

20th November

Take-the-Rest-of-the-Year-Off Day

If Australian employees worked the same hours as the average worker in industrialised countries they would take the rest of the year off from 20th November, and then take their normal annual leave.

While Australians often consider themselves as living in the land of the long weekend, the reality is that they now work the longest hours in the developed world. Australian employees work an average 1855 hours each year compared to the developed country average of only 1643. Employees in Norway work an average of only 1376 hours per year.¹

Table 1 Average hours worked per employed person per year (2000)

Country	Annual hours
Australia	1855
United States	1835
Japan	1821
New Zealand	1817
Canada	1767
Finland	1730
United Kingdom	1708
Ireland	1690
Sweden	1625
Italy	1622
France	1590
Switzerland	1568
Belgium	1530
Denmark	1504
Germany	1482
Netherlands	1381
Norway	1376
Mean	1643

Source: Tiffen and Gittins (2004)

A recent study by the International Labour Office (ILO) found that Australia had the fourth highest proportion of people who work more than 50 hours per week and that the number of Australians working these hours had grown faster than in any other industrialised country (ILO 2004). These results are summarised in Table 2.

¹ Note that this figure is for all employees, including part time employees. The fact that Australia has the longest average hours worked and the second highest proportion of part-time workers in the same group is particularly surprising.

Table 2 Proportion of employees working 50 hours or more per week (2000)

Country	% long hours
Japan	28.1
NZ	21.3
US	20.0
Australia	20.0
Britain	16.0
Ireland	6.5
Greece	6.5
Spain	6.0
France	6.0
Portugal	5.5
Germany	5.5
Denmark	5.0
Finland	4.5
Italy	4.0
Belgium	3.5
Austria	2.5
Sweden	2.0
Netherlands	1.5
Mean	9.1

Further, although the number of public holidays enjoyed by Australians is around the OECD average, they are entitled to less than average paid annual leave, enjoying only four weeks leave per year compared to the European average of five weeks. A number of countries currently provide workers with up to six weeks paid annual holidays per year - see Table 3.

Table 3 International comparison of paid annual leave and public holidays

Country	Collectively agreed entitlement for annual leave (working days, 2001)	Minimum of annual leave (working days, 2002)	Number of public Holidays ⁵
Australia		20	10-11
Austria	25	25	13
Belgium	NA	20	10
Denmark	30	25	9.5
Finland	25	24	12
France	25	25	11
Germany	29.1	20	9-12
Greece	23	20	10-12
Ireland	20	20	9
Italy	28	20-30 ¹	12
Luxembourg	28	25	10
Netherlands	31.3	20	8
Portugal	24.5	22	12-14
Spain	NA	22	12-14
Sweden	33	25	11
UK	24.5	20	8
EU average	25.7	22	10.8
Japan	17.8 ²	10-20 ³	15
US	9.6-21.7 ⁴	No binding law	10

Notes:

1. Leave entitlement is linked to job grade and length of service. 2. 1999 figure.

3. The statutory minimum of annual leave increases from ten days up to 20 days according to the length of service. 4. 1997 figure. 5. Adapted from a table compiled by ILO (pers. com.); EIRO 2002; EIRO 2001; US Department of Labor Bureau of Labor Statistics 1997; Japan Ministry of Labour 1999.

Sources: Adapted from a table compiled by ILO (pers. com.); EIRO 2000; EIRO 2001; EIRO 2003, US Department of Labor Bureau of Labor Statistics 1997; Japan Ministry of Labour, 1999.

In addition to our short annual holidays, there is evidence to suggest that many Australians actually struggle to take the leave they are entitled to. In a survey conducted for the Australia Institute by Newspoll in 2003, it was found that 58 per cent of full time employees did not use all of their annual leave - see Table 4. Of those who did not take all their leave, 42 per cent cited as the main reason either being too busy at work or an inability to get time off that suited their needs (Denniss 2003).

If Australians keep working the average number of hours each week that they currently do then, even if they had already taken their four weeks holiday earlier in the year, they could stop work on November 20 each year and still manage to work the average number of hours worked by employees in OECD countries.

Table 4 Whether respondents took all annual leave in 2002 (%)

	Total	Male	Female	25-34 years	35-49 years	50-59 years
Yes	39	38	41	37	36	50
No	58	60	53	59	60	48
Don't know	4	3	6	4	4	2

Source: Newspoll survey conducted June 13-16 2003. Responses to the question 'Thinking now about the paid leave that you were entitled to during 2002. did you take all the paid leave that you were entitled to during 2002?'. Figures may not sum to 100 due to rounding.

Long work hours are a major cause of the crisis in work/family balance in Australia. Not only are Australians working particularly long hours but the number of households with two working parents is rising steadily. While women's participation in the labour force should be encouraged, it is much harder for families to balance work and family obligations when employers are increasingly expecting full time workers to be at work for more than 50 hours per week. (see Pocock 2003).

A range of evidence suggests that in addition to placing stress on relationships between partners, and between children and parents, such long working hours are having deleterious effects on the physical and psychological health of Australians. Long work hours are related to an increased incidence of work-place accidents and car accidents as fatigue reduces both concentration and decision making skills.

Does it have to be this way?

There is no doubt that, for some Australians, working long hours is a choice that reflects either their preference for income or the enjoyment they get from their work. There is, however, also no doubt that many Australians believe that they are pressured to work such hours by employers, managers and even their colleagues (Pocock 2003). Australians are often told that they have to work long hours if Australia is to remain 'competitive'. This is a furphy. Long hours of work are not essential to economic growth or prosperity. In fact, there is growing evidence of the adverse personal and social costs of pursuing such a course.

As shown in Table 1, many wealthy countries work significantly shorter hours each week than Australians do. In fact, it is more meaningful to see long hours of work as evidence of low labour productivity rather than high levels of competitiveness. Countries such as Norway, Germany and Switzerland pursue wealth so that they can work shorter hours, whereas Australians seem to be determined to work long hours in order to increase their wealth.

The view than Australians *need* to work long hours in order to increase economic growth is a statement of values not a statement about economic theory. Long working hours force us to spend more time away from our families and friends in order to fund increased expenditure on cars, appliances and restaurant meals. While the economy may indeed grow more slowly if more people were to choose to preference time with

family over new appliances, a lower rate of growth should not be confused with a lower standard of living.

For example, many Australians struggle with 'work/family balance' yet, on average, we work nearly 500 hours more each year than the average Norwegian employee. While the goods and services we make and buy are included in estimates of Gross Domestic Product, the ten hours per week extra that we work (compared to the Danes) is ignored in the national accounts.

If more Australians chose shorter working weeks and/or longer annual holidays then the rate of growth of GDP would dip slightly. If, however, the extra time spent with friends and family was of more value than the extra goods and services that could have been bought with some extra overtime then, even though growth may have declined, the standard of living can still be said to have improved.

Australians are working longer and longer. They are reporting higher degrees of stress and anxiety. Obesity, depression and heart disease are on the rise. If as individuals, and as a society, we choose to measure progress simply in terms of our personal and our national incomes then we are likely to work ourselves sick. While governments and business groups often decry attempts to achieve work family/balance as economically irresponsible, there is clear international evidence that this is not the case. On the contrary, working to the point where our personal and community bonds are weakened is not only not economically responsible, it is socially irresponsible.

References

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