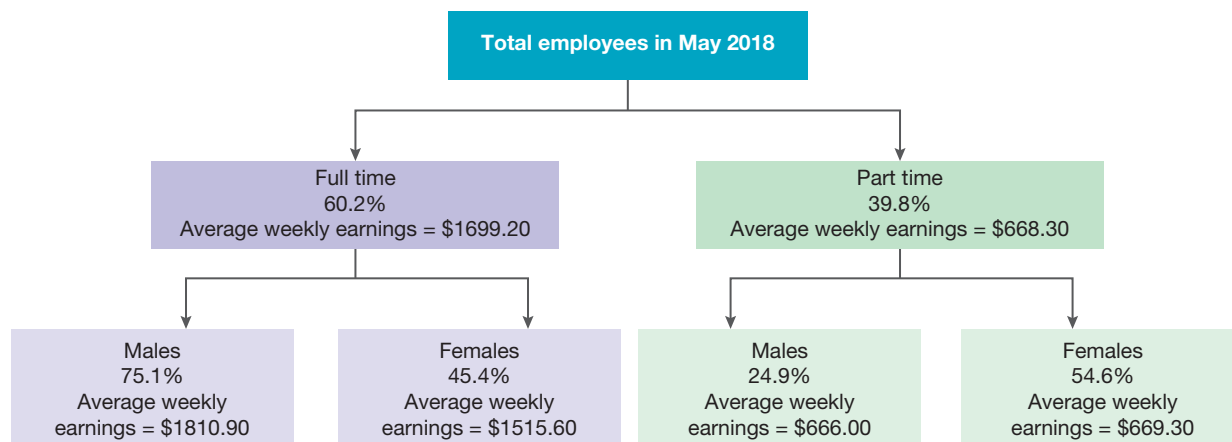
Participating full-time, part-time and causally

An employee is considered to work full-time if their hours of work equate to 38 hours or more per week, or they work the agreed or award hours for a person in their occupation or industry, and the work is ongoing. An employee is considered to work part-time if they work less than 38 hours a week in ongoing employment, where the number of hours they work is either fixed or variable.

The following figure shows that in May 2018 there were more full-time employees (60.2%) than part-time employees (39.8%), and as would be expected, average full-time earnings (\$1699.20/week) were

significantly higher than average part-time earnings (\$668.30/week). However, 54.6% of females were employed on a part-time basis, compared with only 24.9% of males; that is, the majority of male workers (75.1%) were employed full-time, which accounts for much of the disparity in average weekly earnings between men and women.

The proportion of full-time and part-time employees in May 2018, and their average weekly earnings



Source: Australian Bureau of Statistics, www.abs.gov.au/ausstats/abs@.nsf/mf/6306.0

Casual workers make up approximately 20 per cent of the labour force. Some industries — such as the retail and hospitality industries — employ a large proportion of their workers as casuals.

Some casual employees, especially the young, find it difficult to gain full-time employment. Their working life is often dominated by periods of part-time and casual work. Consequently, they have few opportunities for promotion and are usually retrenched first if the business is experiencing financial difficulties. These people will sometimes experience long periods of unemployment. Exploitation of these employees can also occur. However, some casual workers do not want to work additional hours and like the flexibility this type of employment provides when balancing their work and personal lives.

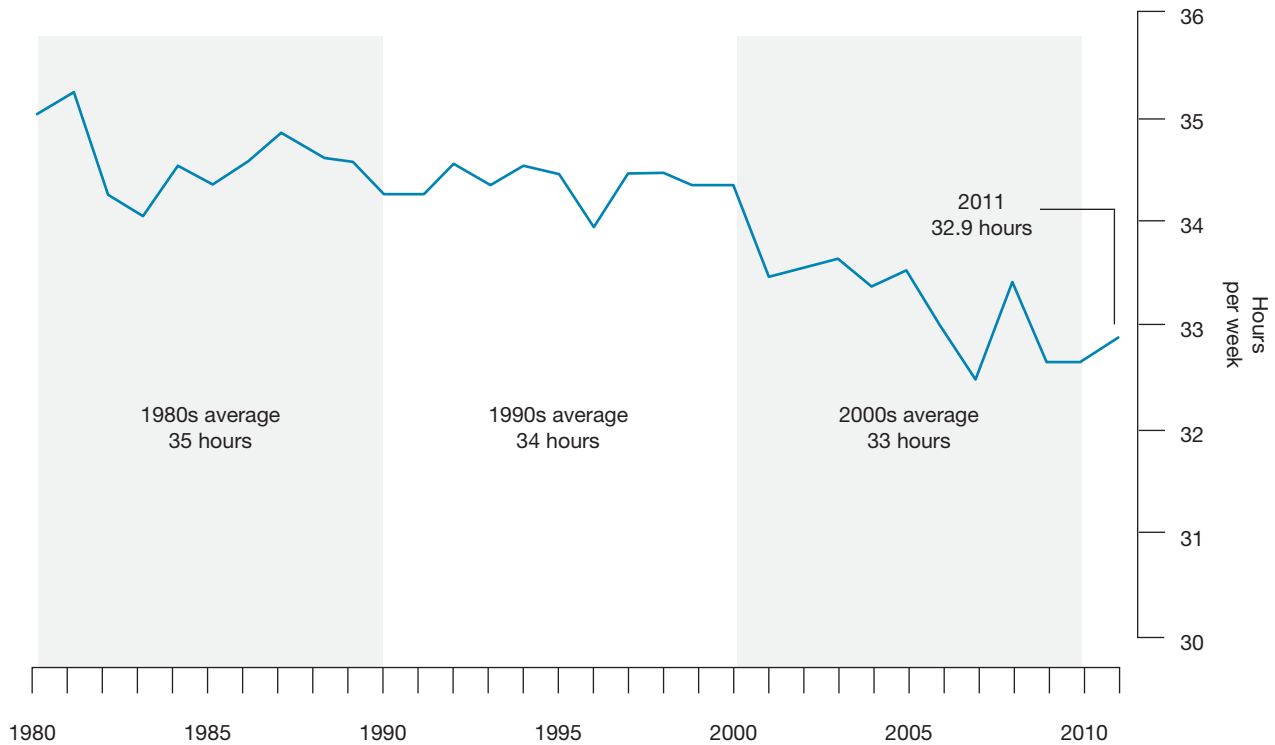


3.6.2 Hours of work

In today's work environment, there is a perception that people will be available outside of traditional work hours due to technology-enabled connectivity. They are generally working longer hours than ever before. While in some industries this may indeed be the case, Australian Bureau of Statistics figures show that since the 1980s there has actually been a decline in the average hours worked by Australians — from 35 hours average in the 1980s, to 32.9 hours average in 2011. The following figure depicts this change.

The average number of hours worked by employed Australians shows an overall decrease from 1980 through to 2011.

Hours worked by employed Australians



Source: Adapted from Australian Bureau of Statistics, *As a Matter of Fact*, 2012 (cat. no. 1393.0). Most recent data available at time of publishing

The change in average work hours can in part be attributed to the significant increase in part-time employment during this period. Part-time roles now exist in almost all industries, and are particularly prevalent in the retail and hospitality sectors.

Apart from the change in the number of hours worked, there has also been a significant shift in the times that people work. Where once the world of work was largely framed around the 9-to-5 workday, this is no longer the case. For example, changes to retailing regulations have created a demand for employees to work vastly different hours to those of the past, with weekend and late-night trading now allowing businesses to operate well outside 9-to-5, Monday-to-Friday hours. Similarly, venues such as bars, restaurants and nightclubs are now able to stay open much later, creating a need for staff who are willing and able to work shifts into the early hours of the morning.

Consumer demand has also created a need to provide call centre staff in certain industries from early in the morning until late in the evening. Thus, employees working in such fields may work a range of hours that are significantly different to what was once the case.

Changes to trading hours have had a significant impact on the hours of work for many Australians.



3.6.3 Work–life balance

Many employees are requesting work arrangements that improve work–life balance. Employers are also recognising the cost savings and benefits of ‘family friendly’ workplace practices to motivate and retain skilled staff. Some work–life balance initiatives include workplace childcare, family leave and home-based work.

Australia’s national paid parental leave scheme should also improve work–life balance for some families. The government-funded scheme commenced in 2011, providing payment for 18 weeks within the first year after the birth of the child. Additional changes were made in 2012 when it was decided that dads and partners were also entitled to two weeks paid parental leave.

Flexible working conditions

Flexible working conditions are patterns of work that allow employees to balance work, life and family obligations more effectively. For example, some employer–employee agreements allow opportunities for home-based work, which gives employees more flexibility during working hours. Many businesses also offer permanent part-time work, job-sharing and flexible working hours in order to retain skilled and valued staff.

However, some employees (other than those who choose part-time work) are finding that flexible working hours and permanent part-time work may not be as beneficial as they had hoped. Many employees now work 12-hour shifts, broken by days off, as part of their industrial agreements. Others have lost their weekends and the opportunity to enjoy time off with their work, life and family obligations.

These difficulties have arisen because employees and employers may have a different meaning for the term ‘flexibility’. For example, an employee may view flexibility as providing her or him with an opportunity to rearrange work hours to better suit lifestyle and family commitments. However, an employer may see flexibility as the introduction of longer shifts or the scrapping of penalty rates for weekend work.



Work is creeping further into employees’ private lives.



3.6.4 Availability of jobs

In the late 1960s, almost half of Australia’s labour force was employed in production industries such as mining, manufacturing, construction, electricity, gas and water, agriculture, forestry and fishing. In 1997, some thirty years later, that proportion had decreased to 28 per cent. During the same period, service industries grew substantially. These include: property and business services, accommodation, cafés and restaurants, culture and recreational services, personal and other services, health and community services, retail, education, transport and communication, trade and finance, and insurance. This trend continues today, and is a major factor in shaping the ongoing changes seen in the Australian workforce.

3.6.5 Job security

A major concern for employees is the threat that they may lose their job. Job security is the likelihood that an employee will keep his or her job, and not face unemployment either through being made redundant or dismissed. In the past 20 years, employees have faced continuing employment cutbacks, automation, downsizing, increased competition from imports and non-unionised domestic companies. Job security can no longer be taken for granted. It is a significant issue for many Australian workers.

3.6.6 Career lengths

In Australia the national average tenure in a job is 3.3 years.

Anecdotal evidence suggests that members of **Generation X** are likely to change jobs about 11 times during their working life. It is anticipated that this figure may double for **Generation Y** or **Generation Z** and increase even further for **Generation Alpha**.

Research has found that the reason for changing jobs varies from person to person, but may include:

- social reasons – response to life events, such as having children
- economic reasons – wanting to obtain better working arrangements
- career-related reasons – wanting to gain further career experience
- workplace inclusion/exclusion or bullying
- other personal reasons – a desire to gain new experiences.

Possible reasons may include:

- a lack of opportunity to change jobs
- security
- convenience
- feeling valued in a role
- liking the people they work with
- a faster commute (quick to get to and from work)
- the need to build/consolidate retirement (superannuation) funds.

3.6.7 The impact of technology on the nature of work

Technological advances are causing the nature of work to change. New jobs are being created, while others are made redundant. The so-called ‘information revolution’, brought about by the use of new communication technologies, has led to massive changes in the way people work. One area of concern is the ‘always available’ trap: checking emails and SMS messages during downtime, such as when commuting or holidaying. This has extended the working day. People’s digital footprint and their interactions on the web have also blurred the lines between their personal lives and their work lives. While technological change improves productivity, it can result in an unprecedented invasion of personal time, which has a negative effect on work–life balance.

Job tenure by age group in Australia

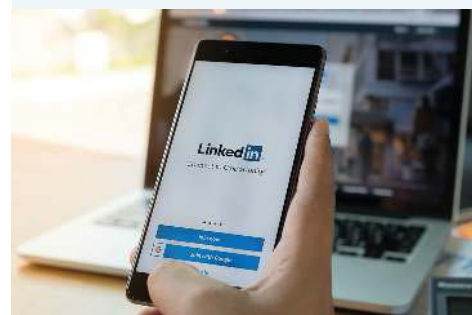
Age group	Average job tenure
Under 25	1 year, 8 months
25–34	2 years, 8 months
35–44	4 years
45+	6 years, 8 months
Average	3 years, 4 months

Source: The Household, Income and Labour Dynamics in Australia (HILDA) Survey, Department of Employment

Today’s workers change jobs far more often than they did in the past. This trend is expected to continue.



Through advances in technology employers can now easily access potential employees from around the world.



CASE STUDY

When will the self-service machines win?

The man who invented the self-service checkout system, Dr Howard Schneider, was laughed at when he first pitched his machine to a supermarket chain in the 1980s. Back then, the idea of replacing humans with an object appeared ridiculous. Moving forward to today, we can see how much the world has changed. The rollout of self-checkout systems is steadily increasing in Australia, even though some shoppers find them frustrating and difficult to use. Messages about unexpected items in the bagging area or the inability to locate pomegranates in the fruit category can lead to frustration and irritability and thus also customer dissatisfaction. Other people love the new invention because it provides convenience when they just 'pop in' for a few items. However, the machines are yet to provide a win for the stores, because they have to still 'staff' the self-checkout areas to provide help with working the systems and in an attempt to combat theft. For the moment, it appears that the machines have not replaced the necessity of humans in this scenario. However, newer modules are already being built with increased scanning accuracy. Who knows what this will mean for job security in this industry in the future?



3.6.8 Globalisation as a changing factor

Another aspect of advancing times is globalisation. This is the process of businesses or other organisations developing international presence or starting to operate on an international scale. When expanding overseas, some employment opportunities will go overseas too. For example, overseas call centres first began because Australian customers wanted to call for support about products and services outside of their own working hours. This meant it was ideal for the call centre to be located in another country, where the times for workers there matched up with times that Australia people were not working. Globalisation increases ease in operations, reduces costs for consumers and assists with international trade success.



Resources



Weblink Hours of work

3.6.9 Sharing economy

This is an economic system whereby goods and services are shared between individuals either for free or for a fee. Generally, it will involve using some form of an online platform. It brings many benefits, including cheaper goods and services, extra income for providers, and provides flexible employment opportunities for workers.

The sharing economy is often criticised as it tends to treat workers as individual contractors, which can lead to lower wages and poorer working conditions. Firms in the sharing economy also frequently cause problems for traditional businesses. For example, Uber has had an enormous impact on the traditional taxi industry. Examples of firms in the sharing economy include Airbnb, Uber, GoGet, and oBike.

After launching their ride-sharing platform in 2012, Uber launched UberEATS, a food delivery platform, in Sydney in 2016.



CASE STUDY

Airbnb

Airbnb began in 2008 when two designers had some spare space and decided to share this with three travellers looking for a place to stay, by acting as 'hosts' during their stay. Now, millions of hosts and travellers use Airbnb so they can list their space and book accommodation options anywhere in the world. This concept of sharing allows the everyday person to 'share' their spare house, room or bed, and then share in a payment for the use of it. Contemporary businesses are able to assist individuals who want to share. As such, Airbnb is now an extremely lucrative company, allowing all involved to benefit from this new outlook.



on Resources

Digital document Worksheet 3.6 work patterns (doc-32696)

3.6 Activity: Research and communication

1. Using the case study 'When will the self-service machines win?' as a starting point, brainstorm the effects technological advancements have had on our society.
2. As a group, discuss why Airbnb is a good setup for the following participants.
 - (a) The visitor
 - (b) The host
 - (c) Airbnb
3. Select a service that could be shared. Design a poster and a 30-second digital advert for your 'shared economy' business venture.
4. Discuss the following statement: 'The value of work is a personal thing'.
5. Use online resources (such as the **Hours of work** weblink) to find and examine information on average hours worked by Australians. Describe the changes in working hours from the 1980s to today. Have they increased, decreased or remained the same?

3.6 Exercise: Knowledge and understanding

To answer questions online and to receive **immediate feedback** and **sample responses** for every question, go to your learnON title at www.jacplus.com.au.

1. Are the following statements true or false?
 - (a) The number of females in the labour force has increased over the last 30 years.
 - (b) This subtopic was about the changes in traditional work patterns.
 - (c) Work-life balance initiatives are becoming common in workplaces.
2. Identify some things that employees want from their job in today's society.
3. Summarise three points from the 'Women in the workplace' section.
4. Why do many businesses offer 'family-friendly' workplace practices?
5. List four factors causing job losses.
6. Why do employers and employees sometimes hold conflicting views with regard to flexible working hours and part-time work?
7. Outline two effects of technology on work patterns.
8. What are the advantages and disadvantages to employees of flexible working conditions?
9. Describe some of the advantages and disadvantages of the shared economy.
10. Examine the graph showing labour force participation rates for men and women. Discuss how participation rates of women have changed from 1980 to today.

11. Review the figures showing proportion of men and women in the paid workforce in 2018, and the proportion of full-time and part-time employees in 2018. Consider the information shown in these figures with other factors discussed in this subtopic and explain why the average weekly earnings for women are lower than they are for men.

Fully worked solutions and sample responses are available in your digital formats.

3.7 SkillBuilder: Analysis and interpretation of data

3.7.1 Tell me

Tables and graphs can provide a wealth of information clearly and concisely; to get the most from them, it is important to analyse them closely.

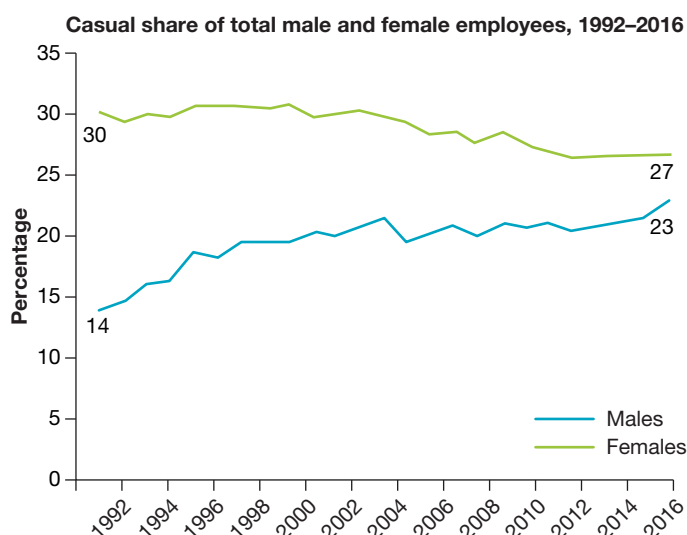
Line graphs are very useful for showing trends (patterns of change over time) and comparing data. When analysing a line graph, first examine the heading — what does it tell you about the data contained in the graph? Examine the key, which identifies what each of the lines on the graph represents. Then look closely at the vertical and horizontal axes, they show you the variables as numbers, percentages, years and so on. When reading line graphs, find points on the graph where two variables meet to obtain specific information. For example, in the following graph showing part-time employees as a percentage of total employees, we can see that about 20 per cent of all people employed in 2002 worked in casual roles.

The trend lines on a line graph show an overall picture of what is happening; that is, whether a particular variable has increased, decreased or remained steady over time. Examine these lines closely — what changes do you see? If there has been change over time, has it been steady and gradual, or perhaps sudden and erratic? When examining a line graph, note down any patterns that you identify. You will then be ready to complete your interpretation, which involves writing a paragraph or two to summarise the information you have found in your analysis of the data.

3.7.2 Show me

Examine the following graph.

Casual share of total male and female employees, 1992–2016



Source: ABS, *Australian Labour Market Statistics*, cat. no. 6105.0 (estimates for 1992 to 2004); ABS, *Characteristics of Employment*, cat. no. 6333.0, (estimates for 2005 to 2016)

The graph's title tells us that the data provided relates to the proportion of all employed people who were employed on a casual basis during the period 1992 to 2016. Looking at the key, we can see information is provided about men and women as part of the total employed population.

The green line shows the percentage of all employed females who were employed casually, and the blue line shows the percentage of all employed males who were employed casually. Looking at these lines on the graph, we can clearly see that the percentage of females employed casually is significantly higher than that of males.

We can also see that the percentage of females employed casually is slowly declining. However, the percentage of males employed casually is slowly increasing. The decline for females is much slower than the increase for males. To summarise what we have learned from this graph, we could write a brief paragraph such as:

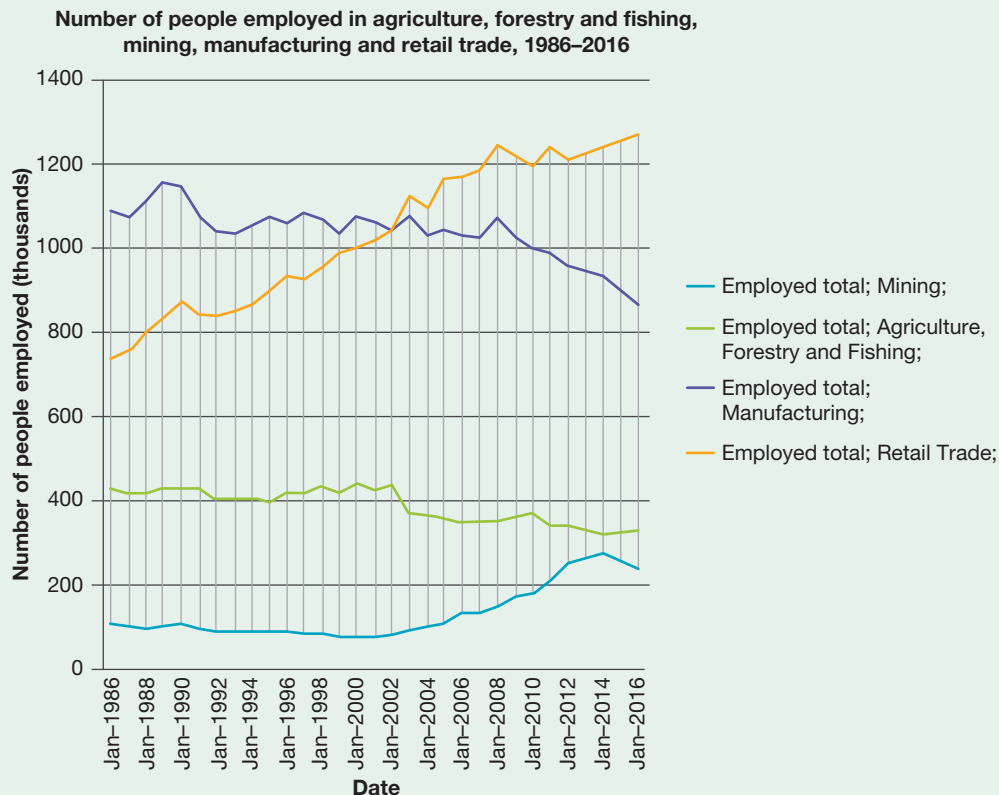
By analysing the employment rates for casual employees in Australia, certain changes have occurred over time. A slow but steady and solid increase in the male population being employed casually can be seen. Interestingly, there has been a decrease in female casual employment. However, females are still more frequently employed in casual employment than males, with a 27 per cent employment rate compared to the 23 per cent rate for males in 2016.

3.7.3 Let me do it

Complete the following activities to practise this skill.

3.7 Activities

Practise your skills by analysing and interpreting the following line graph. Write a paragraph describing the trends shown.



Source: Adapted from Australian Bureau of Statistics, *Labour Force, Australia, Detailed, Quarterly, May 2016* (cat. no. 6291.0.55.003).

3.8 Rights and responsibilities in the workplace

You should be aware of many things when gaining a job, so that your rights are upheld and your responsibilities are met. The conditions of your employment are outlined in your contract.

3.8.1 The employment contract

When you begin your first job, both you and your employer have entered into an **employment contract**. This is a legally binding, formal agreement between an employee and an employer.

Every employer and employee is bound by a contract of employment. There are three important elements to these contracts: *offer*, *acceptance* and *consideration*.

A business can place a job advertisement in a newspaper, on the internet, put up a sign in the window or approach you personally and offer you a job. If you decide to apply for the position and your application is successful, you will be asked to attend a job interview. During the interview you are informed about the terms and conditions that apply to the job. This is the offer. If you agree to these terms and conditions you make the acceptance. That is, you agree to take the job.

The consideration, from the company's point of view, is that it has to supply the wage and other conditions offered. In return, the employee's consideration is to supply the labour. Consideration refers to the benefits that both parties will receive.

A contract does not have to be written. It can be a verbal (or spoken) contract. It is generally safer to have a written contract, in case one of the parties to the contract does not fulfil their side of the contract. There is an old saying, 'verbal contracts are not worth the paper they're written on!'.

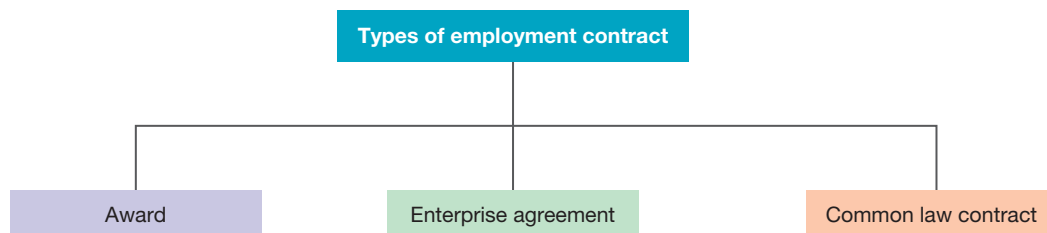
At the beginning of your employment there is normally a good relationship between you and your employer. It is what happens from there that determines how the relationship develops. If both parties to the contract fulfil their obligations, a positive relationship will be maintained. Sometimes, though, this working relationship can sour. You may feel your employer is not fulfilling all of her or his obligations. Of course, the employer may feel the same about you. When these situations arise, you may need the help of someone from outside the business. This person can help determine who is liable under the terms of the contract.

There are three different types of employment contract.

A job offer can be made in several ways.



The main types of employment contract



COMFACT

One of the most important pieces of legislation relating to employment arrangements is the Australian government's *Fair Work Act 2009*.

3.8.2 Modern awards

Modern **awards** refer to the legally enforceable minimum terms and conditions that apply to a business or industry. They cover employees across Australia who work in the same industries and occupations, and apply in most workplaces. Modern awards include information about:

- wages, including penalty and overtime rates
- hours of work and rest breaks, including flexible work arrangements
- allowances for uniforms or tools
- leave, including sick, holiday, long service, study, family and maternity leave
- superannuation
- **redundancy** entitlements.

Modern awards are adjusted for wage increases given in National Wage Cases heard by Fair Work Commission (FWC), the independent national workplace relations tribunal. They also cover a large proportion of employees in lower skilled occupational groups in the hospitality, retailing and community services sector.

Some employers will provide above-award payments, especially if they wish to attract more workers to their business or if they want to hold on to their existing staff. Award infringements may be reported by employees to the FWC through the Fair Work Ombudsman, or through a trade union.

Awards have the following advantages and disadvantages.

Award coverage is high in retail and hospitality.



Modern awards

Advantages	Disadvantages
• Set a minimum for pay and conditions • Cover all employees performing a similar job • Protect employees from exploitation	• Inflexible – may not suit all employees • Prevent recognition of individual initiative as all employees receive the same pay



Resources



Digital document Worksheet 3.7 Acronyms (doc-32697)



Weblinks
Fair Work Commission
Fair Work Ombudsman

3.8.3 What are penalty rates?

Penalty rates

Employees often get a higher pay rate when working:

- weekends
- public holidays
- overtime
- late nights shifts or
- early morning shifts.

Allowances

Allowances are extra payments made to employees who:

- do certain tasks or have a particular skill
- use their own tools at work
- work in unpleasant or dangerous conditions.

Common allowances include:

- uniforms and special clothing
- tools and equipment
- travel and fares
- car and phone
- first-aid
- leading hand/supervisor
- industry of employment (for example, building and construction).

3.8.4 Enterprise agreement

Imagine all the students in your Commerce class sitting down with your teacher and negotiating a set of conditions for your class. Apart from the essential conditions such as completing all the work and respecting each other's opinions, you might negotiate a homework-free month in return for one extra assessment task. You have just entered into an **enterprise agreement**.

An enterprise agreement is a negotiated agreement about pay and conditions made at a workplace/enterprise level between an employer and a group of employees or union. It offers broader terms and conditions than a modern award, and can either replace a modern award or act as an 'add-on agreement'.

The key features of enterprise agreements are they:

- may cover rates of pay, overtime, hours of work, allowances and leave
- must be in writing and approved by all parties
- must be approved by Fair Work Commission (FWC), who must be satisfied that the agreement:
 - passes a '*better off overall test*' (BOOT) compared to the modern award
 - does not include any unlawful conditions
 - has an expiry date
 - outlines how disputes are to be settled
 - includes a flexibility clause allowing for variations if required.

To ensure that both parties bargain in good faith — that is, a genuine attempt to negotiate the issues in a timely and fair manner — there are strict rules relating to the enterprise bargaining process.

Enterprise agreements have the following advantages and disadvantages.

When two parties negotiate, they should bargain in good faith.



Enterprise agreements	
Advantages	Disadvantages
• Consultation with and involvement of employees • Possibility of improved pay and conditions • Access to training • Greater flexibility	• Possibility of undermining of award standards, with some employees working longer hours • Possibility of job losses • Greater inequity in wage rates between employees

3.8.5 Common law contract

Imagine if your Commerce teacher and you came to an agreement about your conditions of work for this subject. These conditions would apply only to you. That is why they are sometimes called individual common law contracts. The new contract would do away with the classroom conditions agreed to in the award or enterprise agreement. For example, the new agreement may offer you a 'classroom (employment) package' that includes more homework in return for the right to attend only two Commerce lessons each week. You have just entered into a common law contract.

Common law (employment) contracts cover those employees who are not under any award or enterprise agreements. They are more common among professional and managerial employees. Such contracts are signed individually and are secret; that is, not open to public scrutiny.

Common law contracts have the following advantages and disadvantages.

Common law contracts

Advantages	Disadvantages
• Right to sue for compensation if the employment conditions are not met • Flexibility to suit the varied needs of individuals • Individual initiative rewarded	• Offer less protection than other agreements • Possible exploitation of employees due to unfair bargaining positions • Expense of any court case if either party sues for compensation

There are many different aspects to consider when determining the most suitable employment contract.



on Resources

 **Weblink** NSW Industrial Relations

3.8.6 Rights and obligations of employees and employers

All employment contracts establish legally binding rights and obligations for both parties. The obligations of each party are reflected in the rights of the other party.

The rights and obligations of employees and employers	
Employees expect employers will	Employers expect employees to
• Pay correct income – set by an award or agreements • Provide a safe, healthy and discrimination – free work place • Provide a pay slip showing the total amount and how it was calculated • Not require the undertaking of illegal activities • Abide by requirement of industrial relations legislation	• Obey lawful and reasonable command made by the employer • Attend work at required times • Use care and skill in carrying out their work activities • Act in good faith and in the interests of the employer • Dress appropriately for the job • Respect colleagues and employer
These rights and obligations apply to casual, part-time and full-time employees.	

It is important that you are aware of your rights so you know your entitlements. It is also important to know your obligations because if you fail to meet your responsibilities, your employer might discipline you or in some cases terminate your employment.

3.8.7 Employee entitlements — National Employment Standards (NES)

Within an award, agreement or contract of employment will be a list of entitlements. Although there is a common set of entitlements, such as leave provisions, there will be differences based on the particular job or industry. Ask your employer which award or agreement applies to you and your job so you can find out about your specific entitlements. Remember, though, if you are a casual worker you do not have access to most of these entitlements. Instead you are paid a loading as compensation.

National Employment Standards

1. **Maximum weekly hours of work** — 38 hours per week
2. **Request for flexible working arrangements** — for parents or carers of children under 18
3. **Parental leave and related entitlements** — up to 12 months unpaid leave
4. **Annual leave** — four weeks paid leave per year
5. **Personal/carer's leave and compassionate leave** — 10 days paid leave, two days unpaid carer's leave
6. **Community service leave** — unpaid leave for voluntary emergency activities and up to 10 days paid jury service
7. **Long service leave** — after a period of continuous employment
8. **Public holidays** — a paid day off on a public holiday
9. **Notice of termination and redundancy pay** — up to 4 weeks' notice of termination and up to 16 weeks' redundancy pay, both based on length of service
10. **Provision of a Fair Work Information Statement** — a statement for all new employees about their rights and entitlements.

Since 1 January 2010, most employees are entitled to a set of ten minimum employment entitlements known as the National Employment Standards (NES). The NES were developed by the federal government in consultation with business, unions and the community. They were designed to provide a greater safety net for employees, particularly for the most vulnerable and low-paid employees in the workforce. The standards apply to all full-time and part-time employees, whether permanent or fixed term. Some of the NES also apply to casual employees.

The National Employment Standards provide a safety net for employees.



3.8.8 Independent contractors

Not everyone in the labour force operates under an employment contract. Currently, about 10 per cent of the labour force consists of independent contractors, often known as consultants or freelancers. Independent contractors do not have the same legal status as employees. Contractors tend to have a set term for a project and control their own work. A contractor carries most of the risk on a job undertaken, including covering their own superannuation, tax, insurance and leave. This is why many employers prefer to hire independent contractors as it allows employment risks such as sickness to be shifted to the person undertaking the work.

Owner–drivers are often independent contractors.



3.8.9 Employment contracts — the new industrial landscape

As you can tell from the information contained in this subtopic, the world of work is complex and constantly changing. Some employees will benefit, while others will be disadvantaged.

CASE STUDY

The move from a predominantly award-based bargaining system towards workplace enterprise agreements has had mixed effects on employees. Where employees' skills are in demand, or where they are represented by strong trade unions, employees are generally achieving excellent wage and non-wage benefits.

Many employees in less secure bargaining situations were, in recent years, under pressure to accept agreements that resulted in a reduction in their pay and working conditions. Employers, who were under pressure to reduce costs, saw such agreements as a strategy to improve flexibility and competitiveness in global markets. For many employees today, agreements involve significant trade-offs in working hours and conditions.

Resources

-  **Weblinks** Young people at work
Fair Work Commission
Fair Work Ombudsman

3.8 Activity: Research and communication

1. In small groups, decide which type of employment contract you would prefer if you were a:
(a) casual sales assistant
(b) full-time clerk
(c) full-time senior manager.
Justify your choice and then share your answer with the rest of the class.
2. On your own initiative you devised a new packing system for a firm. This reduced transport costs by 10%. As a group, discuss whether the employer is more likely to reward you if you were employed under an award or a common law contract.
3. More than half of all newly hired employees do not discuss their conditions of employment with their employer before starting work. Many of these are young people. As a class, create a short script to help a young person ask a prospective employer about their conditions of employment.
4. Use the **NSW Industrial Relations** weblink in the Resources tab to access 'Young people at work' and answer the following questions.
(a) Outline what you should receive when you are offered a job.
(b) Why is it best to seek advice before signing any document agreeing to working conditions?
(c) Act out a role play of a wage negotiation.
5. As a class, brainstorm the advantages and disadvantages of being an independent contractor.
6. Investigate workplace relations issues for young people by using the **Young people at work** weblink in the Resources tab. Select a topic that interests you and prepare a brief report on what you learned.
7. Use the **Fair Work Ombudsman** weblink and click on the Pay tab to investigate an industry you are interested in, and to see what allowances and penalty rates are available. Create a factsheet that could be used to circulate awareness. In your factsheet make sure to outline how someone would get help if they think they are not being paid the correct penalty rate and/or allowance.

3.8 Exercise: Knowledge and understanding

To answer questions online and to receive **immediate feedback** and **sample responses** for every question, go to your learnON title at www.jacplus.com.au.

1. Match these statements to the most appropriate word or phrase in the list.
acceptance offer consideration employment contract contract written contract
(a) An agreement that is enforceable by law _____
(b) The terms and conditions that apply to an employment contract _____
(c) When you agree to the terms and conditions of a contract _____
(d) The benefits both parties will receive from a contract _____
(e) This type of contract is safer than a verbal contract _____
(f) A legally binding, formal agreement between an employee and an employer _____

2. Examine the verbal and written job offers shown in section 3.8.1 and then answer the following questions.
 - (a) Which of the two job offers provides more detail? Give reasons for your answer.
 - (b) Which of the contracts would be easier to enforce in a court of law? Why?
3. List the benefits (consideration) that the employer and employee receive under an employment contract.
4. What should you do:
 - (a) before you sign an employment contract? Why?
 - (b) if the employment contract contains something you do not understand?
5. What is an award? List four issues outlined in a modern award.
6. Under what circumstances may an employer offer above-award conditions?
7. Explain the difference between an *enterprise agreement* and a *common law contract*.
8. List the key features of an enterprise agreement.
9. Explain the meaning of the term 'bargaining in good faith'.
10. What type of employee is usually covered by a common law contract?
11. Outline the right a party has if the conditions of a common law contract are not fulfilled.
12. Why should you be aware of your workplace rights and obligations?
13. What is the purpose of the National Employment Standards?
14. Determine whether the following statements are *True* or *False*.
 - (a) Part-time employees cannot access entitlements offered to full-time employees.
 - (b) Casual employees receive a loading to compensate for their lack of entitlements.
 - (c) Independent contractors are classified as employees.
15. Why do many employers prefer to hire independent contractors instead of employing a person?
16. Which one of the three advantages of awards do you consider to be the most important? Why?
17. Investigate a modern award by using the **Fair Work Commission** weblink in the Resources tab. Why is it important for employees to have access to their award?
18. Use the **Fair Work Ombudsman** weblink in the Resources tab and outline the Ombudsman's role by clicking on 'About Us'. Select an area of interest and explain how this information could be useful for an employee.
19. Why do you think enterprise agreements have to be approved by Fair Work Commission?
20. Which employment contract would you prefer to:
 - (a) accept as an employee?
 - (b) offer as an employer?
 Give reasons for your answer.
21. Select what you consider to be the three most important standards from the ten National Employment Standards. Give reasons for your choices.

Fully worked solutions and sample responses are available in your digital formats.

3.9 Responsibilities to workers and the government

The responsibilities of employers to workers are set out in 3.8.6 and include paying the correct income, providing a safe work place and abiding by the law. However, employers also have many responsibilities to the government, these include paying taxes, collecting taxes (PAYG and GST) and transferring them to the ATO as well as implementing government policies such as paid parental leave and superannuation.

3.9.1 Taxation

Reasons for taxes

Many people complain about paying **taxes** and feel they would be better off without them. However, there are some goods and services that are provided for the whole community and available for everyone to use. These are called **collective wants**: goods and services that are mostly provided by governments. They include schools, hospitals, defence forces and social welfare payments. To pay for these goods and services, the government needs to raise money, which it does through taxes. Taxes are the main source of government revenue.

Governments provide these collective goods and services.



Types of taxes

Over time, taxes have been placed (imposed) on many unusual items such as hats, beds, baths, windows, marriages and even funerals. History also records that a Turkish ruler collected a tax each time he dined with one of his subjects. Why? To pay for the wear and tear on his teeth!

In Australia, there are a number of different taxes, but the one most likely to affect you in your working life is personal income tax where a percentage of each worker's earnings is given to the federal government. How much tax you pay depends on how high your income is because income tax rates vary according to income.

PAYG income tax rates 2019–2020

Taxable income	Tax on this income
\$0–\$18 200	Nil
\$18 201–\$37 000	19 cents for each \$1 over \$18 200
\$37 001–\$90 000	\$3572 plus 32.5 cents for each \$1 over \$37 000
\$90 001–\$180 000	\$20 797 plus 37 cents for each \$1 over \$90 000
\$180 001 and over	\$54 097 plus 45 cents for each \$1 over \$180 000

The most common method of paying personal income tax is through the Pay As You Go (PAYG) system. It generally applies to wage and salary earners. Your employer deducts tax out of each pay and sends this to the Australian Taxation Office (ATO). The PAYG system is based on a tax year starting on 1 July and ending the following 30 June.

The federal government also gains revenue from:

- company taxes paid by businesses out of their profits
- excise duty, a special tax placed on cigarettes, alcohol and petrol
- customs duty, a tax on some imported goods
- capital gains tax, a tax on profits made on the sale of assets such as property and shares.

Since 2000, Australia has also had a **Goods and Services Tax (GST)**. This is payable on most goods and services sold, with the major exception of fresh food as well as some medical and educational services. The

We pay excise duty on petrol



GST is a tax that is applied at each stage of production but paid by the final consumer. Ten per cent of the price of each purchase is returned to the federal government as GST. This money is then passed onto the state and territory governments.

Processes of paying taxes

Tax File Number (TFN) declaration

When you start a new job, you should complete a TFN declaration form. The Australian Tax Office (ATO) will use the information you provide on this form to determine the amount of tax automatically deducted from your pay. If you have more than one job, you must complete a form for each employer.

COMFACT

No income tax is paid on lottery winnings, raffle prizes, gifts, rewards for information and inheritances.

Income tax return

Australia's tax system works on self-assessment. This means that you must show your assessable income and claim only the deductions and offsets (formerly called rebates) to which you are entitled. An income tax return has to be completed and returned to the ATO at the end of the financial year. The ATO will then check your return to determine whether you have paid enough tax. If you have not, you will have to pay more tax. If you have paid too much tax, the ATO will give you a refund.

In order to do your tax return, you need to keep records in a number of areas. You need to ensure that these papers (or electronic records) are kept safe and retained for five years. Following is a list of items that you should keep track of and place in a folder (either hard copy or on your computer) that you can easily get your hands on when it comes to doing your tax return.

- payslips of payments you have received
- receipts of expenses you have had that relate to your job; for instance, this could include costs of protective clothing if you work as a farmer or of a computer if you work as a IT consultant
- receipts of gifts, donations and other contributions
- car expenses if your work requires you to travel for work (you cannot claim your travel to work); you should keep a logbook of the kilometres and odometer readings for the periods that you have travelled for work.

Speaking to a tax agent for advice when you need to lodge a tax return for the first time is a good idea: they can help you to familiarise yourself with the process and advise you on taxation laws.

It's important to keep receipts of all expenses related to your job.



3.9.2 Paid parental leave

It is natural that employees need time off when they want to have a baby. Paid parental leave enables workers to receive some pay while they are off work with their newborn. The government-funded paid parental leave scheme commenced in 2011, providing payment for 18 weeks within the first year after the birth of the child. Additional changes were made in 2012 when it was decided that dads and partners were also entitled to two weeks paid parental leave.

Paid parental schemes vary enormously around the world. For example, the USA offers no paid parental leave while Norway offers a generous 46 weeks of leave at 100 per cent of wage.

3.9.3 Superannuation

The golden years

When you retire, you may be able to access an aged pension in order to survive. This is an amount provided by the federal government to help you meet your basic needs. It does not allow for a luxurious or a preferred lifestyle. As a result, you may need to work longer, or sell assets in order to generate the cash flow required. It is best to start a savings program early in life.

However, you are probably wondering why you should worry about retirement at this stage of your life. Well, imagine what your life will be like if you have no regular income when you eventually retire. Your lifestyle will suffer. What you need is a long-term investment plan — superannuation — that lets you save for retirement.

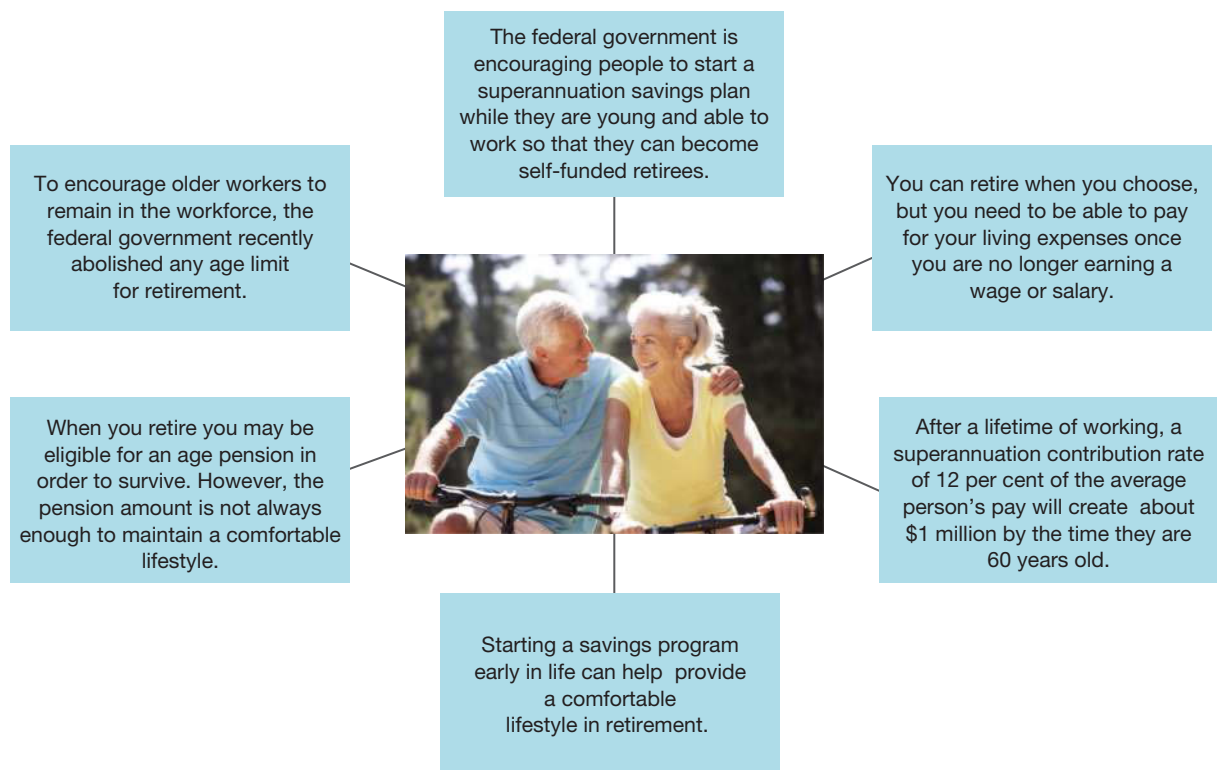
What is superannuation?

Superannuation (super) is a compulsory savings scheme whereby your employer contributes part of your wage or salary (9.5 per cent until 2021) into a special type of investment account known as a superannuation fund. These funds are then invested to increase their value before they are paid to you when you retire.

Employees can choose to contribute to this fund also, thus increasing the overall amount they will receive on retirement. How much the employee chooses to contribute is up to him or her. The government encourages employees to make personal contributions by allowing some contributions to be tax deductible. Also, through the super co-contribution scheme, low- and middle-income earners receive a payment from the government for every after-tax dollar they contribute to their superannuation.

There are laws in place that determine when you are eligible to access your superannuation savings. Recent changes have made it attractive to remain working until at least age 60.

It is vital to have a financial plan that includes saving for retirement.



So how much superannuation do you need to retire? The answer depends on many factors, such as your lifestyle and expenses. In other words, in order to figure out how much money you need to save, you need to consider how much money you are likely to spend when you stop working. In order to maintain the same standard of living when you retire as you enjoyed when you were working, you will need approximately two-thirds of your working wage during retirement. This approximation is constantly updated as the cost of living keeps going up. The figure takes into account aspects such as the price of food, utility bills, changing lifestyles and spending habits.

Those who have the financial resources to do so are well advised to plan ahead for retirement, so they can be self-funded retirees. This means putting aside money now (while you are young and able to work) for when you get older and no longer have a regular income. Some people choose to invest their money in property, shares, term deposits or managed funds.

Normally, the longer you leave your money in a super fund, the more it grows.

Advantages and disadvantages of superannuation as a saving/investment option

Advantages	Disadvantages
• A forced saving scheme. • The money is automatically deducted and invested. • The value increases over time. • It allows you to maintain your lifestyle into old age. • You can change super funds, under certain circumstances. • You are given the right to select which investment options you prefer. • Your super fund stays active even when you change employers.	• Most people have to wait until they are at least 60 before they can access their super funds. • Super fund investments may lose value over time. • The government does not guarantee the safety of super funds. • Administration and management fees are charged by the super funds. • Taxation must be paid on certain lump sum payments

CASE STUDY

A super idea

Hi, I'm Jason Starkey. I began saving for my retirement when I started my first part-time job at the age of 16. My employer began contributing to my superannuation then. I had a great time for a few years and enjoyed spending my money. Once I had started working full-time as a plumber, I immediately began contributing to my work superannuation fund. Later on, when I had children and money was tight, I kept on contributing but at a slightly lower rate. Once the children had become self-supporting, I increased my superannuation contributions to the highest level. Now, at the age of 70, I am pleased I made those earlier decisions. My superannuation balance of \$615 000 is sufficient to allow me to do the things I would like to do in retirement — travel, update my car and enjoy life.



on Resources

 **Digital document** Worksheet 3.8 Rights and responsibilities in the workplace (doc-32833)

3.9 Activity: Research and communication

1. Research one country's paid parental leave scheme and then answer the following.
 - (a) How long do you need to be working for, before you can get paid parental leave?
 - (b) Who is entitled to it?

- (c) How long does the mother typically get?
- (d) How long does the father typically get?
- (e) What variables are there?
2. Imagine that a local financial adviser came to speak to the class about the importance of having a lifetime savings plan, and why superannuation is so important. Write out three questions you could ask.

3.9 Exercise: Knowledge and understanding

To answer questions online and to receive **immediate feedback** and **sample responses** for every question, go to your learnON title at www.jacplus.com.au.

1. Explain why governments tax people.
2. Which tax raises the most revenue for the federal government?
3. Collect pictures of three collective wants provided by the government and paste them into your notebook. Underneath each, write a short statement explaining how it improves your quality of life.
4. What do the following letters represent? Provide a brief explanation of each.
 - (a) ATO
 - (b) PAYG
 - (c) GST
 - (d) TFN
5. When should a tax file number declaration form be completed? What is its purpose?
6. Michael earns \$35 000 per annum and Tai receives \$68 000 per annum.
 - (a) Explain to Tai why his entire salary is not taxed at the 32.5 per cent rate.
 - (b) Calculate the tax payable in each case.
7. Complete a mock PAYG tax return form with the following details:

Name: Robert Polosak
Address: 2 High Street, Bigga 2497
Date of birth: 18–5–1988
Occupation: Engineer
Tax File Number (TFN): 371 958 137
Income: \$61 085
Interest on term deposit: \$2215
Deductions:

 - Journals \$435
 - Computer use \$860
 - Lighting/power — office \$1105
 - Safety equipment \$792
 - Conference fees \$1185
8. What is the obligation of employers towards employees in relation to superannuation?
9. What is the legal age for retirement? Explain.
10. 'We would all be better off if we did not pay taxes, but provided for our own needs and wants.' Do you agree or disagree with this statement? Give reasons for your answer.
11. PAYG income tax is a progressive tax; that is, the proportion paid in tax increases when income increases. Do you think this type of tax system discourages people from working? Give reasons for your answer.
12. A friend has come to you for advice about superannuation. Outline the advantages and disadvantages of superannuation as a saving/investment option.
13. Why do you think the government encourages older workers to remain in the workforce?
14. According to the cartoon provided, what are some of the consequences of being ill-prepared for retirement?



15. What problems may result from a rapidly ageing population and a declining birth rate? Share your answer with the rest of the class.
16. Read the case study above. Why do you think Jason made the correct decisions regarding his superannuation contributions?

Fully worked solutions and sample responses are available in your digital formats.

3.10 Laws relating to the workplace

3.10.1 Workplace health and safety (WH&S) legislation

Did you know that this year:

- about 180 people will be killed at work
- most of the deaths will be men aged under 34
- about 250 people will die from work-related injuries or illnesses
- construction, agriculture/forestry, and transport will account for 50 per cent of these deaths
- 97 per cent of work-related deaths could have been prevented?

A recent safety poster carried the warning ‘WORK IS A HEALTH HAZARD’. Inadequate training, lack of appreciation for the seriousness of health and safety issues, and an attitude of ‘she’ll be right’ all contribute to carelessness. They are the three main causes of workplace injuries and illnesses.

On 1 January 2012, the *Work Health and Safety (WHS) Act 2010* (Cwlth) came into effect. WH&S has as its core the safety and protection of employees and outlines the legal requirements for employers and employees. Employers must ensure:

- their workplace is safe
- machinery is regularly inspected and maintained
- protective clothing and adequate training are provided
- committees have been set up to enforce the WH&S (formerly OH&S) rules
- they have a written WH&S policy.

However, safety in the workplace is not *just* an employer’s responsibility. All employees must:

- comply with safety instructions
- report any situation they think may be dangerous
- cooperate in the investigation of accidents in order to prevent them from happening again.

SafeWork NSW, the State Insurance Regulatory Authority (SIRA) and Insurance and Care NSW (icare) work together to provide reasonable WH&S advice to employers and employees and conduct workplace inspections.

Every morning Costa Logistics employees perform stretching exercises to avoid injuries.



Unsafe work practices



3.10.2 Bullying in the workplace

Approximately one in six students are bullied every week in Australian schools. Not much seems to change when they join the workforce, with figures suggesting that 85 per cent of workers suffer or witness bullying. It is a serious issue both for schools and workplaces.

The more noticeable forms of workplace bullying are intimidation, humiliation, verbal abuse, slamming doors, pushing, touching or fondling, and threatened or actual violence against an employee — in short, any repeated actions likely to generate a risk to health and safety. Workplace bullying can be repeated and ongoing, and can be debilitating. There are also subtle forms of bullying such as excluding or isolating employees or assigning meaningless tasks unrelated to the job.

If you experience bullying in the workplace, you can take a number of steps to assist in preventing and responding to it. You can:

- read your workplace bullying policy and follow the reporting procedures
- calmly tell the other person to stop the behaviour if you feel comfortable
- seek advice from another person, such as a health and safety representative, supervisor or manager, or someone you trust.

CASE STUDY

Pizza with the lot?

A 17-year-old pizza delivery boy accused his employer of assault. The pizza store manager allegedly:

- locked him in the freezer for almost half an hour, ignoring his pleas to be released because of his asthma
- tied the boy to the bonnet of his car while he drove it back and forth
- sprayed a fire extinguisher under the door of a toilet cubicle where the boy was hiding
- hit the boy in the head, jammed his ankle in a door and cut his face with a wristwatch during a scuffle.

In court, the 27-year-old manager defended his actions, claiming they were part of the teenager's 'initiation' into the company. The manager was found guilty on four counts of criminal assault. He was fined \$650 and placed on a 12-month \$500 good behaviour bond.

3.10.3 Sexual harassment

The *Anti-Discrimination Act 1997* (NSW) and the *Sex Discrimination Act 1984* (Cwlth) make sexual harassment unlawful. Sexual harassment covers a wide range of unwelcome behaviour of a sexual nature that could make a person feel humiliated or offended. It includes comments on a person's physical appearance, questions about a person's sex life, and the display of pornographic images, for example, on a screensaver or a poster. It is not a defence to say the harassment was meant to be a joke.

Any person who feels they have been unlawfully sexually harassed can contact the Australian Human Rights Commission for free advice. The commission investigates complaints and helps find a solution.

Sexual harassment includes unwanted touching of a sexual nature.



Resources



Weblinks [WorkCover Authority of NSW](#)

Australian Human Rights Commission

3.10 Activity: Research and communication

1. Read the case study 'Pizza with the lot?'. As a class, discuss:
 - (a) the adequacy of the penalty
 - (b) why some employers and employees engage in 'initiation' ceremonies.
2. Use the **WorkCover Authority of NSW** weblink in the Resources tab and research the following:
 - (a) how to notify an incident or an injury
 - (b) two recent safety alerts.
3. Use the **Australian Human Rights Commission** weblink in the Resources tab to outline how sexual harassment can be identified.

3.10 Exercise: Knowledge and understanding

To answer questions online and to receive **immediate feedback** and **sample responses** for every question, go to your learnON title at www.jacplus.com.au.

1. What do the letters WH&S represent?
2. Examine the unsafe work practices diagram in section 3.10.1. Make a list of all the unsafe practices that you can find in the diagram
3. Identify the three main causes of workplace injuries and illnesses.
4. Use the following pairs of words in a sentence:
 - bullying/workplace
 - company/responsibility.
5. Give one example, within a school setting, of subtle bullying and another of more noticeable bullying.
6. What particular age and gender group faces the greatest risk of workplace death or injury? Suggest reasons why accident numbers within this group are so high.
7. Imagine that you are a person being bullied at school or in the workplace. Comment on how it would affect you:
 - (a) self-confidence
 - (b) performance.

Fully worked solutions and sample responses are available in your digital formats.

3.11 Anti-discrimination and unfair dismissal

3.11.1 Anti-discrimination

Discrimination occurs when a person is treated less favourably because of factors such as gender, age, ethnicity, religion or disability. For many years, discrimination in the workplace was widespread. Women found it difficult to gain promotion, and pay rates for females have been, and still are, below the pay rates for males in comparable occupations. Older employees were sometimes dismissed or forced to retire to be replaced by younger, lower-paid workers. Many migrants and indigenous people found it difficult to secure permanent employment because of their racial backgrounds.

Beginning in the late 1970s, several federal and state laws were passed aimed at ending these kinds of discrimination. Under these laws, it is illegal to discriminate on the grounds of a person's:

- gender, ethnicity, age or sexual orientation
- physical or mental disability
- religious faith or political opinions
- marital status, family responsibilities, pregnancy or potential pregnancy.

- (a) Direct discrimination is treating a person or group less favourably than another person or group in similar circumstances.
- (b) Indirect discrimination is treatment that seems fair but which has an unequal or unfair impact on one person or group compared with others.



The main legislation in this area includes:

1. *Racial Discrimination Act 1975* (Cwlth). This Act ensures that employers cannot specify particular racial or cultural characteristics when advertising a position.
2. *Sex Discrimination Act 1984* (Cwlth). This Act makes it unlawful to discriminate on the basis of sex, pregnancy or potential pregnancy, or marital status, with respect to dismissals, family responsibilities. It also prohibits sexual harassment.
3. *Disability Discrimination Act 1992* (Cwlth). This Act ensures that, within reason, all people with a disability have equal access to employment.
4. *Age Discrimination Act 2004* (Cwlth). This Act ensures that people are not discriminated against on the basis of age.
5. *Affirmative Action Act 1986* (Cwlth). This Act requires businesses to promote equal employment opportunities (EEO) for those people previously discriminated against.

CASE STUDY

Case study in discrimination: Mishka's case

For 10 years, I worked as an Accounts Manager at a major company. After becoming pregnant, I applied for 12 months maternity leave. At the time, my boss was not happy with the application for leave and evidence was presented later at a legal hearing that he had stated, 'That's it! I now have three women on maternity leave and I'm sick of hiring and training new staff. I'm only hiring men in future'.

At the end of my maternity leave, my boss informed me that although I could resume work with the company, I could not return to my previous position as Accounts Manager. Instead, the company placed me in telephone marketing and it was clear that I had suffered a demotion from my previous position. I applied for an unfair dismissal claim with the Fair Work Commission. During the conciliation process, it was agreed that I had been unfairly dismissed. I received a monetary settlement, and a statement of service showing what I had been doing for the company during the time I worked with them. I was also offered my old job back. However, I chose to go to another company because I had lost trust in my employer and felt that they had not treated me like a valued employee.



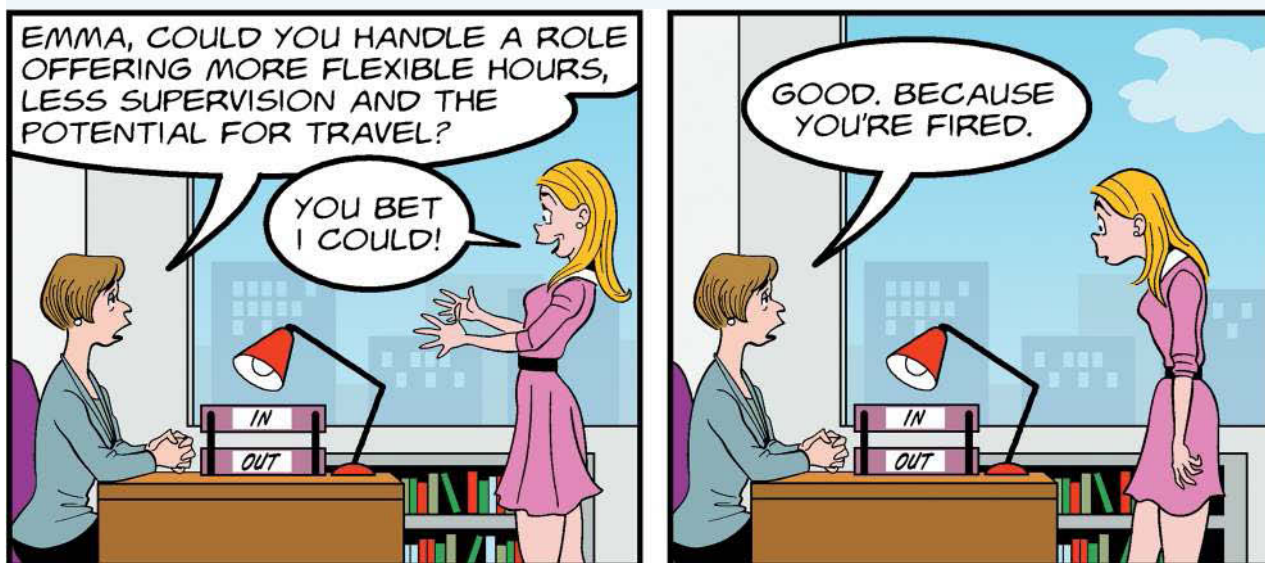
3.11.2 Unfair dismissal

If an employee is not performing his or her job satisfactorily or behaves in an inappropriate manner, the business can terminate their employment. This is called dismissal. There are three ways in which an employee may be dismissed:

1. *Summary dismissal* is based on a serious breach of the employment contract, such as fraud, intoxication, or assault of an employer.
2. *Dismissal 'by notice'* is based on failure to perform the job adequately.
3. *Redundancy or retrenchment* is dismissal due to the employer no longer needing the employee for economic or operational reasons.

Unfair dismissal occurs when an employee is sacked (or threatened with the sack) and they believe the dismissal is 'harsh, unjust or unreasonable'. Protection from unfair dismissal has been incorporated into federal legislation. Under the *Fair Work Act 2009* (Cwlth) an employee who believes they have been unfairly dismissed can apply to the Fair Work Commission for reinstatement and/or compensation. The Act's main objective is to create a system that gives employees access to a cheap, simple and fair process of appeal. If employees believe they have been unfairly dismissed, they need to apply to the Commission within 21 calendar days of the dismissal taking effect. Employees of a small business cannot claim for unfair dismissal until they have served a minimum employment period of 12 months, while for larger businesses, the minimum employment period is six months.

An inappropriate dismissal technique



on Resources

 **Digital document** Worksheet 3.9 An unhealthy working environment (doc-32698)

3.11 Activity: Research and communication

1. Read the following story and answer the questions.

Natashia Frazer and Civic Printers

I was employed by Civic Printers for 12 years. One month ago my new supervisor warned me that if my work did not improve I may be dismissed. Before this I had received only good work reports.

One Friday afternoon I was told that someone else had complained about my performance and that I was being dismissed. I had never been given any written advice that my work was unsatisfactory. However, the supervisor's decision was final and I was dismissed. I think it is unfair.

- (a) Have a class vote to decide whether Natasha's dismissal was fair or unfair.
 - (b) Now, as a class, discuss whether the termination of Natasha was fair or unfair.
 - (c) Take another vote to see if the discussion has made any difference to class members' views.
2. Use the **Young Worker Toolkit** in the Resources tab to investigate 'Quitting and losing your job'. Select one of the questions and summarise the response.

3.11 Exercise: Knowledge and understanding

To answer questions online and to receive **immediate feedback** and **sample responses** for every question, go to your learnON title at www.jacplus.com.au.

1. What is meant by the term 'discrimination'?
2. Identify the groups in society which may experience discrimination.
3. Briefly outline the purposes of two pieces of anti-discrimination legislation.
4. Briefly outline the three ways that an employee may be dismissed.
5. When is a dismissal considered to be unfair?
6. Why do you think anti-discrimination legislation has not always been effective?
7. With reference to Mishka's case study in section 3.11.1, do you agree or disagree with the Federal Court's decision? Why or why not?

Fully worked solutions and sample responses are available in your digital formats.

3.12 Resolving disputes

When issues occur at work, disputes can be resolved in many ways.

3.12.1 Methods of resolving disputes

Resolving workplace disputes can be time consuming and very expensive, especially if an adversarial court case is involved. So, over the past 20 years, alternative methods have been set up to help resolve disputes. The main methods, in the order in which they normally occur depending on the seriousness of the dispute, are:

- grievance procedures
- negotiation
- mediation
- conciliation and arbitration.

3.12.2 Grievance procedures

Grievances are complaints that an employee has formally reported to a manager or union representative. Grievances usually occur when an employee thinks they have been unfairly treated.

To reduce the risk of these low-level complaints blowing out into a major confrontational issue, most businesses have developed a system of **grievance procedures**: a number of predetermined steps that are followed to resolve a dispute. In most cases, the problem is resolved after discussions between the people involved. For example, you may think it is unfair that a work colleague is always given first choice when selecting work times on a new roster. You decide to inform your supervisor of your grievance. The supervisor would then follow the set procedures to negotiate a solution.

3.12.3 Negotiation

Negotiation is a method of resolving disputes where the parties involved discuss the issues in an attempt to reach a compromise. You could negotiate with your work colleague to reach a compromise regarding the selection of work times on a new roster. The supervisor or manager then formally recognises the negotiated agreement. Effective negotiators are not motivated by trying to beat the other person. Rather, they want to reach an agreement that satisfies all those involved. Consequently, some 'give and take' may be required in an attempt to reach a compromise solution. Successfully negotiating a resolution to a dispute usually results in all the parties feeling good about the decision and committed to the end result.

Unfortunately, our cultural obsession with winning, while sometimes a desirable quality, can be an obstacle to effective negotiation. A win-win approach is preferable.

If negotiation fails to resolve the dispute, the next alternative is mediation.

A negotiated decision



3.12.4 Mediation

Mediation is an informal process where a third party (the Commission) helps those involved in a dispute to reach a solution acceptable to both sides. Mediators do not act *for* either of the parties, nor do they advise or decide who is right or wrong. Their main role is to encourage the parties to examine all the issues. Discussions are confidential and held in a non-threatening environment. The main advantage of mediation is that:

- both parties will feel that they have achieved something by themselves
- it provides a win-win solution where no-one is seen to 'lose'.

If mediation fails to resolve the dispute, the next alternative is to have the case heard in a court, by the Fair Work Commission, which has the power to conciliate and arbitrate.

3.12.5 Conciliation and arbitration

Conciliation is a semi-formal process where a third party, in this case the Fair Work Commission helps settle a dispute by trying to get both parties to reach a mutually acceptable solution. A teacher conciliates when she or he assists two students to settle a dispute by offering advice and suggestions.

If no solution is reached and the dispute continues, the teacher now has to resort to **arbitration**. The teacher decides what will happen, makes an order and the students must obey. Arbitration is a formal process where both parties present their evidence, and then the Fair Work Commission makes a decision that is legally binding. Both the employer and employee must accept the decision, or formally challenge to decision through an appeals process.

The main disadvantage of arbitration is that both parties may feel they have lost some control over the process and the final outcome when compared to a mediated or conciliated outcome.

The Fair Work Commission is the national workplace relations tribunal.



Source: © Commonwealth of Australia (Fair Work Commission) 2018

A conciliated outcome — you 'own' the solution



An arbitrated decision — a solution is imposed on you



on Resources

 **Digital document** Worksheet 3.10 Resolving disputes (doc-32834)

3.12 Activity: Research and communication

1. Rebecca and her employer are in disagreement over the sick leave entitlements of her award. She wants to be able to take three days off without having to produce a doctor's certificate. Her employer wants it to stay as one day only.

Your class has been asked to help settle the dispute. Conduct a roleplay to try to resolve this conflict using conciliation. After this, conduct a mock trial and arbitrate on this disagreement. Elect a panel to act as the arbitrator and have class members present arguments for both sides.

3.12 Exercise: Knowledge and understanding

To answer questions online and to receive **immediate feedback** and **sample responses** for every question, go to your learnON title at www.jacplus.com.au.

1. What is meant by the term 'grievance procedure'?
2. Explain the difference between:
 - (a) *negotiation* and *mediation*
 - (b) *conciliation* and *arbitration*.
3. What is the similarity between mediation and conciliation?
4. What is the main role of a mediator?
5. Briefly outline the possible benefits of a mediated resolution both for employers and employees.
6. If you were in dispute with a classmate about sitting in a specific seat, would you prefer your teacher to conciliate or arbitrate? Why?
7. What is the advantage of a win-win solution when resolving a dispute?

Fully worked solutions and sample responses are available in your digital formats.

3.13 Current issues within the scope of employment

The scope of employment has many issues within it. A major concern for many, including the government, is unemployment. Other aspects of concern include discrimination and the impact of technology.

3.13.1 Understanding unemployment

In our economy there is a certain amount of **unemployment**, even during periods of economic prosperity.

To be counted as unemployed, a person must be:

- without work
- available to begin work
- actively seeking employment.

Unemployment can result from:

- people leaving their jobs and going in search of others (*frictional unemployment*)
- some jobs being seasonal; for example, fruit picking (*seasonal unemployment*)
- a fall in consumer spending which reduces the demand for workers (*cyclical unemployment*)
- people's skills no longer being needed due to new technology (*structural unemployment*)
- some people having difficulty keeping a job due to personal characteristics (*hard-core unemployment*).

The cost of unemployment to the individual and society is high.

COMFACT

The total labour force is made up of all those people who have jobs — that is, are employed; plus all those who are actively seeking work — that is, are unemployed (employed persons + unemployed persons).

The unemployment rate is calculated by the formula:

$$\frac{\text{Number unemployed}}{\text{Total labour force}} \times \frac{100}{1}$$

For example: $\frac{500\,000}{9\,000\,000} \times \frac{100}{1} = 5.6\%$

3.13.2 Full employment

Full employment is one of the main federal government economic objectives. The acceptable target for full employment would allow for an unemployment rate of between 4 and 5 per cent. In effect, this policy is saying that even when the level of economic activity is high and the economy is expanding, of all those eligible people who are seeking work, jobs will not be available for 4 or 5 per cent. In a labour force of approximately 10 million, if between 400 000 and 500 000 people were unable to find a job, the economy would still be said to have achieved full employment.

In January 2019, the unemployment rate in Australia was 5.3 per cent. However, while this number is close to the acceptable level, it is not good news for young people in Australia. Unemployment for youths between the ages of 15 and 24 was 12.3 per cent in January 2018. On top of this, a 2017 study stated that an additional 18 per cent of youths are under-employed — meaning that they have some work but that they would like more hours. This means that almost one in five young people are either unemployed or need additional hours to make ends meet. Youths without a university degree suffer the most in this employment market. With a changing economy, jobs not only are hard to find, but also do not provide the same sense of job security as they used to.

CASE STUDY

Hi, I'm Jon Miller. I am 18 years old and have been looking for a job for the last ten months. I left school at the end of Year 11. I enjoyed working on my older brother's car and I want a job as a mechanic.

I visited every auto business in town but not one had anything to offer. I was starting to feel as if there was something wrong with me. I rewrote my résumé three times but all I ever got was rejections. Getting an apprenticeship and a steady job is all I want. I believe I would make a good employee. My school references are good. I am keen to learn and do not mind working hard.

I realise securing a steady job will depend on my ability to acquire training and work experience. I am enrolling in a TAFE course to gain some extra skills. Then I would have something extra to offer an employer. Why won't someone give me a chance?



3.13.3 Social cost of unemployment

Those who experience periods of long-term unemployment suffer economically and socially. Combined, the individual costs are felt by the whole of society. Families may have to relocate to other areas in search of work. Family members may become separated in the process. Society's living standards are reduced, while government spending on social welfare payments increases. Overall, society's quality of life is diminished.

Unemployment is a fact of life — for some.



3.13.4 Personal costs of unemployment

- **Poverty** Without a job, there is no regular income. Social welfare payments only maintain a person at a level below the poverty line. With few savings, there is little left over for the costs involved in job-seeking.
- **Boredom** With plenty of time but limited by a shortage of money, many unemployed people become frustrated and bored. This can sometimes lead to vandalism, crime and other anti-social behaviour.
- **Poor health** The emotional and financial pressures can have an enormous negative impact on a person's physical and mental health.
- **Loss of self-esteem** Our society places a lot of importance on the type of work a person does. A person who is unemployed can often lose self-confidence.
- **Loss of skills** The longer a person is unemployed, the more difficult it becomes to find a job. While not working, they are not acquiring new skills or practising their existing skills.
- **Ridicule and prejudice** Being unemployed may affect how others in society view people. Often seen as 'dole-bludgers' they are frequently the object of ridicule and prejudice.
- **Isolation** Many unemployed people end up feeling they are not accepted as part of society, and become depressed, ill or hostile. This makes it even harder to find employment and results in the vicious cycle of long-term unemployment.
- **Discrimination** Being out of the labour force for long periods of time can go against a person applying for work. An employer may unintentionally discriminate against such a person and not even give them an interview.

3.13 Activity: Research and communication

1. In small groups, prepare a list of all the effects of unemployment on the individual and on society. Present your information in a table similar to the one below. Alternatively, prepare this as a PowerPoint presentation.

Unemployment	
Effect of unemployment on individuals	Effect of unemployment on society

2. Write an email or letter to a local newspaper outlining your concerns about the level of youth unemployment. In your email or letter, refer to the following points:
 - (a) effects of unemployment on the individual and society
 - (b) unemployment and young people.

3.13 Exercise: Knowledge and understanding

To answer questions online and to receive **immediate feedback** and **sample responses** for every question, go to your learnON title at www.jacplus.com.au.

1. Complete this sentence: 'To be classified as unemployed a person must be ... '.
2. Copy and complete the following table and then answer the questions.

Country	Number of people employed	Number of people unemployed	Labour force	Unemployment rate %
A	3 500 000	200 000		
B		1 500 000	17 250 000	
C	1 600 000		1 900 000	
D	56 250 000	2 750 000		

- (a) Which country has the largest number of people unemployed, and which country has the smallest
 - (b) Which country has the highest unemployment rate, and which country has the lowest
 - (c) What is the benefit of expressing the unemployment rate as a percentage?
3. In what ways might long periods of unemployment 'go against you' when applying for a job?
 4. Why is it often difficult for unemployed people to find things to fill in their time?
 5. Read the Jon Miller case study in section 3.13.2. If you were in Jon's situation, what would you do to:
 - (a) improve your chances of getting a job
 - (b) find other avenues of employment
 - (c) overcome any unintentional discrimination by employers?

Fully worked solutions and sample responses are available in your digital formats.

3.14 SkillBuilder: Analysis and interpretation of graphs

3.14.1 Tell me

Throughout this topic, you have seen different graphs displaying information about various aspects of work and income in Australia. We will now examine the line graph in greater detail.

3.14.2 Show me

As discussed earlier, line graphs are useful for displaying trends and comparing data. When reading line graphs, find points on the graph where two variables meet to obtain specific information. For example, in the following graph the variables being measured are the unemployment rates for men and women. We can see that the two curves cross at various points, indicating that the unemployment rate for men and women was the same at those points in time. We can see from the horizontal axis that the most recent time this occurred was in 2018 and the vertical axis shows that the unemployment rate was approximately 4.7 per cent, so we know that the unemployment rate for both sexes in 2018 was about 4.7 per cent.

New South Wales unemployment rate by gender, 1999–2019



Source: Graph based on data compiled from Australian Bureau of Statistics, *Labour force, Australia, August 2019* (cat. no. 6202.0.).

Trend lines are useful to insert on a line graph to observe an overall pattern (trend) in the data. Observing the graph above, the trend line for the female unemployment rate in NSW has been inserted. This trend line shows that the unemployment rate for females in NSW has slightly increased over the past 20 years.

3.14.3 Let me do it

Complete the following activities to practise this skill.

3.14 Activities

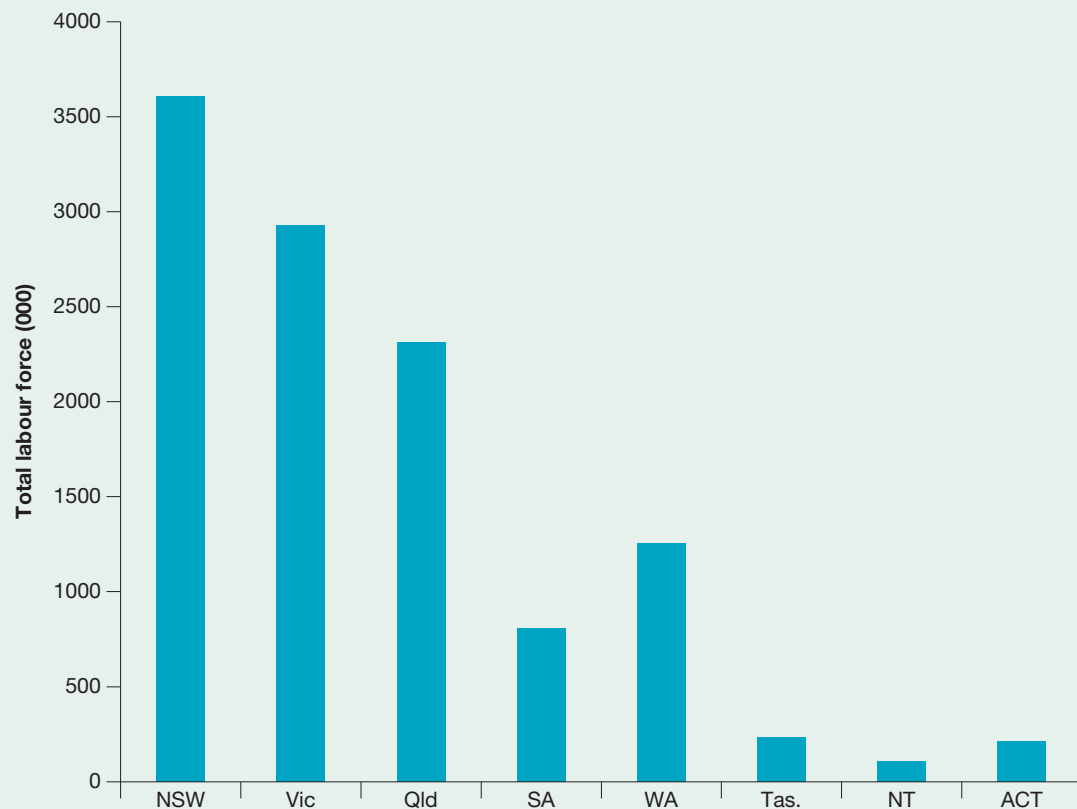
Examine the graphs below and answer the questions which follow. Use what you have learned about graphs (vertical axis, horizontal axis and variables) to analyse what each graph tells you.

1. Examine the following graph and answer these questions:

- Which state's labour force has the greatest number of people?
- Which state's labour force has the least number of people?
- How many people are in the New South Wales labour force?

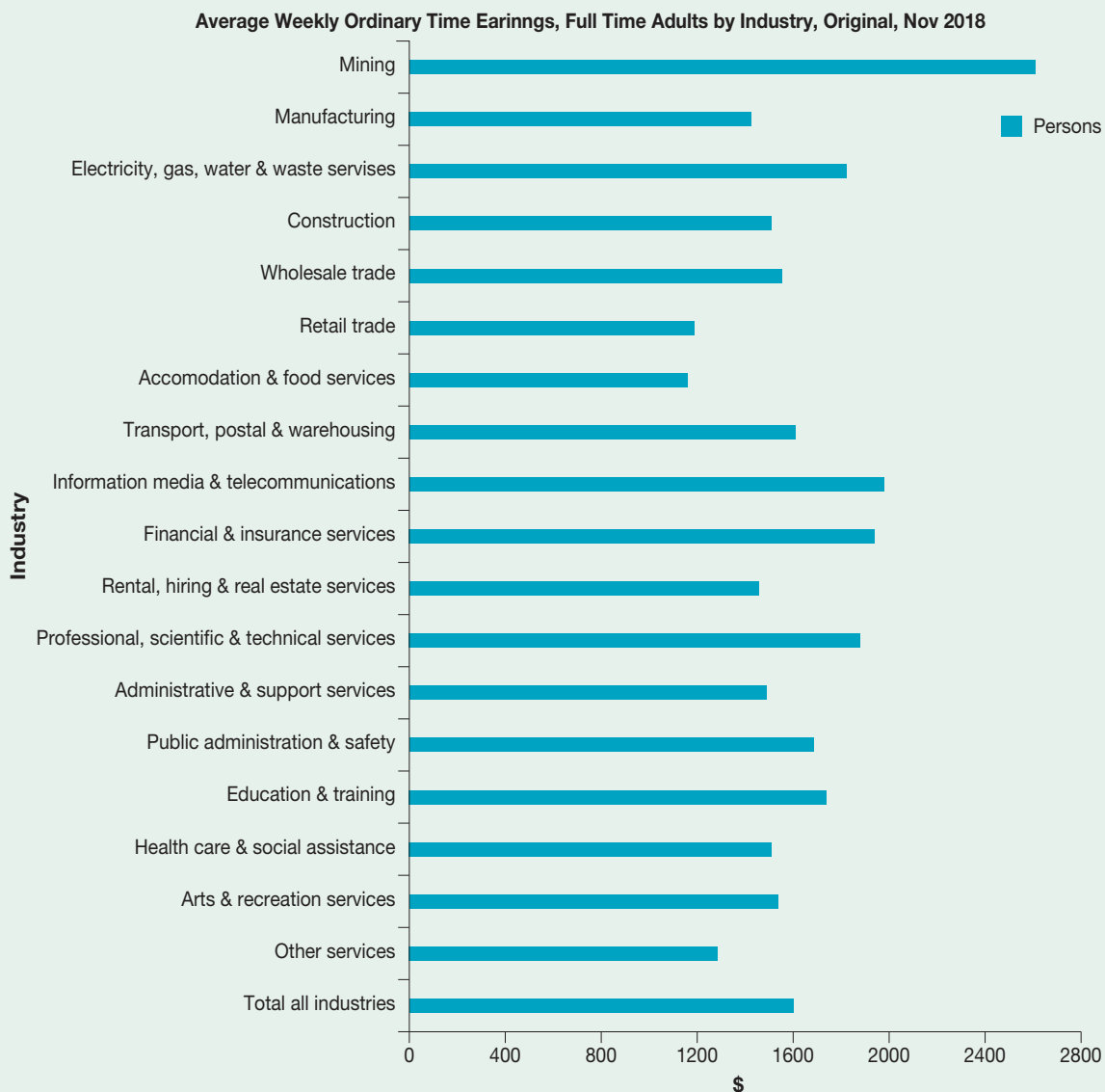


Total labour force by state, 2016



2. Examine the following graph and answer these questions:

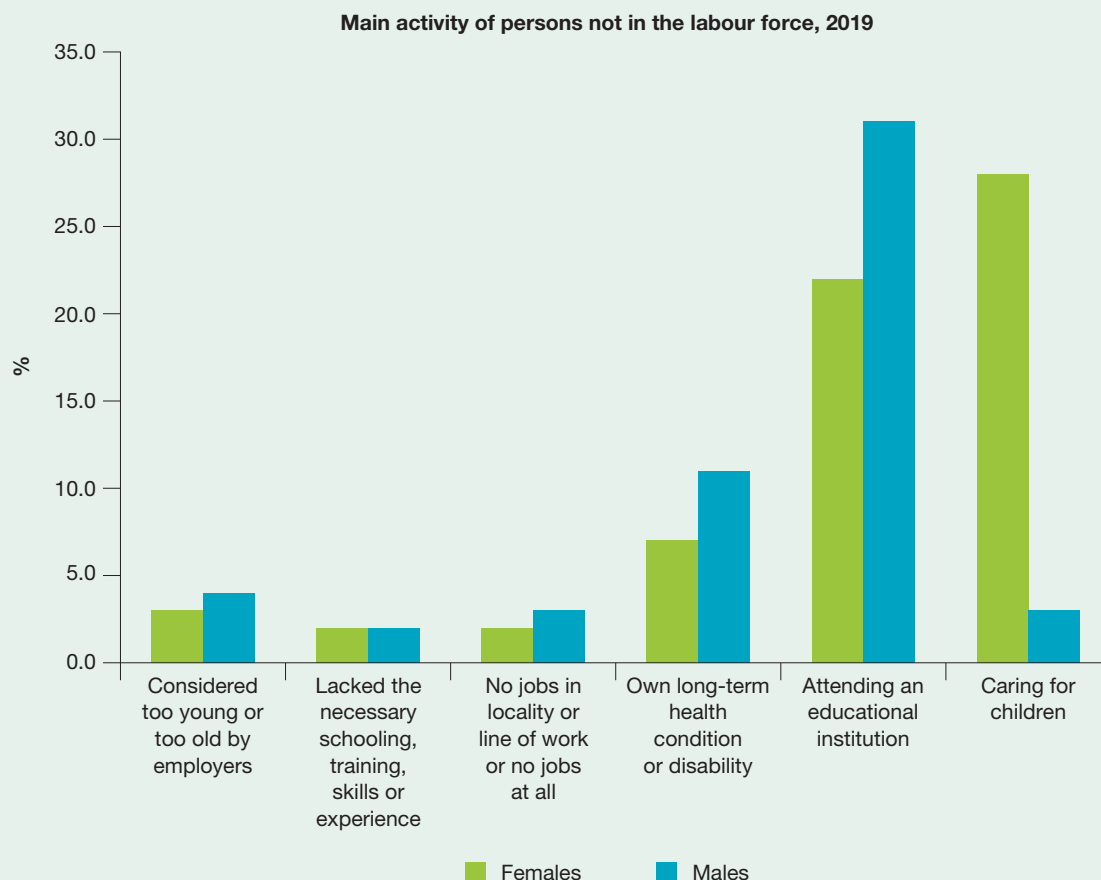
- Which industry offers the highest average weekly earnings?
- Which industry offers the lowest average weekly earnings?
- What is the average weekly earnings of a person in the construction industry?
- In which industry sector would a nurse be included?



Source: Graph redrawn from ABS 6302.0 *Average weekly earnings, Australia, Nov 2018*

3. Examine the following graph and answer these questions:

- What percentage of men are considered too young or too old by employers?
- For which category are the percentages identical for both males and females?
- What percentage of men care for children?
- What percentage of women care for children?



Source: Graph based on data compiled from Australian Bureau of Statistics, *Participation, Job Search and Mobility, Australia, Feb 2019* (cat. no. 6226.0)

4. Examine the following table and answer these questions:

- What trends do you see in the number of employed people during the period?
- What trends do you see in the number of unemployed people during the period?
- To what can you attribute these trends?

Employed and unemployed persons, 2010–18								
	May 2011	May 2012	May 2013	May 2014	May 2015	May 2016	May 2017	May 2018
Employed persons ('000)	11 196.2	11 390.0	11 485.4	11 546.1	11 766.2	11 974.8	12 256.6	12 571.4
Unemployed persons ('000)	589.8	620.4	675.8	717.0	729.9	715.5	704.5	702.4

Source: Data from Australian Bureau of Statistics, *Labour force, Australia, May 2018* (cat. no. 6202.0).

3.15 Employment opportunities

It is important to think ahead about your future, acting in advance about what career you want to take. You now know all the required legal aspects of working and obligations that your employer owes to you as well. Once you are ready to take the path to employment, initiative is the key!

3.15.1 Lifetime of learning

‘I can’t wait to leave school,’ said Zara. ‘I want to leave as soon as I finish Year 10, get a job, earn some money and have fun. No more rules, uniform or homework!’ What Zara didn’t realise was that without educational qualifications and further training, she would find it very difficult getting and keeping a job. If she wanted a good job, she would have to change her attitude towards learning.

Tomorrow the world of work will be different from what it is today. No-one really knows how different. Certain jobs will change more than others, but all jobs are likely to experience some change. Many employees will find that they must learn new skills to adjust to changes in their jobs. Others will have to train themselves for new jobs that open up when old ones disappear. The idea of a job for life is vanishing and workers in the future will tend not to have a clear career path. As an employee you will be required to continually undertake workplace training — a ‘lifetime of learning’.

Most employers today prefer to hire people who have undertaken training and gained skills. Such employees will be in greater demand than those who are unskilled. The benefits of education and training for employees include:

- higher incomes
- opportunities for promotion and self-improvement
- adaptability — greater ability to adapt to and cope with change
- a challenge — the chance to learn new things
- improved job satisfaction through better job performance.

Many jobs require employees to gain specialised skills or complete tertiary education before starting. Others may allow employees to acquire the necessary skills and experience on the job. Here are three case studies of young people working.

Learning doesn’t stop when you leave school.



CASE STUDY

Jack Newton — building a career

As soon as I completed my HSC, I started working in my uncle’s business as an apprentice builder. I work with him through the week and then go to the Meadowbank TAFE College one week every month on block release to complete the theory and practical subjects. At the end of the course, I will have a Certificate IV in Building and Construction. The course teaches me the skills and knowledge required to construct low-rise buildings. My favourite subjects are applying structural principles and construction work. On-the-job training occurs when I’m working with the other builders who show me various construction techniques.

What I like most about my job is that I’m always learning something new. It’s also great to see a completed house or extension and say ‘I helped build that’. When I complete my apprenticeship I intend to do further study so I have the skills to one day operate my own business. Because there is a shortage of builders in the industry, my career prospects are excellent.



CASE STUDY

Tai Van, crew trainer at McDonald's

I started part-time work with McDonald's when I was a Year 10 student. I was keen to learn, and undertook some on-the-job training courses. The store manager was very impressed with my range of skills and work performance. After eight months he offered me the position of crew trainer.

I was pleased to take on this added responsibility. It meant I could help train younger employees. As well, it was another formal qualification I could add to my work portfolio. The manager also suggested to me the possibility of undertaking the Certificate in Food Retail course if I wanted to work full-time.

This would provide me with a nationally recognised qualification that would give me greater job security and a higher income.

I gained a lot of personal satisfaction from knowing that this training provided me with more job opportunities. As well, the training I received would make me a more suitable candidate for promotion within the business.



CASE STUDY

Fahima Karam

At school I really enjoyed science and knew since Year 10 that I wanted a job that would allow me to work in a laboratory and undertake research. Instead of going straight from school to university I completed a gap year as a teacher assistant in Vietnam. My time in Vietnam led me to develop an interest in the prevention of sickness and disease.

When I returned home, I decided to enrol in a Bachelor of Health Science, majoring in Public and Environmental Health. After completing my degree, I was fortunate to be given a position as a laboratory assistant with a research team investigating leptospirosis (a water-borne disease). I am currently working full time and completing my master's degree part time. My skills and experience qualify me to apply for jobs as a research scientist anywhere in the world.



3.15 Activity: Research and communication

1. Using an employment website such as seek.com.au, select four jobs that are advertised and complete the following tasks.
 - (a) Write down the wage or salary paid for each of the jobs. Find it out, if it is not stated.
 - (b) Decide which job requires the highest level of skill.
 - (c) Decide which job requires the lowest level of skill.
 - (d) 'Employees with higher levels of training receive higher incomes.' Is this statement supported by these advertisements?

3.15 Exercise: Knowledge and understanding

To answer questions online and to receive **immediate feedback** and **sample responses** for every question, go to your learnON title at www.jacplus.com.au.

1. What ability will be an important one for future workers to have?
2. Identify three benefits to employees of undertaking workplace training.
3. In relation to the case studies for Jack, Tai and Fahima:
 - (a) Identify the steps taken by each person to become established in their job.
 - (b) List the types of knowledge and skills that each job requires.
4. After reading subtopic 3.15, what advice would you give Zara?
5. In 1900, the average age of a person entering the labour force was 15. Today it has risen to 18 years. Why do you think this change has taken place?
6. 'It is becoming more important for employees to undertake training.' Explain why this statement is true.
7. If you were Tai, would you agree to undertake the Certificate in Food Retail course? Why?

Fully worked solutions and sample responses are available in your digital formats.

3.16 Different pathways in education and training

3.16.1 Education

At this point in your life, many people — parents, carers or guardians, teachers and friends — will be asking you about your future. What are you going to be? Are you going to complete Year 12? And, if so, which subjects? There are many choices available to you in terms of education, training and employment opportunities.

There is no 'normal' education pathway. These days, there are many options available when choosing an education.

HSC

The New South Wales Higher School Certificate (HSC) is gained by the completion of a set number of units of study. You may choose among a variety of subjects offered by your school.

At the completion of your HSC studies, you may receive an Australian Tertiary Admission Rank (ATAR) score. This score is used to rank your performance in relation to all other students who completed Year 12 in the same year. That is, it gives you a relative position. University courses often have an ATAR score that is used as a cut-off. Students must have achieved this score (or close to it) to obtain entry into the course. The ATAR score may be used on its own as a selection tool for entry into courses, but it is sometimes also used in conjunction with other selection criteria that may include: prerequisite subjects, interview, folio presentation and so on. (See a Careers teacher for more information.) As of 2020, you will need to sit an online test and meet a minimum standard of literacy and numeracy to receive your HSC.

VET

Some students decide not to gain an ATAR score, and choose a vocationally based course. These vocational educational and training (VET) courses give students practical, work-related experience, as well as literacy and numeracy skills. Students who complete a VET course are likely to be interested in going on to a TAFE course, apprenticeship, traineeship or job.

TAFE

Technical and Further Education (TAFE) courses offer training for many different career areas. They cater for people with all levels of education. The areas of study available can be as varied as tourism, business studies, visual arts and plumbing.

TAFEs offer Diploma and Advanced Diploma courses for students who have completed Year 12. They also offer Certificate courses at Levels I to IV. To gain entry into a certificate course you must have completed Year 10. TAFE also offers traineeships for a variety of career areas. You should go to the institution to receive more information relating to the types of course available and the fees and charges associated with this type of education. TAFEs also conduct open days.

It is also possible to complete a TAFE certificate as part of your VET studies. It may involve attending TAFE one day a week, or completing the unit at your school if arrangements have been made.



3.16.2 Apprenticeships

A number of **apprenticeships** are on offer that cover a wide range of careers, including hairdressing, carpentry, sales and information technology. An apprenticeship allows you to work while studying the area of interest to you.

If you take on an apprenticeship you will learn about your job as you work with your employer. On particular days, and/or some evenings, you will be required to attend classes at a TAFE college.

3.16.3 University

Most university courses are taught through lectures and tutorials. At a lecture you will be in a large group of students taking your own notes from the speaker. Tutorials are small group classes that extend the information acquired from lectures or from the reading assigned to the course. You are expected to contribute to general discussions and this may form part of your assessment. There is often a focus on independent learning. You may also be required to spend time by yourself researching, reading, writing up practicals and so on.

When you begin your bachelor degree, you are known as an undergraduate. At your formal graduation ceremony, you become a graduate. Any university course you then proceed to do is known as postgraduate study.

Most universities conduct open days, where interested students are welcome to go to the university and find out information about different courses. Some universities are now offering online courses. This may be an opportunity if you are unable to move to a new area.

3.16.4 Training

Some schools conduct a work experience program where students are encouraged to seek temporary employment at a firm to gain an insight into that particular field of work. Some professions, such as accounting, offer **cadetships/traineeships**. This is where a company employs you and gives you time to attend university or TAFE. This is a great way to become trained and educated in this field of work because you have permanent employment.

CASE STUDY

Succeeding in a competitive employment market

Once you start your employment journey in the workforce, you will soon find out that it's a place where fierce competition exists. Being 'good' at something or having the right qualifications is no longer enough; you need to be able to 'sell' yourself. This can be particularly difficult if you have little experience or if you find yourself in a position of having lost a previous job. Following are some strategies that can help you to reach your dream position:

1. The internet is a great communication tool. However, remember that what you post is part of your digital footprint and many companies use the internet to vet prospective employees. This is when silly photos on Instagram or derogatory comments on Twitter may come back to haunt you and ruin your prospect of employment. Think carefully about what you post and who you becomes friends on social media, and ensure that your account settings are set appropriately. Keep in mind that once you put something on the internet, it stays there. If you have gained expertise in a specific area, you could use the internet to your advantage by blogging and using Twitter to gain followers.
2. Got a job interview? See it as an achievement, but not a guarantee of getting the job! Make sure you take the time to prepare. Consider the position and research possible questions that may come up. Remember that employers not only are looking for past experience, but also want workers with the right attitude. Show that you are a person who does not give up, chases learning opportunities and is able to communicate well with others. And don't forget to present yourself well — so leave the dodgy sneakers at home.
3. If you struggle to find the right job, consider volunteering in your local community. Not only will this give you skills you can use in other paid employment opportunities, but it may also help you establish a network of additional people who are interested in helping you in the future.
4. While being humble can be a good quality, it does not always help you to get a promotion. Be proud of your accomplishments and give credit where it's due. Don't be afraid to speak up in meetings and seek ways of helping your employer with work-related issues. At the same time, don't promise things you can't achieve and make sure that you build good relationships with your co-workers.

Make your interview a positive experience



on Resources

 **Digital document** Worksheet 3.12 Paving your own pathway (doc-32835)

3.16 Activity: Research and communication

1. Imagine that a guest speaker came to talk to the class about HSC, TAFE or university. Write a list of questions to direct them in their presentation to the class. You may want them to cover areas such as: What are they studying? Why do they choose to study it? What are the pluses and minuses of their chosen education?
2. Search the internet to obtain information about the careers below. Note down the educational requirements, where the study may be undertaken, and details of work opportunities. Find out if there is a demand for these careers.
 - (a) Engineer
 - (b) Plumber
 - (c) Zoo keeper
3. Select a career that you are interested in. Use the internet to find out what the educational requirements are for that career, and where study may be undertaken. Suggest school subjects that might be helpful to you in achieving this career.

3.16 Exercise: Knowledge and understanding

To answer questions online and to receive **immediate feedback** and **sample responses** for every question, go to your learnON title at www.jacplus.com.au.

1. Explain the difference between:
 - (a) HSC and VET
 - (b) TAFE and university
 - (c) an apprenticeship and work experience.
2. What would be the benefits of completing an online university degree? Would there be any disadvantages to this?

Fully worked solutions and sample responses are available in your digital formats.

3.17 SkillBuilder: Preparing a résumé

3.17.1 Tell me

The first step in gaining employment is applying for a job. To do this, you will need a résumé: a short summary of your skills, experience and qualifications. (It is also known as a curriculum vitae, or CV.) A résumé is a crucial part of the job application process, and yours needs to stand out from the résumés of everyone else who has applied for the same position. With so many applicants, a poorly presented or badly written résumé may be the difference between getting the job and not even getting an interview. Employers are not concerned with fancy résumés, nor do they want to spend 20 minutes reading your entire life story. They are often put off by résumés with photographs and will not consider your application if you don't have the necessary skills. An effective (and ultimately successful) résumé will be:

- brief and succinct
- relevant to the position for which you are applying
- a strong and confident description of your skills, experience and qualifications.

This SkillBuilder explains the various components of a résumé and presents examples and templates on which you can model your own résumé.

Let us now examine the elements of an effective résumé.

Length

An effective résumé should be between one and two pages long. Remember that your résumé is merely a summary and an introduction to who you are as a prospective employee. If there is other important information that you wish to provide, you can do so through a cover letter or during the interview process. Do not be concerned if your résumé is only one page long. Some people are tempted to add irrelevant information simply to make a résumé longer and seem more impressive. This is a common mistake and can impede your chances of getting the job.

Your résumé needs to stand out from the crowd to secure the interview that eventually leads to the job.



Order

The order of your résumé is important and the information in it should flow logically. Use the following list as a guide:

- contact details
- opening statement/career overview
- key skills and personal attributes
- employment history
- education
- referees.

Contact details

Begin with your name, possibly in a slightly larger font than the rest of your résumé. You want to make a bold and positive impression from the first time an employer sees your résumé! You only need to provide your phone number and email address on a résumé. Make sure that your email address is professional and does not include any nicknames or inappropriate words and phrases. An address such as john.smith@jacarandamail.com would be more suitable than one such as smithy9999@jacarandamail.com.

Opening statement/career overview

A brief opening statement is a component usually seen in the résumés of older professionals, and can add a touch of maturity to your résumé. If you choose to include this component, make sure it is relevant to the position. There is no point explaining your experience and passion for babysitting if you are applying for a job as a dog washer.

Key skills and personal attributes

This section can be included as a simple bullet-point list of your relevant skills (including any technical skills) and personal attributes. You need to list the skills for which this particular employer is looking. In other words, the skills you list for one job application may differ from those you list for another, depending on the job requirements. Many applicants use the same résumé, changing only the employer name and job title (and sometimes forgetting to do even this!), and then wonder why they have no success in their job hunting. Do not make this mistake.

Employment history

The convention for listing your previous jobs is to start from the most recent position and work backwards to the oldest. For each position you should provide the job title, the name of the employer and the dates (in months or years) during which you worked. You can also include a bullet-point summary of the main responsibilities of each job held.

Education

There is no need to list your entire educational history in a résumé. Instead, you need only include the highest level of education you have obtained. It is also a good idea to describe any achievements or positions of responsibility that you may have had during your time at school.

Referees

Ideally, at the end of your résumé you should include the names and contact details of two people who are willing to provide references. A reference is a written or verbal testimony about you by someone (the referee) who knows you well or for whom you have worked. At least one referee should be a past employer who can attest to your work ethic and professional performance. The second referee could be from a non-employer (such as your sporting coach or former teacher/principal) who can vouch for your character and personality. Make sure that you ask your referees for permission before listing them on your résumé.

3.17.2 Show me

The following figure contains the résumé of a Year 11 student who is applying for a casual position at a veterinary clinic. Consider how this student uses the components we have just discussed.

Résumé of Chris Fernandez

Contact details

Email: chris.fernandez@jacarandamail.com

Mobile: 0400 000 000

Career overview

Current Year 11 student seeking career opportunities in veterinary sciences. Highly motivated and passionate individual with demonstrated experience working in high-pressure working environments. Dedicated to the health and wellbeing of animals and to the emotional welfare of their owners and families. Strong communication skills and the ability to learn quickly and effectively.

Key skills and personal attributes

- Customer service
- Relevant scientific background
- Caring and enthusiastic personality
- Proficiency in Microsoft Office Suite
- Verbal and written communication skills
- Occupational health and safety procedures
- Point-of-sale experience
- Proficiency in Macintosh operating environments

Employment history

McDonald's Restaurant (2018–present)

- Customer service: Provided customer service at register. Responded to all customer enquiries, providing support and guidance as required.
- Cash management: Ensured accurate management of all cash and electronic sales.
- Stock control: Conducted regular and thorough stocktake of inventory.

Achievements

- Employee of the Month, November 2018 and April 2019

Education

Heartback Secondary College

Years 7 to 11 (current)

Current subjects

Biology, Chemistry, Physics, English and Geography

Achievements

House Captain (2019); Debating Captain (2018–19); Student Environmental Group Coordinator (2017–18)

Volunteer placements

Green Valley Animal Shelter (2018–present)

- Customer Service: Responded to incoming calls and customer inquiries. Liaison between customers and veterinary clinics.
- Practical duties: Cleaning of pens; involvement with welfare of animals.

Referees

Peter Parker

Franchise Manager

McDonald's Green Valley

Phone 01 9555 5555

April O'Neill

Manager

Green Valley Animal Shelter

Phone: 01 9555 5554



Resources



Weblink How to write a résumé

3.17.3 Let me do it

Complete the following activity to practise your skills.

3.17 Activity

Using the example in *résumé* as a guide, create your own *résumé*. Make sure you follow the guidelines as to what to include and what to omit from your *résumé*. Use the following checklist to make sure you've included all essential elements:

- contact details
- opening statement/career overview
- key skills and personal attributes
- employment history
- education
- referees.

If you are happy with your final product, why not print off some copies and deliver them to businesses in your area where you might like to work? Good luck!

3.18 Work in the future

3.18.1 Likelihood of work changing in the future

Can you imagine what work will be like in the year 2050? Will new jobs exist like the ones we see in sci-fi movies, or will they continue to be much the same as they are now? Although it is very difficult to predict how work will change, what form it will take, what activities will need to be performed and what skills, knowledge and abilities workers will need to have, it is worth noting that one of the challenges of government is to do just that — to attempt to predict some of these changes and to make policies and economic plans that will support the future world of work in Australia.

Work as we know it will slowly change. Exactly how it will change is unknown, but it is likely to be dependent on a range of factors, which in turn could have particular outcomes. The following table summarises some of these potential factors and outcomes.

One role of government is to try to predict what work will be like in the future and make policies and economic plans to support the future world of work.



Potential changes and outcomes in the future world of work

Factor	Outcome
Skills required in the future workplace	Future employees will require more education and higher skills development to participate in the workforce.
Changes in the gender segregation of the workforce	More equal representation of men and women in all types of work across all industries; the gender gap in average wages will continue to decrease
More employment in certain sectors of industry (service) and decreased employment opportunities in other sectors of industry (manufacturing)	More service-oriented roles; more focus on case work that follows a customer from start to finish, multi-skilling of the workforce, to enable the same employee to assist a customer throughout their entire customer experience
Further advances and increased use of technology in the workplace	Employees will need to continue to learn how to operate new equipment and software in order to perform their jobs. Some roles may become obsolete as new technology provides more efficient ways of completing particular tasks.
Changing worker attitudes and the desire for work–life balance	The provision of more flexible work arrangements to accommodate employees' needs, increase satisfaction and productivity, and retain staff
Changing workplace environments	Creation of more creative, ideas-driven environments that encourage workers to think independently and be creative in their problem-solving Greater focus on having healthy and happy employees who will work longer and stay with an organisation, rather than frequently changing jobs; employees supported through the provision of benefits such as an onsite gym, canteen or café, childcare facilities etc.

Increased education and skill levels

Two interrelated service areas that are experiencing distinct growth and an increase in employment opportunities are professional, scientific and technical services; and education and training. In the future, these areas will continue to grow as the need for higher skilled workers increases. Lower skilled jobs are decreasing and being replaced by roles that require a higher level of education and which are more skills-focused. Thus, the need for workers to be multi-skilled, educated and more technically oriented, to enable them to work with the newest technological advances, is becoming increasingly evident.

Without appropriate, accessible training and education opportunities, it will be difficult to meet Australia's future workplace requirements. Thus, the need to provide such opportunities is an issue of constant focus for government.

Changing attitudes to gender segregation

Another possible change is in the area of **gender segregation**. This is where one gender, male or female, is more likely to be employed in a particular area than the other gender. Gender segregation is common in some industries. This is particularly evident in construction and mining. For example, in 2018, in the Victorian construction industry, women accounted for only 11 per cent of workers; in mining they account for only 16 per cent of workers. However, in the more traditionally female-dominated occupations such as healthcare, social assistance, education and training, women continue to occupy the vast majority of roles. What might be the outcome if more men started to work in these typically female-dominated occupations and more women started working in typically male-dominated professions?

Certainly, it would have an impact on the gender gap that still exists in average wages of men and women. It might also lead to an increase in the perceived value (and the higher wages that go with it) of the traditionally lower paid female-dominated industries. Would it also change the way that we view the genders, or perhaps the industries? Or might it simply be a natural progression that comes as part of an ever-changing work environment?

Declining industries and growth industries

Over the past 100 years, the work people do has changed significantly. This is clearly demonstrated by looking at the industries in which they work. The three main employment industries are the primary, secondary and tertiary industries. In the past, much of the workforce was involved in the primary and secondary industries. In recent years, however, there has been a shift towards greater participation in the tertiary industry, and in what have now been termed the quaternary and quinary industries also.

Further advances in technology

With ongoing technological developments comes the need for workers to continue to up-skill in order to be able to use new equipment or software to its potential. In some instances, however, we may see a decrease in the number of jobs available in particular fields due to the automation of tasks. Many laborious tasks have been made simpler and quicker through the use of technology. Such increased efficiencies mean fewer people are required to complete the same amount of work and, hence, fewer work positions are available in that field.

It is difficult to know how far the impact of technology will reach in the workplace — which jobs of today may become obsolete in the future as a result of new technological developments. But equally, the new areas of work that will emerge through technological development are largely unknown. It is hoped that these new fields will open up increasing opportunities that will be more than adequate to replace the roles that are lost.

Changing attitudes, the desire for work–life balance and changing workplace environments

As Generations Y, Z and Alpha join the workforce, we may see a shift in the style of environments within which people work. Employers may need to create a new style of workplace, one that encourages workers to stay, rather than changing jobs on a regular basis, as is the tendency of these younger generations. More flexible working arrangements and benefits that promote staff satisfaction and increase productivity may become an increasingly common feature of the future world of work. American company Google provides an example of this kind of workplace.

In addition to businesses making changes to their working arrangements, governments throughout the world are also considering their role in ensuring a healthier work–life balance for employees. Many national governments, especially in developed nations, are beginning to understand that employees' inability to 'switch off' from their work may in fact be resulting in declining productivity and many social issues such as increased stress levels. The following case study outlines the actions of the French government in attempting to ensure a healthier work–life balance for its citizens.

A series of graphs showing changes in various industry sectors



Source: Adapted from Australian Bureau of Statistics, 6291.0.55.003 *Labour Force, Australia Detailed, Quarterly*, May 2016

CASE STUDY

French employees 'switch off' from work

Significant research has been undertaken that points to the fact that levels of work-related stress are higher than ever before, both in Australia and globally. Many workers in modern workplaces feel the pressures of high workloads and increasing demands from their employers. Technological developments have meant that workers are constantly connected to their jobs and rarely get the opportunity to 'switch off'.

In 2016, French President François Hollande and his governing party introduced legislation to discourage employees from sending emails outside of set work hours. The law requires all companies with 50 or more employees to develop a code of conduct to regulate the emailing activities of employees. The code of conduct must identify set work hours within which employees can send and respond to emails. Outside of these hours, emailing is to be banned.

There were numerous opponents of the policy, who asserted that it was not the role of the government to regulate the behaviour of businesses or employees in such a way. They also suggested that the law would not achieve its intended goal of reducing work-related stress. Whether this particular law makes a difference or not, one thing is clear — employees, businesses and governments are increasingly recognising the need in the future to create a healthier work-life balance for workers.

Large French companies are obliged by law to have a code of conduct that bans employees from work email at night, on weekends and on holidays.



on Resources

 **Digital document** Worksheet 3.13 Work in the future (doc-32879)

3.18 Activity: Research and communication

Investigate one business that has developed flexible workplace practices for its employees. Outline the nature of the flexible workplace practices offered by the business and explain the impact they have had on the employees and business.

3.18 Exercise: Knowledge and understanding

To answer questions online and to receive **immediate feedback** and **sample** responses for every question, go to your learnON title at www.jacplus.com.au.

1. Define gender segregation.
2. Define tertiary industry.
3. Identify the five key industries in the Australian work environment.
4. Explain why, in the future, businesses will increasingly need to create new styles of workplaces.
5. Explain a range of factors that may contribute to the gender gap in earnings that still exists between the average wages of men and women.
6. 'The French government has no right to tell employees when they can send and receive emails.' Do you agree or disagree with this statement? Justify your decision.
7. 'We all need a break from work — work-life balance is important.' Comment on this statement, providing reasons why you agree or disagree with the statement.

Fully worked solutions and sample responses are available in your digital formats.

3.19 Thinking Big research project: Workplace evolution presentation

3.19.1 Scenario

Over time, the way jobs are conducted and what is required from each job has changed. While technology has been a large component of that, it is not the only factor.

Online shopping, the growth of women in the workplace, the recognition of parental leave and carer's leave for employees, the growth of part-time and casual work, and 24-hour shopping have changed the way we need to work.

3.19.2 Task

Your task is to investigate how jobs have changed over time, starting with changes to supermarkets, and how they might change in the future.

The task is in two parts:

- Describe the changes that occurred in supermarkets over time. Interview your parents or guardians and/or grandparents and ask them how supermarkets operated in the 1950s or 1960s and beyond. Use the images provided as prompts.
- Select another job, area or industry that has undergone change in the last 50 years. Describe the job, area or industry and what changes have occurred, and what future changes might also occur.



Prepare a report or presentation to the rest of the class outlining the changes that have occurred in both the supermarket area and the second job/area/industry selected.

3.19.3 Process

- Work individually.
- Select a family member or friend to interview regarding their experiences with supermarkets.
- Select a second job, area or industry to interview that person about. Seek permission from your teacher for the selected job, area or industry. Some examples include:
 - banking — discussing aspects such as ATMs and Paywave
 - construction — pre-fabricated housing and ‘kit’ homes
 - accounting — ICT and cloud technology.
- Also include three interesting facts that most people won’t know about.
- Use the information and some photos to create a report and/or presentation about the selected job, area or industry.



Resources



ProjectsPLUS Workplace evolution presentation (pro-0203)

3.20 Review

3.20.1 Summary

Having explored this topic, you can now:

- identify different types of employment and the positive and negative aspects relating to each one
- explain how the workforce has changed over time, including increases in tertiary industries, changes in expectations of the employer and employee, and changes that have enabled women to be more active in the workforce
- explain the role of unions and employer groups, and identify how the workplace has changed over time due to the efforts of these groups
- distinguish between different types of employment contracts, and the advantages and disadvantages of each
- explain how employment contracts are affected by the legal system
- identify and explain your rights and responsibilities in the workplace depending on the type of employment contract you have
- explain the importance of protecting individuals and their rights in the workplace
- identify and explain issues relating to superannuation, including different savings and investment options
- discuss how redundancy and privacy have affected employment trends and ethical issues
- explain the background to, and importance of, WH&S legislation
- identify when workers are being treated unfairly and when grounds for legal action exist, including anti-discrimination and unfair dismissal issues
- identify and explain different ways of resolving disputes in the workplace, including mediation, negotiation, conciliation and arbitration
- identify different types of taxes and explain how the taxation system enables us to gain access to a range of government-funded services
- identify and evaluate different types of education options available
- explain the benefits of education and skill increases on your ability to secure a job
- understand the nature of employment and the impact it has upon individuals and society.

3.20.2 Key terms

apprentice a person who has agreed to work for a skilled person for a particular period of time and often for lower wages in order to gain knowledge and skills about a particular job — for example, an apprentice plumber

apprenticeship training and education in a trade

arbitration a method of resolving disputes whereby an impartial third party decides on a settlement arrangement that is then binding on the parties to the dispute

award a document that outlines an employee's minimum pay and conditions

cadetship/traineeship training in a full-time job, with time allocated to attend university or TAFE

casual employed on an 'as needed' basis

chief executive officer (CEO) the most senior person in charge of managing an organisation

collective wants goods and services that are for the use of the whole community

common law (employment) contract when an employer and an individual employee negotiate a contract covering pay and conditions

conciliation similar to mediation except the conciliator can suggest possible solutions

discrimination treating a person less favourably because of factors such as gender, ethnicity, religion or disability

economy all activities undertaken for the purpose of production, distribution and consumption of goods and services in a region or country

employee person who works for a wage or salary

employer person who hires employees

employment contract a legally binding formal agreement between an employee and an employer

enterprise agreement agreement about pay and conditions made at a workplace/enterprise level

entitlements non-wage benefits such as long service leave or sick leave

full-time continuing, ongoing employment working 38 hours or more per week

gender segregation the physical, legal, and cultural separation of people according to their biological sex

Generation Alpha a person typically born after 2010

Generation X a person typically born between the early to mid-1960s to the early 1980s

Generation Y a person typically born between the early to mid-1980s to the mid-1990s

Generation Z a person typically born between the mid-1990s to the mid- to late 2000s

goods and services tax (GST) a value-added tax levied on most goods and services sold for domestic consumption; GST is paid by consumers, but is remitted to the government by the businesses selling the goods and services; GST provides revenue for the government

grievance procedures a number of predetermined steps that are followed to resolve a dispute

industrial action a temporary show of dissatisfaction by employees; for example, a strike

industry an area of economic activity, employment, trade, manufacturing, production or gathering of resources

labour force people aged 15 and over who are either employed or unemployed

loading extra pay to compensate casual employees for lack of access to entitlements

mediation when a third party helps those involved in a dispute to negotiate a solution acceptable to both sides

multinational company a corporate organisation that owns or controls the production of goods or services in at least one country other than its home country

negotiation a method of resolving disputes where the parties involved discuss the issues in an attempt to reach a compromise

participation rate the proportion of people aged 15 or over employed or actively looking for work

part-time ongoing employment working fewer than 38 hours per week

primary industry industry involved in the growing or extracting of natural resources

pro rata proportion of normal full-time benefits related to the hours worked

quaternary industry industry involved in the transfer and processing of information and knowledge

quinary industry industry involved in providing domestic services

redundancy the termination of an employee's employment due the employer deciding they no longer need the employee's job to be done by anyone, or the employer becomes bankrupt

seasonal employment that does not continue year-round but usually recurs

secondary industry industry involved in turning raw materials into finished or semi-finished products

sharing economy also known as collaborative consumption, involves people sharing their possessions for payment

standard of living the degree of wealth and material comfort available to a person for their life and lifestyle

superannuation money set aside during your working life for retirement; commonly called 'super'

taxes the part of our income taken by the government to pay for collective goods and services

tertiary industry industry involved in providing a service to others

traineeship the combination of employment and training in order to gain a qualification
unemployment when people are trying to find work but have so far been unsuccessful
unfair dismissal termination of employment that is considered to be harsh, unjust or unreasonable
wellbeing a state of being comfortable, happy and healthy
work-life balance achieving the right amount of time devoted to work and for personal life

on Resources

Digital documents Key terms glossary (doc-32666)

Match-up (doc-32752)

Crossword (doc-32786)

Wordsearch (doc-32797)

Interactivities

Wordsearch (int-7900)

Crossword (int-7883)

3.20 EXERCISES

To answer questions online and to receive **immediate feedback** and **sample responses** for every question go to your learnON title at www.jacplus.com.au.

3.20 Exercise 1: Glossary quiz

3.20 Exercise 2: Multiple choice quiz

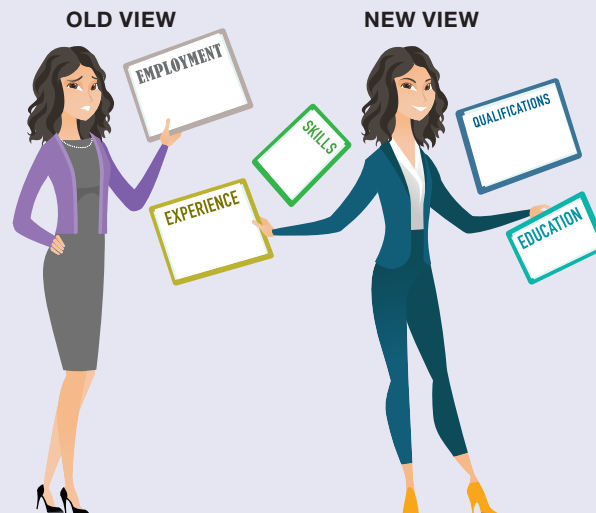
- Who is an employer?
 - A person who works for an employee
 - A person who hires employees
 - A worker for a company
 - None of the above
- What is the term given to the contracting out of operations to outside suppliers?
 - Outsourcing
 - Loading
 - Conciliation
 - Entitlements
- Antonia is a registered nurse. What is the name given to the legally binding agreement that sets out her minimum wages and conditions?
 - Loading
 - Benefit
 - Award
 - Entitlements
- What is the Australian Retailers Association an example of?
 - Trade union
 - Employer association
 - Employee association
 - Government department
- What is the name given to the group of people aged 15 and over who are employed or actively seeking work?
 - Participation rate
 - Labour force
 - Employment rate
 - None of the above
- When an employer treats an employee differently because of race, sex or religion, what is it known as?
 - Apprenticeship
 - Conciliation
 - Grievance procedures
 - Discrimination
- Which state government legislation helps protect workers from workplace accidents?
 - Workplace Health and Safety Act
 - Workplace Act
 - Workplace Safety Act
 - Workers Compensation Act
- What term refers to extra money paid on top of a full-time casual rate?
 - Outsourcing
 - Piece worker
 - Wage
 - Loading
- Which of the following taxes is collected by the federal government?
 - Company tax
 - Rates
 - Stamp duty
 - Driver's licence fees
- Amy works five days per week as a full-time casual worker at Sportsgirl. Her daily rate is \$100; however, she also receives a loading of 20 per cent. How much would Amy get for a typical working week?
 - \$620
 - \$580
 - \$600
 - \$480

3.20 Exercise 3: Knowledge and understanding

- Match the terms shown in the table with the correct definitions.

Terms	Definitions
Employer	An extra amount paid to casual employees to compensate for not having access to a range of entitlements
Entitlements	The seller of labour
Labour force	A person who hires employees
Employee	The proportion of people aged 15 or over employed or actively looking for work
Casual employment	All those people aged 15 or over who have a job as well as those unemployed
Participation rate	Holiday, sick and long service leave are examples of this
Award	Working regular days and regular hours but less than full-time employees
Part-time employment	A document that outlines an employee's minimum pay and conditions
Loading	To be employed on an hourly basis

- Lara is asked to work an extra four-hour shift. The overtime rate is time-and-a-half. She is normally paid \$15.00 per hour. What will be her total income for this shift?
- Explain what is meant by 'entitlements'. Provide examples of entitlements.
- List three skilled jobs.
 - List three unskilled jobs.
 - Out of skilled or unskilled jobs, which will usually result in higher incomes and promotion? Why?
 - What is an award? Under what circumstances may an employer offer above-award conditions?
- The following words have been scrambled. Unscramble them and use each one in a sentence.
cyandrdeun wroepicek nita-nimisdcrtainoi siunon ainnigertr demitanoi
- What is the role of a trade union in the workplace?
- Briefly outline the main aims of the *Sex Discrimination Act 1984* (Cwlth).
- What health and safety obligations does an employer have towards employees?
- Explain the difference between conciliation and arbitration.
- Research the latest income statistics to find out the difference between male and female incomes. The website of the Australian Bureau of Statistics is a good place to start.
- What does the following image suggest about the relationship between education, work opportunities and changing work patterns?



3.20 Exercise 4: Challenge your understanding

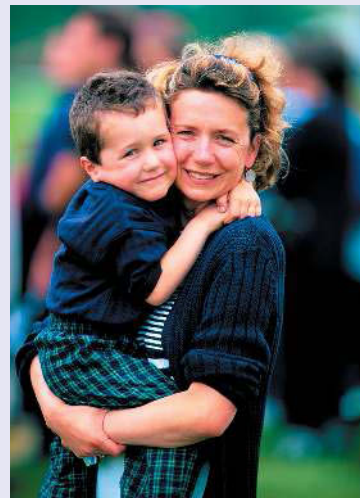
1. Why are taxes necessary?
2. Besides fresh food, list some other goods or services that do not incur GST.
3. Determine whether the following items are taxable or GST-free.
 - (a) Breadcrumbs
 - (b) Bait used for recreational fishing
 - (c) Potato chips sold hot, ready to eat
 - (d) Potato chips sold frozen
 - (e) Sushi
4. Why is superannuation considered a saving/investment option?
5. Why is it important to be financially ready for retirement?
6. List the three different employment contracts.
7. Explain why both the employer and the employee should be familiar with the award or contract conditions covering a job.
8. Outline the three elements of an employment contract.
9. Explain the difference between an award and an enterprise agreement.
10. List the advantages and disadvantages of common law contracts.
11. List the rights of all employees.
12. Why do you think some employers discriminate against older workers? Is it fair? Explain.
13. Males under 25 years of age account for 30 per cent of work-related deaths. Suggest reasons why accident numbers within this group are so high.
14. How effective do you think affirmative action programs are in eliminating discrimination against women in the workplace?
15. Using the words from the list, fill in the gaps in this article.

executive legislation minimum wage
Sex Discrimination Act discrimination

A 28-year-old woman, Alex Hall, has won a legal action against her employer. She claimed that she had suffered _____ when her employer, McCarthy Textiles, dismissed her on the grounds that she was pregnant. Speaking outside the court, she said, 'This company has not upheld important rights that I have according to the _____. The _____ is very clear that people cannot suffer discrimination due to family responsibilities.'

Ms Hall went on to slam current conditions for women in the workplace. She said that although the _____ was set in 1973, guaranteeing equal pay for women, the lack of females in _____ positions was appalling.

Fully worked solutions and sample responses are available in your digital formats.



on Resources



Digital documents Worksheet 3.14 Wrap up! (doc-32808)

Glossary quiz (doc-32764)

Multiple choice quiz (doc-32775)



eWorkbook

Customisable worksheets for this topic (ewbk-0860)

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