

**Briefing Paper:**  
**Working from Home:  
Opportunities and Risks**

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The coronavirus pandemic is shutting down large sections of Australia's economy, with immediate impacts on employment, work and income. Economists expect 2 million or more Australians to stop working in coming weeks,<sup>1</sup> and an unprecedented drop in GDP and household incomes. If the shock spills over into a full-on recession, job losses will be even bigger. Parts of the economy, in essence, are entering "hibernation" – for whatever period is required to contain the virus.

The impact of this shock to the labour market will be experienced very unevenly. The Commonwealth government has introduced some innovative and powerful measures to try to prevent mass job losses and unemployment, alongside expanded income support measures for those who do lose their jobs. And many Australians are continuing to work, despite the pandemic. This includes those who have the capacity (and their employer's permission) to work from home.

In many respects, people who can work from home are relatively well-positioned to get through the current crisis. They can continue to earn an income, but are insulated from the contagion risks associated with most other workplaces. In contrast, those who continue working outside their homes, despite the lockdown, must confront frightening health risks: most acute for health care workers, of course, but also for many other, often low-wage occupations (like retail clerks, drivers, and cleaners).

While they are fortunate to keep working in (relatively) safe conditions, Australians working from home (and other offsite locations) nevertheless confront several

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<sup>1</sup> The Australian Council of Trade Unions notes that over 3.3 million Australians worked in just 5 of the most hard-hit consumer-facing industries which are now partially or largely shut down: retail, hospitality, transportation, personal services, and arts & recreation. See ACTU, "A Wage Subsidy for Working People, to Support Jobs and Livelihoods," March 2020, [https://www.actu.org.au/our-work/policy-issues/wage\\_subsidy](https://www.actu.org.au/our-work/policy-issues/wage_subsidy).

important challenges and risks as they migrate their work to a new location. Social media posts dwell on the mental and emotional challenges of home work: like the temptation to wear pyjamas all day, or the distractions of Netflix and the refrigerator. But there are far more serious issues to be considered, as millions of Australians make themselves a coffee, get dressed (hopefully!), turn on their laptops and get to work.

Moreover, the COVID-19 pandemic is probably sparking a more lasting shift in the nature of our work. Various home work, telework, and remote work arrangements were already becoming more common before the pandemic, reflecting a range of motivations: including lower labour and infrastructure costs for employers, and greater convenience and flexibility for workers. Now home work is experiencing a more powerful, sudden impetus. And normal employment patterns will not suddenly be restored, even once the health emergency has passed and we are able to go back to work. Private businesses will be organizationally and financially battered by the pandemic; consumer-facing industries will face continuing health-related restrictions on their activity; and desperate workers will seek any means of supporting themselves, including various independent ventures conducted from their own homes. Some workers may prefer to continue working from home, and hence demand flexibility to do so after the pandemic passes. Others will be longing to get back to normal work, and the human interactions that come with it.

For all these reasons, therefore, working from home will likely become more common in coming years. For millions of workers, indeed, it will become the ‘new normal.’

Since this form of work is here to stay, here are several economic and legal issues that will have to be considered as the trend becomes more common:

## **1. Who Can Work from Home, Anyway?**

Even before the pandemic, a significant proportion of workers in a wide range of industries worked from home for some or all of their working hours. Previous research indicates that between 10 and 20 percent of workers typically performed at least some of their work from home<sup>2</sup> – although that could be as little as bringing unfinished projects home, or responding to emails from home. A much smaller proportion of workers regularly perform all of their duties from home. In the wake of the pandemic, many workplaces are now adjusting to permit and facilitate full-time work from home arrangements – although some employers are still resisting the concept.<sup>3</sup>

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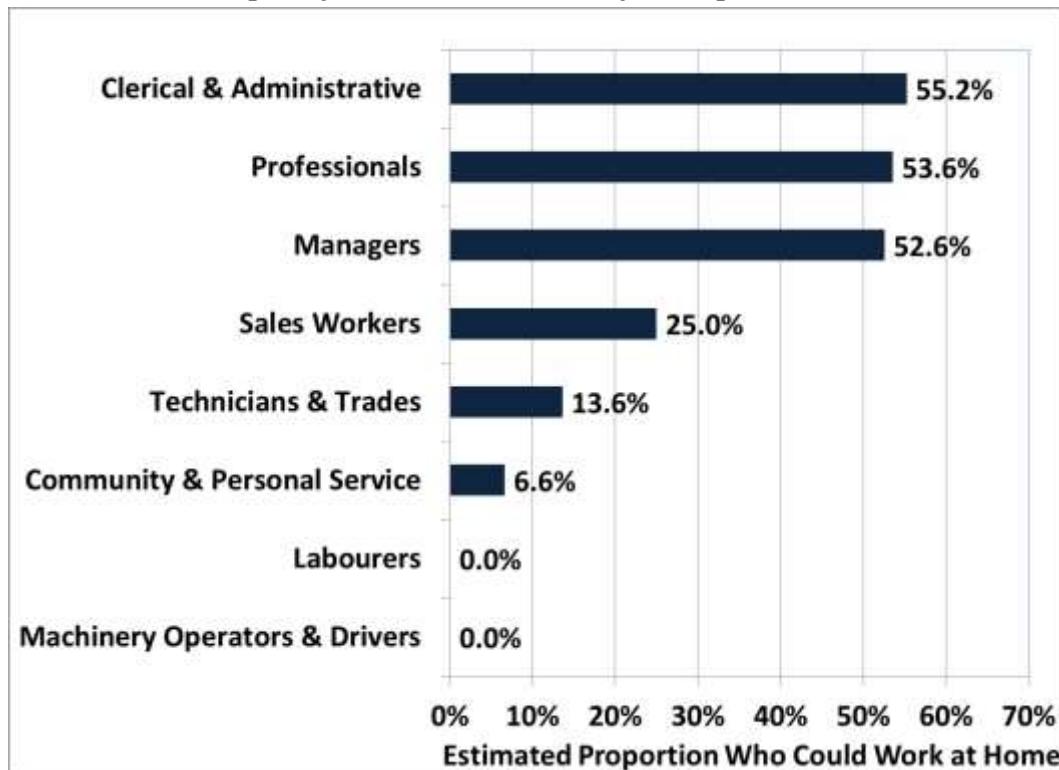
<sup>2</sup> See, for example, Lucy P. Eldridge and Sabrina Wulff Pabilonia, “Bringing Work Home: Implications for BLS Productivity Measures,” *Monthly Labor Review*, U.S. Bureau of Labor Statistics, December 2010, pp. 18-35, and Mark Wooden and Diana Warren, “Non-standard Employment and Job Satisfaction: Evidence from the HILDA Survey,” *Journal of Industrial Relations* 46 (2004), pp. 275 - 297.

<sup>3</sup> Even the Commonwealth government refused for weeks to permit home work by many of its departmental staff, despite its exhortations to other Australians to “stay at home”; see Adrian Rollins, “Coronavirus: Department Heads Told Public Servants ‘Should’ Work From Home,” *Canberra Times*, 29 March, 2020.

We reviewed disaggregated employment data across 54 different occupational groupings. There is a stark bifurcation in Australia's labour market, regarding the extent to which different occupations could conceivably work from home. Workers who have more autonomy and independence in their work, and who perform much or all of their work on a computer, have much more flexibility to shift locations. This largely (but not perfectly) overlaps with professional and managerial categories of work. Some lower-paid positions (such as many clerical and administration jobs) are also highly capable of being performed from home.

All told, we estimate that around 30 per cent of the Australian workforce could feasibly work from home: a total of about 4 million workers in total. (See appendix for more details on our methodology.) But that total could not be achieved overnight: it will take time for necessary adjustments and systems to be established. Likely no more than half that total (or perhaps 15 per cent of workers) are able to work full-time from home right now. Figure 1 shows the proportion of workers in each broad occupational category who we estimate could conceivably work from home (after necessary time for adjustments and systems).

**Figure 1. Potential Capacity to Work at Home by Occupation**



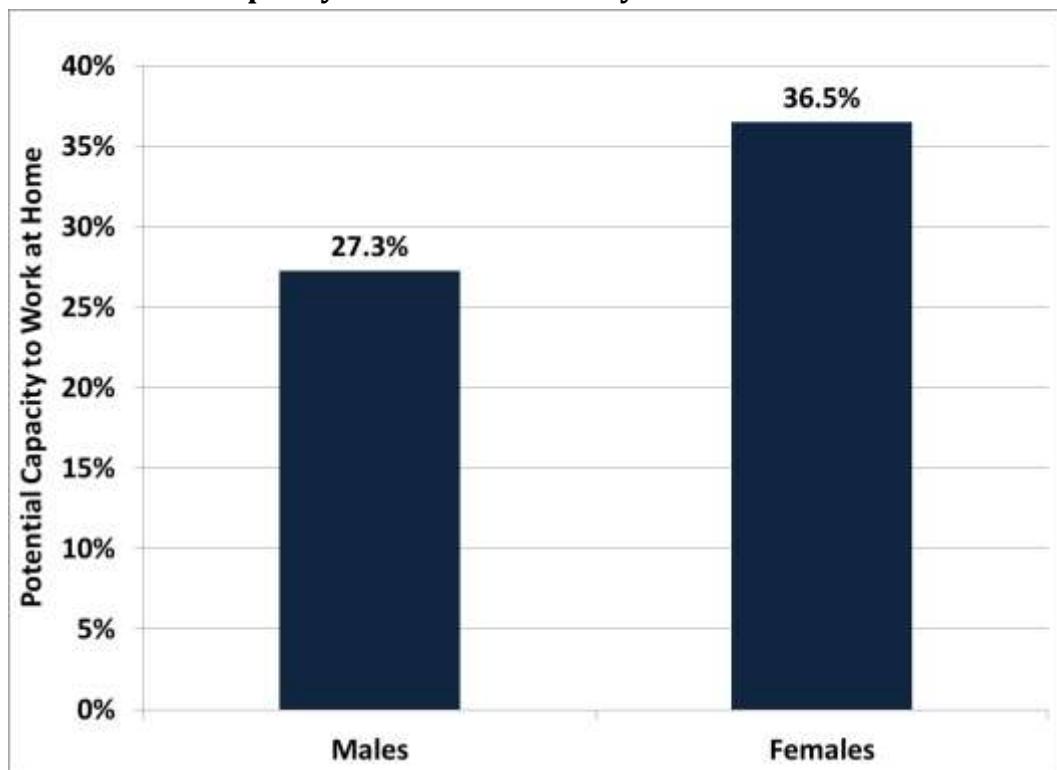
Source: Centre for Future Work estimate from ABS Catalogue 6291.0.55.003, Table EQ08.

We estimate that over half of all managers, professionals, and administrative and clerical workers are able to work from home. This largely corresponds to jobs that are located in office settings and performed mostly on computers or by telephone. Few

other jobs can be performed from home. A small proportion of sales workers could do their jobs from home (in tele-sales and other location-flexible functions), and an even smaller proportion of technical and trades jobs (primarily in computer and information specialisations). Effectively no machine operators, drivers, and labourers can work from home, virtually by definition.

As illustrated in Figure 2, women are somewhat more likely to be able to work from home than men. Based on their occupational distribution, we estimate that 36% of women could work remotely (given adequate time for adjustments and systems changes), versus 27% of men. This results from women's over-representation in the professional and clerical & administrative occupations (which are inherently more flexible with respect to location), compared to men's over-representation among labourers, operators & drivers, and trades.

**Figure 2. Potential Capacity to Work at Home by Gender**



Source: Centre for Future Work estimate from ABS Catalogue 6291.0.55.003, Table EQ08.

## 2. Earnings of Home Workers

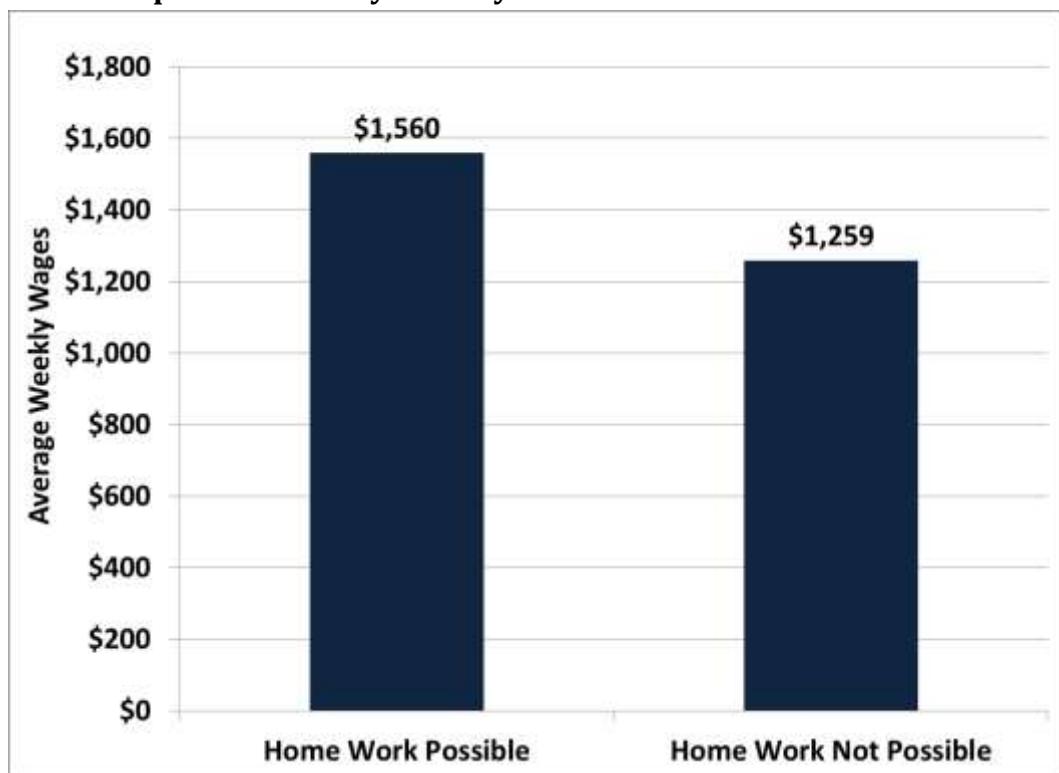
It is easy to see that the coronavirus work regime will create and exacerbate income divides. More flexible and autonomous workers also happen to be those who enjoyed higher earnings before the pandemic hit. For example, average weekly cash earnings for managers and professionals (who are over-represented in possible home work) are close to \$2000 per week – half again higher than mean weekly earnings of \$1,329 for all

workers. In contrast, retail and hospitality workers, labourers and operators & drivers earn less than the average.

Of course, not all jobs that can be done from home are relatively well-compensated. Some lower-wage jobs (such as some call centre and routine clerical jobs) have been organised around home work for years. Employers have used these arrangements to facilitate low-wage work by workers (mostly women) who appreciate the flexibility of home work for balancing work and family responsibilities; employers also save costs for office set-up and equipment.

We have estimated average earnings for those who can, and can't, work from home, on the basis of the preceding disaggregation of occupations – applying differential earnings in each major occupational grouping. (Again, see appendix for more details.) As illustrated in Figure 3, on average, those who are more likely to be able to work from home earn around \$1560 per week, compared to \$1259 for those who cannot.

**Figure 3. Workplace Flexibility and Pay**



Source: Centre for Future Work estimate from ABS Catalogues 6291.0.55.003, Table EQ08, and 6333.0, Table 4.1.

This 24 per cent earnings gap between those who can work at home, and those who can't, creates a compounded inequality as the coronavirus pandemic continues to unfold. For the most part, the occupations which can more easily relocate to home work – and thus are more likely to continue working, rather than facing either stand-down or unemployment – generated higher incomes in the first place. (Clerical and

administrative occupations are the exception to this rule: they are relatively able to work from home, but are paid relatively low earnings.) Other occupations, in contrast, are less location-flexible, and hence more likely to be experiencing unemployment and/or reductions in hours of work. And since they were less well-paid in the first place, those workers now have fewer personal resources to fall back on.

This two-sided inequality arising from the COVID-19 shutdown makes it all the more crucial for government to offer strong and inclusive income protections for all workers (including over 2 million shorter-tenure casual workers and foreign visa workers who have been excluded from the government's JobKeeper wage subsidy program<sup>4</sup>). Without those protections, lower-wage workers will experience the most acute economic hardship during the shutdown, with consequent implications for household stability, consumer demand, and even public health.

Home workers will be also be more likely to protect their existing entitlements and conditions. For instance, the JobKeeper wage subsidy program makes it optional for employers to pay super on government wage payments of \$1500 per fortnight (whether recipients of the subsidy are working or not). But home workers are both more likely to continue working, and to be earning above that \$1500 per fortnight threshold.<sup>5</sup> Therefore, even if employers substitute the wage subsidy (without super) for part of a higher-income home worker's salary, the worker will still accumulate at least *some* retirement savings during the shutdown. For lower-wage workers, who are paid closer to (or even below) the \$1500/fortnight subsidy threshold, they are likely to entirely lose superannuation contributions while the program is in effect.

### **3. Income Supports for Home Workers**

Workers in jobs which can potentially be performed from home are more likely to retain employment as the COVID-19 pandemic unfolds – and they are more likely to have been earning above-average earnings in the first place. Thus, to some extent, the need for income supports for home workers may seem less acute than for other types of jobs which are more likely to disappear as many workplaces shut down. Nevertheless, even people working from home will experience tremendous uncertainty and potential income losses as consumer spending contracts and businesses cut back on staffing and purchases:

- There may be many jobs which could be performed from home, but employers do not have the need for, or the revenue to support, that work due to steep declines in sales and production.

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<sup>4</sup> Carrington Clarke, "Meet the Non-Residents and Casuals who Can't Get the Coronavirus JobKeeper Wage Subsidy," *ABC News Online*, 2 April 2020.

<sup>5</sup> Average wages for those occupations most likely to be able to work from home are over \$1500 per week – more than twice the JobKeeper benefit.

- Similarly, many people who could work from home will lose work entirely because their employers shut down or go out of business.
- Many home workers work as contractors, self-employed consultants, or “gig” workers, and hence may be experiencing a sharp contraction in their own business and revenues.

Recent improvements in income supports announced by the Commonwealth government will assist many home workers who have experienced income loss or disruption as a result of the COVID-19 shutdowns. However, many home workers will still fall through the cracks of those programs, unless flaws in policy design are quickly addressed by government.

The new JobKeeper wage subsidy program will pay \$1500 per fortnight to workers in businesses and other organisations whose revenue has declined by at least 30% (50% for businesses with revenues exceeding \$1 billion). For home workers at such firms, this creates two possibilities:

- The subsidy for their wages allows their employer to continue operating despite the decline in revenues. They continue performing their duties from home, and should be paid the greater of their previous wage or \$1500 per fortnight.
- The employer ceases operations anyway, in which case work stops and the home workers still receive \$1500 per fortnight.

For people who worked part-time or had relatively low earnings before the pandemic, their weekly incomes could actually increase under this program. This will include people who are able to continue working at home; if their income while working falls below \$1500 per fortnight, the wage subsidy will still supplement their income up to that threshold.

This program is not fully comprehensive in its coverage, however: casual staff who have been with their employer for less than 12 months are not covered, nor are foreign visa holders (other than New Zealanders working under Special Category 444 visas). This will exclude over 2 million workers (and their employers) from the program. These arbitrary exclusions will undermine the effectiveness of the program in supporting employers and preventing mass layoffs. Industries which employ many casual or foreign visa workers will be placed at needless disadvantage relative to other firms. These exclusions will affect some home workers, and should be reversed.

For self-employed home workers and sole traders, the JobKeeper program will also pay \$1500 per fortnight if the business's revenue has declined by at least 30%. However, this will require independent home workers to have been duly registered with ABNs and the ATO; many smaller undertakings and ‘gig’ workers will not have arranged these formalities, and hence will be unable to claim the benefit.

For home workers who do not qualify for JobKeeper subsidies, the expanded JobSeeker benefit will usually apply. The Commonwealth government has doubled the maximum benefit for people who lose work during the pandemic (and hopefully that higher level of benefit will continue to apply after the health emergency passes), to a maximum of \$1100 per fortnight. The benefit will be reduced if the home worker is earning partial income. The one-week waiting period for JobSeeker has also been waived during the pandemic.

The expanded JobSeeker benefit applies to most categories of displaced workers (including casuals, part-timers, sole traders and 'gig' workers). However foreign visa workers are also excluded (even those from New Zealand). How they will support themselves is unknown. Their lack of income support – with consequent impacts on food, housing, and well-being – constitutes punishing and unfair treatment, as well as exacerbating the health risks to broader society.

#### **4. Making Sure Home Work is Safe and Fair**

Some employers will adopt a constructive and realistic approach to home work during the pandemic: recognising the inevitable stress and disruption of the situation, and being patient while home work systems are established and trialed. Others, however, will be as aggressive as ever in attempting to maximise productivity and minimise labour costs despite the pandemic. Many will resist moving to home work arrangements even when they are technically feasible, for fear that 'working from home' becomes 'slacking from home.'<sup>6</sup> Others will permit home work, but double down on work intensification demands. Evidence regarding the impacts of home work arrangements on productivity, labour costs, and worker satisfaction is mixed.<sup>7</sup>

In a climate of mass unemployment and pervasive insecurity, home work could become a 'baptism by fire:' whereby workers are compelled to 'prove themselves' more energetically than ever to their employers, in hopes of protecting their jobs in the turbulent months ahead. Some employers will take advantage of this sense of insecurity to intensify work and tighten discipline. For instance, Deloitte recently warned its staff by email to be "as productive as possible" while working from home or else risk redundancy.<sup>8</sup> This threatening approach to managing home work will only exacerbate

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<sup>6</sup> Employers in recent years have had mixed and inconsistent attitudes to home work: some encouraging it, some (even in high-tech sectors) prohibiting it; see, for example, Charles Arthur, "Yahoo Chief Bans Working from Home," *The Guardian*, 26 February, 2013.

<sup>7</sup> Some relevant studies include Nicholas Bloom, et al., "Does Working from Home Work? Evidence from a Chinese Experiment," *Quarterly Journal of Economics* 130(1), 2015, pp. 165–218; R. Bosua, et al., *Telework, Productivity and Wellbeing*, Institute for a Broadband-Enabled Society, University of Melbourne, Melbourne, 2012; A. M. Dockery and Sherry Bawa, "Is Working from Home Good Work or Bad Work? Evidence from Australian Employees," *Australian Journal of Labour Economics* 17(2), 2014, pp. 163 – 190.

<sup>8</sup> Edmund Tadros and Hannah Wotton, "Deloitte to Shut Down for a Week Amid COVID-19 Crisis," *Australian Financial Review*. 1 April, 2020.

the mental health and well-being challenges already posed by working in isolation. In this context, home work could become a new ‘digital panopticon’: whereby employers subject employees to surveillance and discipline from afar, and workers fear disclosing problems and challenges out of fear they’ll be seen as incapable of operating in the new environment.

Home workers should be free from undue work intensification in these tough times – particularly as many are caring for family at the same time. A strong program of rights and protections for people working from home has thus become suddenly more important. Here are several of the unique risks and challenges facing home work and home workers, along with corresponding policy suggestions:

#### *Shifting costs of business to the home*

Some employers already encouraged staff to work remotely before the pandemic in order to reduce office infrastructure costs. By facilitating home or other remote work, they could reduce fixed costs of office space and equipment; these arrangements were promoted as being beneficial to workers as well (through reduced commuting time and expense, and greater flexibility in working hours). With the pandemic, that trend will become stronger. As they make new investments in remote-work technology and systems, and as work teams gain experience and proficiency with new business models, many employers will wish to retain home work arrangements in the post-COVID economy. New forms of decentralisation could also arise once employers realise they don’t need all their staff working from expensive CBD offices.

Establishing and operating their workplace is a major cost for most employers – including building and administration costs, equipment, utilities, amenities and more. These costs can be effectively transferred to employees working from home, but that would impose an unfair burden on home workers. The ATO has indicated that incremental out-of-pocket expenses incurred as a result of working from home during the pandemic (including extra utility costs, extra depreciation on personal capital equipment, and direct costs for paper, data, etc.) may be deductible on personal income tax;<sup>9</sup> however, few home workers will realistically be able to account for and claim those expenses, and at any rate being able to deduct these expenses offsets only a minority of the worker’s actual out-of-pocket expense.<sup>10</sup>

Incremental costs incurred by employees as a result of home work should be fairly compensated. Fixed up-front costs for setting up an appropriate home workspace should also be compensated. The unprecedented number of workers based at home

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<sup>9</sup> See Australian Tax Office, “Home Office Expenses,” <https://www.ato.gov.au/Individuals/Income-and-deductions/Deductions-you-can-claim/Home-office-expenses/>.

<sup>10</sup> Deducting incremental expenses for working from home amounts to a rebate for those expenses equal to the marginal income tax that would have been paid on that income otherwise; for most Australians, that will rebate less than one-third of their actual out-of-pocket costs.

during the pandemic, and the likelihood that home work will become a more common feature of the future labour market, will require corresponding reforms to the system of labour protections. Allowances for all employees required to perform some or all of their duties from home should be considered — designed to fairly reflect ongoing work-related costs (including space, data charges, utilities, and printing). The most effective way to provide such an allowance for every home worker would be for the Fair Work Commission to insert Home Work Allowance clauses into all relevant Modern Awards.

Working from home may be preferable for some staff, due to reduced commuting time and expense, greater flexibility, and other benefits. On the other hand, much evidence also suggests that employee trust, cohesiveness, and mental health are strengthened by shared workspaces and interactions with colleagues. After the pandemic, some employers may now expect home work to become a normal arrangement – and may attempt to require employees to work from home (or other remote locations).

While flexible work arrangements are generally beneficial, it will be important for workers to maintain personal choice in the decision about whether to work from home, and to have the right to come into work when that is preferable. When Australians can once again move freely and leave the home for work, employees should be able to reject working from their private homes if it is unsuitable to their needs. This will also require innovative changes to Australia's existing system of minimum labour protections (both Modern Awards and the National Employment Standards) and collective agreements. In recent years, emphasis has been placed on facilitating the rights of employees to request and have access to flexible work arrangements. After this pandemic, with likely pressure on many workers to keep working from home, the mirror-image entitlement will be required: namely, the right of workers to work at a formal, employer-provided workplace, rather than from their own home.

#### *Space, safety and ergonomic considerations*

It cannot be assumed that every worker has an appropriate and safe space in their home to perform their duties. This is a particular challenge for workers with family care responsibilities, and for people living in space-constrained living conditions (which have become more commonplace in light of skyrocketing housing costs in Australian cities). The assumption that workers have a spare room that can be readily converted into a home office, where they can work peacefully and productively, is far-fetched for most home workers.

Even in an office setting, ergonomic and safety considerations are important when considering work that may be performed repetitively for extended periods of time. These considerations include:

- Safe seating, desk, and lighting arrangements.
- Ergonomically safe equipment.
- Safe electricity supply.

- Safety in the immediate environment (from falls, trip hazards, and other potential dangers).

Under Australian occupational health and safety laws, employers have a duty of care to ensure workers have a safe work environment, even when performing that work at home.<sup>11</sup> Moreover, Australia's relatively inclusive OHS laws extend that duty of care to workers who are not direct employees.<sup>12</sup> The harmonised WHS Acts in most states apply to anyone who carries out work in any capacity, engaged by a 'person conducting a business or undertaking' (PCBU) – or whose work is directed or influenced by a PCBU. So even for a contractor or sole-trader working for someone else from their own home, the business which initiates and pays for that work must take health and safety issues into consideration. Businesses should consult with home workers to ensure that working conditions are appropriate and safe, provide detailed information (through factsheets or checklists) on how to work safely from home, and be open and ready to respond quickly and effectively to concerns about safety issues in home workspaces – rather than brushing them off as inconsequential.

Other important safety and health considerations must also be taken into account. One of these is the social and family context for home work. Unfortunately, many families are sites of abuse and violence. Requiring people in unsafe families to work in those conditions may exacerbate the risks they face. This risk is particularly acute for women, of course. The added financial and emotional strains associated with the pandemic, self-isolation, and lack of outside contact will only heighten the danger. Employers have a duty of care here, too: to provide workers with information, advocacy and legal support to better manage the stresses and risks of domestic and sexual abuse and violence while working at home, and to make appropriate adjustments to workloads and incomes as needed. Provision of paid leave from work for victims of domestic violence is especially important in this context.

### Working hours and availability

Because more employees are working from home, and are effectively prohibited from leaving that 'workplace' during the COVID-19 shutdowns, some employers may implicitly assume that home workers are 'always on the job.' This colocation of work and life will further blur the already-fuzzy line between working hours, and the rest of peoples' time. In this context, businesses need to manage the shift to a COVID-19 business model with respect for the significant disruptions that are already occurring in their employees' lives. Basic rights to standard and predictable working hours, and compensation for overtime, must continue to be observed.

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<sup>11</sup> Amber Chandler, "Legal Guidelines for Work From Home Arrangements," *Human Resources Director*, 12 May 2017, <https://www.hcamag.com/au/news/general/legal-guidelines-for-work-from-home-arrangements/149475>.

<sup>12</sup> Richard Johnstone and Andrew Stewart, "Swimming Against the Tide? Australian Labour Regulation and the Fissured Workplace," *Comparative Labor Law & Policy Journal* 37(1), 2015, pp. 55–90.

Instead of simply scrapping employer obligations to record staff working hours (as some employers have demanded in the wake of the pandemic), businesses should simply allow staff to self-report their home working hours – already a standard practice in many firms which use timesheets.

The steady encroachment of digital technologies into private lives has raised expectations that employees are always available and contactable. While this trend affects all workers, those working from home will feel these effects especially strongly in coming weeks. This makes it all the more important to reaffirm existing expectations and rules regarding working hours.

### Monitoring and surveillance

In 2018 the Centre for Future Work reported that a worrying 70% of all workers experienced one or more forms of digital surveillance in their workplace to police labour effort.<sup>13</sup> This worrying trend could follow employees into the home – especially when using IT and devices taken home from their workplaces. Productivity software is the most common tool for worker surveillance: tracking the time employees spend in various applications, monitoring social media, and other intrusive data collection. More nefarious forms of surveillance monitor the pace of keystrokes and scrolls to supposedly measure constant ‘active engagement’ with work.

The pandemic could encourage new forms of employee monitoring, too. For instance, group conference software Sneek has the capacity to send webcam pictures of employees working at home, taken every few minutes, to their managers; its popularity with employers has expanded with the growth in home work due to COVID-19.<sup>14</sup> Employees will need strong assurances that their privacy is protected: in the workplace, but now also in their homes. Australian laws regarding employer surveillance of workers and workplaces are undeveloped: only NSW has comprehensive provisions, and those are relatively weak (limited to simply requiring that workers be informed when they are subject to employer surveillance).

The threat to privacy and dignity posed by employer digital surveillance is obviously accentuated when that surveillance can potentially intrude into our homes, via monitoring of computer use, smart phones, and other technologies. The misuse of these technologies is a long-run challenge to fair work that needs to be addressed through ongoing research, regulation and legislation. During the pandemic, employers should:

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<sup>13</sup> See Troy Henderson, Tom Swan and Jim Stanford, *Under the Employer’s Eye: Electronic Monitoring & Surveillance in Australian Workplaces* (Sydney: Centre for Future Work, 2019).

<sup>14</sup> Alex Lasker, “Software Photographs Employees Every 5 Minutes to Ensure They’re Working,” *Yahoo Finance*, 30 March, 2020.

- Restrain from implementing new digital techniques of performance monitoring and surveillance.
- Inform workers of any data being gathered regarding their home work activity and output.
- Rely instead on more personal and constructive methods of supervision, coaching and support for home workers. After all, workers are already experiencing elevated levels of stress and disruption as a result of the pandemic.

#### *Caring labour and work/life balance*

Hundreds of thousands of parents are juggling home work, caring responsibilities, and supervising children through online learning in the wake of school closures. For many parents, it is impossible to work to full productive potential while caring for children and performing other family duties at the same time. For those with younger children, this challenge will be even more daunting. Rights to furlough should be granted in instances where workers have childcare responsibilities. Existing pay rates should be maintained where possible, supplemented with the government's wage subsidy. This would ensure working carers (predominantly women) do not suffer undue income penalties.

One silver lining from this crisis is that it may spark a reexamination of the long-standing discrimination experienced by women workers with caring responsibilities, along with a new determination to create conditions more supportive of the redistribution of unpaid and caring labour in the home (including allowing fathers to become more active co-parents). The Commonwealth government's decision to provide free childcare for those working through the pandemic is an encouraging step in that direction. This policy should be made permanent after the pandemic ends, and other measures taken to support women's full participation in paid work – and achieve a healthier and more sustainable balance between work and family responsibilities.

### **Conclusion and Recommendations**

The expansion of work-from-home arrangements will be an important and valuable tool for coping with the economic and employment consequences of the COVID-19 pandemic. Where possible, shifting work to home will allow many workers to continue doing their jobs, and allow many businesses to continue to operate. That will partially cushion the negative shock which the economy is now experiencing, stabilise incomes, and provide crucial support services for many industries, firms and institutions.

However, working from home is not a panacea for this crisis. Firstly, most Australian workers cannot conceivably do their jobs from home: they will require strong income protections to maintain their financial stability and protect their health (especially so they are not compelled to continue performing normal out-of-home work despite the associated health risks). Those who cannot work from home, were more likely to have

lower and more variable incomes even before the pandemic. Recent government announcements of extra income support and wage subsidy programs are welcome in this regard, but they must be extended to all workers (including casuals and foreign visa workers).

For workers who can work from home, sensible support and precautions must be taken to ensure that the work they continue to do is safe and appropriate, and that they are provided with generous personal and logistical support to do their jobs – despite the stress and disruptions caused by the pandemic. This will require employers to adopt an enlightened, supportive approach to home work arrangements: facilitating whatever work can be done, encouraging workers to do their best, but without a disciplinarian approach to the matter, and respecting the privacy and dignity of workers even as they do their duties from their own homes.

Digital technology was already opening up wider vistas for home work arrangements. The COVID-19 pandemic will accelerate those trends, with long-lasting impact. There are many benefits and efficiencies potentially associated with home work – but many risks and dangers, too. So it is crucial that we do home work ‘right.’ Ongoing research and advocacy into the safety, fairness, and compensation issues associated with home work should thus become a top priority for labour advocates, even after the immediate health emergency ends.

## Appendix

Estimates of the potential capacity for home work by occupation were developed from disaggregated data on employment by occupational unit. 2019 employment data for 54 different specific occupations were attained from detailed ABS statistics (ABS Catalogue 6291.0.55.003, data cube EQ03). For each occupational code, a score of potential ability to work at home was assigned based on analysis of job tasks, required equipment, and spatial relationship to the object of work. Those scores were assigned as follows:

- 0: No possibility of working from home.
- 1: Some jobs could be done from home (approximately 25%).
- 2: About half of jobs could be done from home.
- 3: Most jobs could be done from home (approximately 75%).

There were no occupational groupings for which it was judged that all jobs could be performed at home.

From those occupational unit level scores, weighted average estimates of capacity to work from home by broad occupation were aggregated. A weighted average estimate of potential to work from home by gender was developed by linking occupational

workplace flexibility estimates to a gender disaggregation of employment by occupational category.

Data on weekly earnings by broad occupational category were attained from ABS Catalogue 6333.0 (Table 4.1), and linked to estimates of workplace flexibility to generate weighted average earnings estimates for those who could work from home, and those who cannot.