

How do we tackle underemployment and insecure work?

Legislative, workplace, training and fiscal responses

Symposium session 29/5/2020

percapita
FIGHTING INEQUALITY IN AUSTRALIA

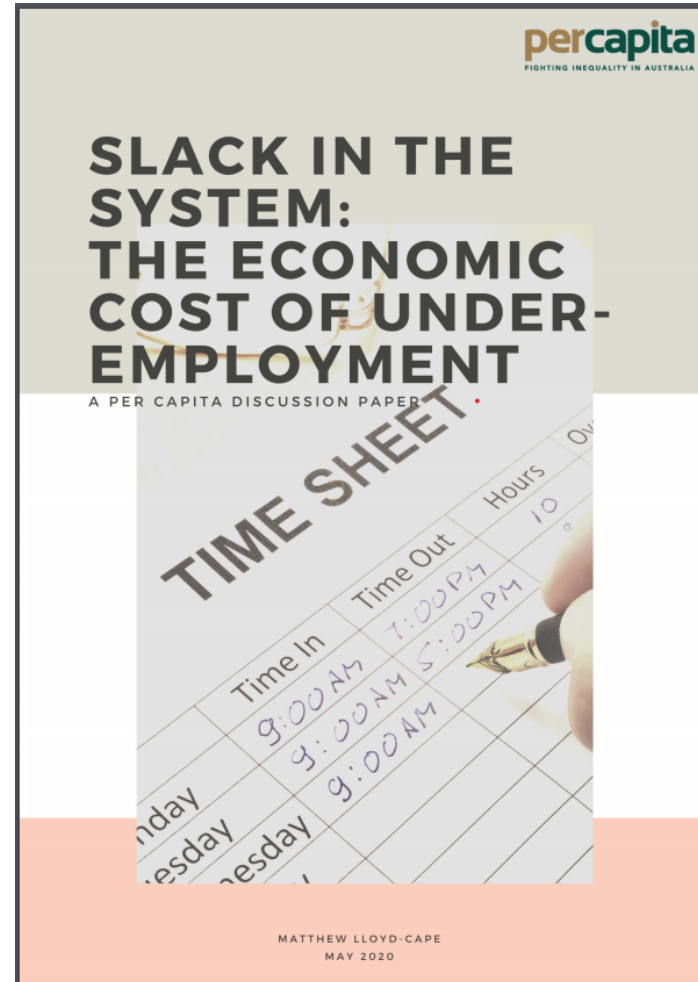
Housekeeping and notes

- Mute yourself until selected
 - Tech questions to the tech people
 - Raise questions and comments in the message sidebar, please ID yourself. click "chat"
 - We are ambitious but also timebound!
 - Notes will be shared after session
 - Please keep things civil and productive
-
- Jobs for Australia Summit, 30 Sept - 1 Oct at OPH
 - m.loyd-cape@percapita.org.au
 - Twitter: @twape101 , @RecoEco

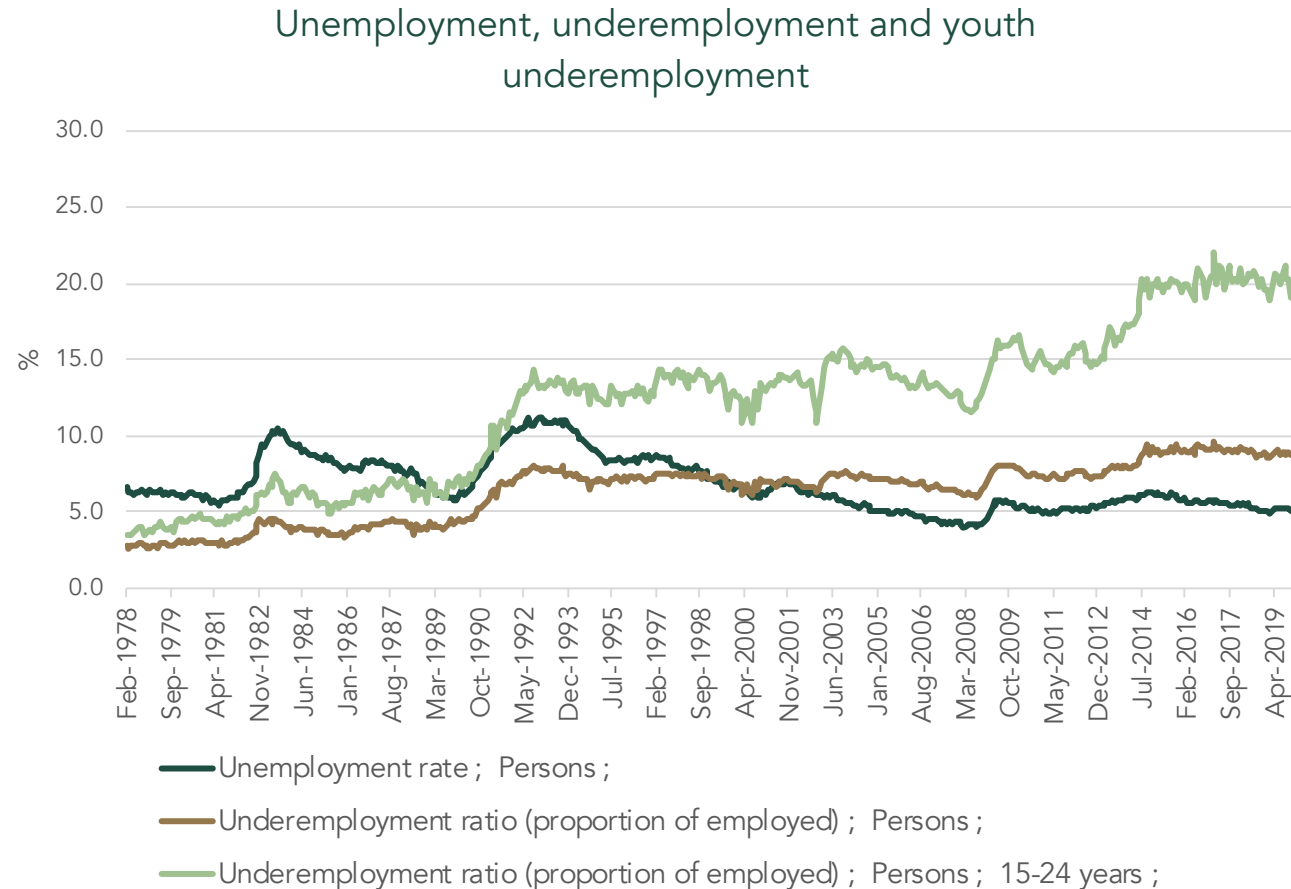


What do we mean by underemployment and insecurity?

- Time-related underemployment
- Weak labour market position, inability to negotiate or access enough hours
- https://percapita.org.au/wp-content/uploads/2020/05/Slack-in-the-System_FINAL.pdf



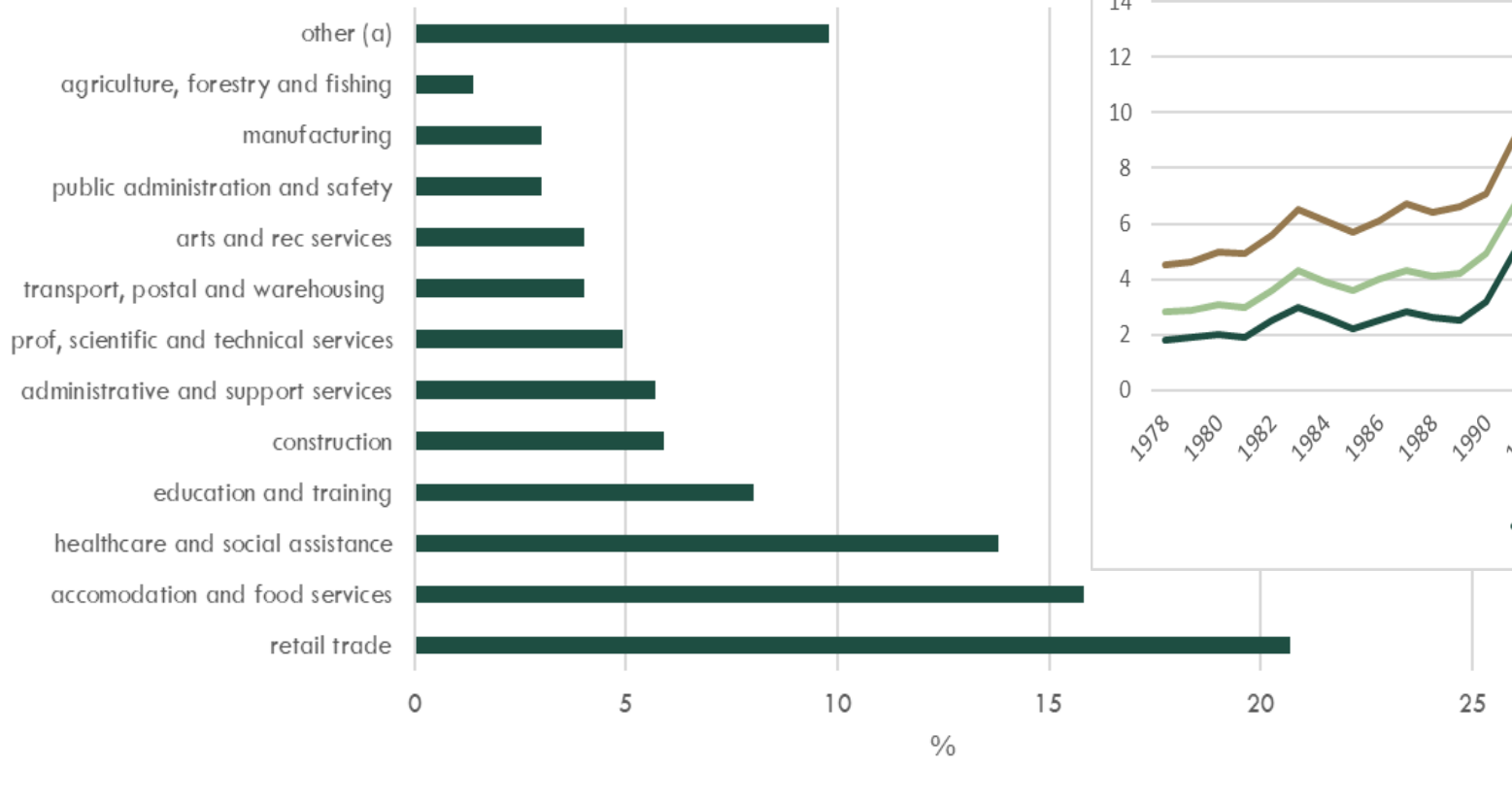
Scale of the problem



- Current crisis exacerbating an existing trend
- Around 1.1 million people before the crisis

Who is affected?

Underemployment share by industry



Underemployment rate yearly averages, by gender, yearly averages



- Young workers
- women
- part timers
- Feminised industries

Individual/national impact

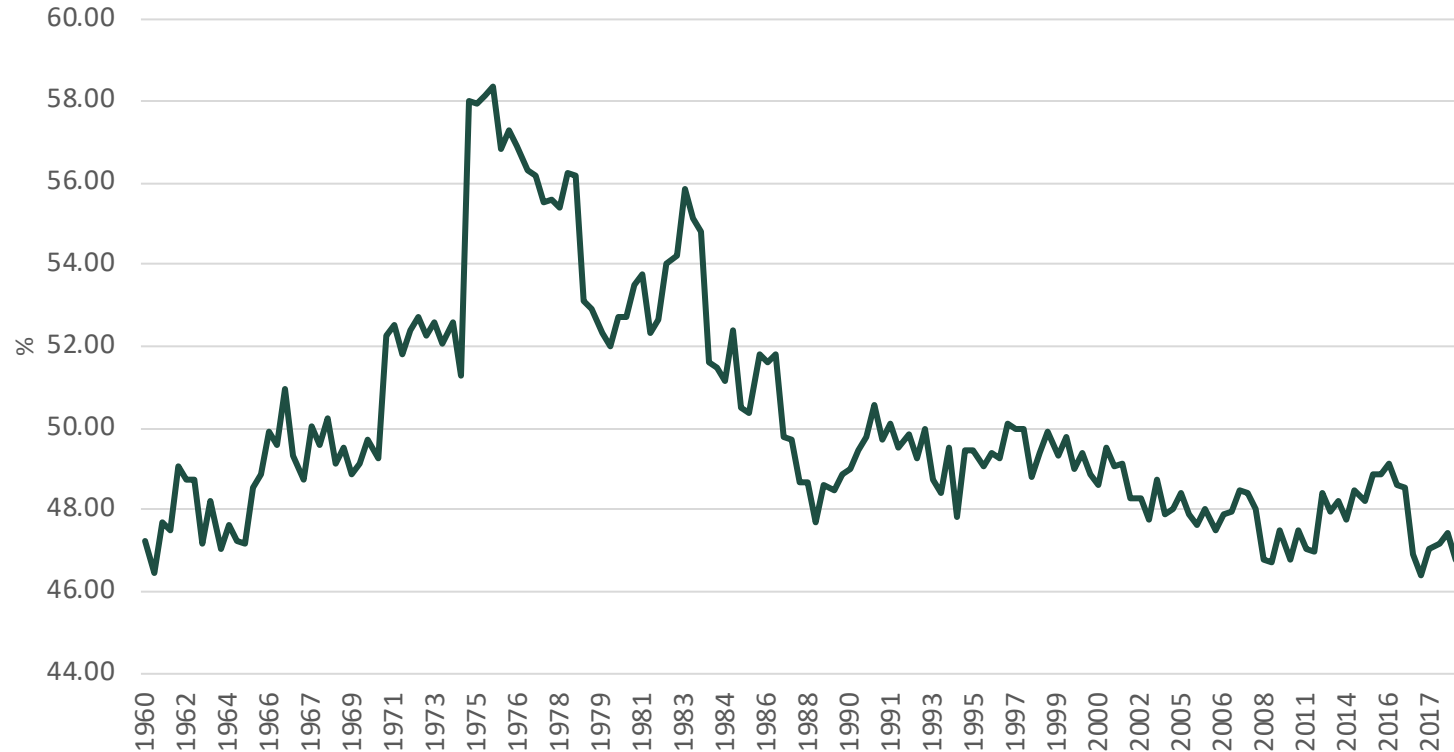
Industry	Median hourly rate	Annual income loss	Annual superannuation loss
Retail trade	\$25.00	\$19,500	\$1,852
Accommodation and food services	\$22.37	\$17,448	\$1,657
Healthcare and social assistance	\$32.70	\$25,503	\$2,422
Education and training	\$39.04	\$30,447	\$2,892
Construction	\$32.00	\$24,960	\$2,371
Administrative and support services	\$28.00	\$21,840	\$2,074
Prof, scientific and technical services	\$40.00	\$31,200	\$2,964
Transport, postal and warehousing	\$31.05	\$24,219	\$2,300
Arts and rec services	\$27.00	\$21,060	\$2,000
Public administration and safety	\$41.15	\$32,094	\$3,049
Manufacturing	\$30.34	\$23,667	\$2,248
Agriculture, forestry and fishing	\$25.00	\$19,500	\$1,853

- Mental health
- Career progression
- Annual total loss to the economy:
 - \$24 billion in wages
 - \$2.2 billion in super
 - \$4.4 billion in income tax receipts



Solutions – Roles for redistribution and growth

Labour compensation as a proportion of GDP



Solutions – where do we go from here?

- Direct government job creation
 - investment, industry policy, public sector employment and government procurement
- IR and legislative reforms
 - Shorter working hours
 - Industry-level collective bargaining
 - Right to strike
 - Removing the free rider problem in collective bargaining
 - Tackling platform economy – strict definitions of contractors and casuals
- Youth underemployment crisis
 - Youth guarantee - All under 25s offered job = to training/ experience or subsidised education (EU lessons)
 - TAFE – renationalised, subsidised and with mandatory employer engagement



Solutions – where do we go from here?

- Monetary policy
 - Unemployment targeting
- Feminist solutions
 - Re-evaluation of care work - CCTs for carers, ongoing free childcare
- Indigenous worker underemployment issues
- Economic complexity
 - Aus ranked 59th below Kazakhstan, Kuwait, Panama
- Lifelong learning accounts
 - 2.5% income contributed into fund for individual skills investment.



Discussion – which policy areas are most relevant to solving underemployment?

- Please keep answers short and to the point.
- Give your name and position when you speak.
- Keep things respectful of other opinions.

