

Casual employees

In recent decades there has been an increase in forms of employment other than the 'traditional' arrangement of full-time, ongoing wage or salary jobs, with regular hours and paid leave. One such form of employment is casual work.

Although casual employment has risen only modestly in recent years (from 21% of employees in 1992 to 25% in 2007)¹, it is of particular interest because of concerns about the working conditions of casual workers.^{2,3} These concerns include suggestions that casuals may have poorer career opportunities or less job security than other employees. On the other hand, the part-time arrangements often associated with casual employment can help employees balance their work with other commitments such as education and family responsibilities.

This article looks at the flexibility of working arrangements of casual employees compared with other employees (for example, whether they have a say in start and finish times) and also examines job stability for casuals.

Who is employed as a casual?

There were 8.3 million employees in 2007, and one in four (2.1 million) were casuals. Women accounted for over half (56%) of all casuals. Casuals also tended to be young. Two-fifths of casuals were aged 15–24 years compared with 14% of other employees.

How flexible are working arrangements for casuals?

In 2007, casuals were less likely to have flexible working arrangements than employees with paid leave entitlements. However, the fact that many casuals work part-time may make some of these flexible working arrangements less important.

The biggest difference between casual employees and other employees was in the ability to work extra hours to take time off. Just over half (52%) of employees with paid leave entitlements could do this, compared with less than one-third (30%) of casuals. Casuals were also less likely (77%) than other employees (89%) to be able to choose when to take their holiday leave. However, there was little difference between casuals and other employees when it came to having a say in start and finish times (40% and 43% respectively).

Data sources and definitions

Most of the information in this article comes from the 2007 Survey of Employment Arrangements, Retirement and Superannuation (SEARS). The information relates to people aged 15 years and over. Where people had more than one job, the information is on their main job. More information about SEARS can be found in:

- [Employment Arrangements, Retirement and Superannuation, Australia, April to July 2007](#) (ABS cat. no. 6361.0); and
- [User Guide: Employment Arrangements, Retirement and Superannuation, Australia, April to July 2007](#) (ABS cat. no. 6361.0.55.002).

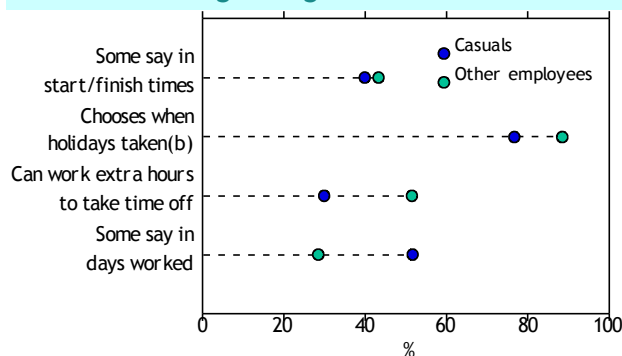
Casuals are defined as employees (excluding owner managers of incorporated enterprises) who are not entitled to paid sick or holiday leave (the ABS proxy measure for casuals).⁴ *Other employees* are those who are entitled to paid sick and/or holiday leave.

In this article, *part-time* employees are those who usually worked 1–34 hours in their main job. *Full-time* employees are those who usually worked 35 or more hours in their main job.

Employees, for the purposes of this article, exclude owner managers of incorporated enterprises. These are people who work in their own incorporated enterprise, that is, a business entity which is registered as a separate legal entity to its members or owners (a limited liability company). While owner managers of incorporated enterprises are generally classed as employees, they have more control over their working arrangements than other employees, and so are excluded from this analysis.

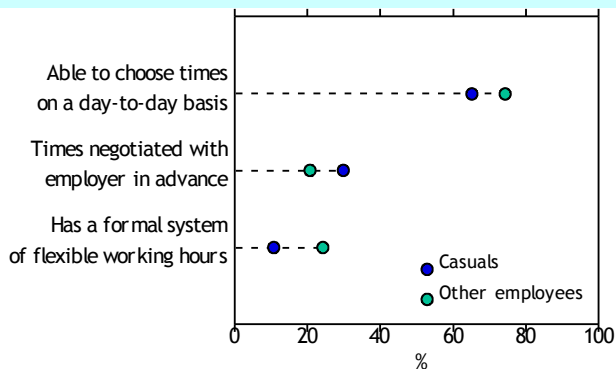
Casuals who had some say in their start and finish times were less likely to be able to choose those times on a day-to-day basis than other employees (65% of casuals compared with 74% of other employees). About one in ten casuals with some say in their start and finish times

Employees(a) in main job, proportion with selected working arrangements – 2007



(a) Employees excluding owner managers of incorporated enterprises.
 (b) Includes those who could sometimes choose when holidays were taken.
 Source: ABS 2007 Survey of Employment Arrangements, Retirement and Superannuation

Employees(a) in main job, who had some say in start and finish times – 2007



(a) Employees excluding owner managers of incorporated enterprises.

Source: ABS 2007 Survey of Employment Arrangements, Retirement and Superannuation

had a formal system of flexible working arrangements, compared with around one in four other employees. Overall, only a small proportion of all employees had a formal system of flexible working arrangements (4% of all casuals, and 10% of those with paid leave).

One aspect in which casuals had more flexibility was in the days of the week on which they worked. Just over half (52%) of casuals had some say in the days they worked in 2007, compared with 28% of other employees. This was due to the fact that many casuals work part-time: casuals were four times as likely to work part-time (71%) as other employees (18%). Overall, part-time employees (casuals and non-casuals combined) were more than twice as likely to have a say in the days they worked compared with full-time employees (56%, compared with 24% of full-time employees). Most full-time employees worked from Monday to Friday each week.

The Fair Work Bill

The Commonwealth Government introduced the *Fair Work Bill* on 25 November 2008, to give parents and other people caring for children under school age the right to make formal requests for flexible work arrangements. These provisions are intended to apply to all employees, including long-term casual workers and casuals whose jobs are ongoing. The Bill allows employers to refuse such requests only on reasonable business grounds.

This article uses information from a survey conducted in 2007, prior to the introduction of the *Fair Work Bill*.

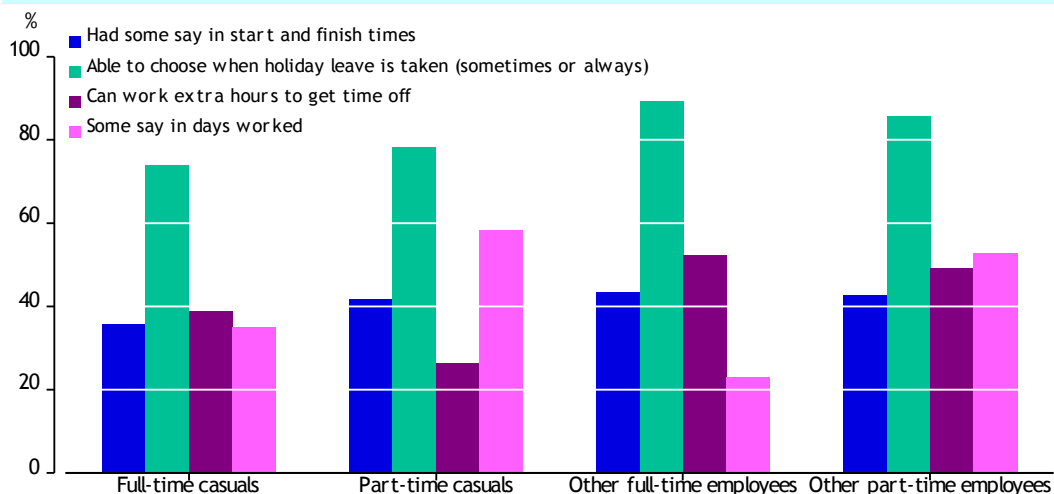
Female casuals were more likely than male casuals to have some say in the days of the week on which they worked (57% compared with 45%). This was largely due to the fact that women accounted for almost two-thirds of all part-time casuals, and part-time casuals were more likely to have this flexibility than full-time casuals were.

...for part-time compared with full-time casuals

In some ways, casuals were likely to have more job flexibility if they worked part-time. In 2007, 42% of part-time casuals had some say in their start and finish times compared with 36% of full-time casuals. In addition, 58% of part-time casuals had a say in days worked compared with 35% for full-time casuals, while the proportion of casuals who had some say in when they took holidays was similar for part-time and full-time workers (close to three-quarters of casuals in both cases).

In contrast, part-time casuals were less likely to be able to work extra hours in order to take time off (26%) than those who worked full-time (39%). This may be partly due to the fact that part-time casuals were more likely than full-time casuals to have hours that varied each

Employees(a) in main job, proportion with job flexibility by full-time/part-time status – 2007



(a) Employees excluding owner managers of incorporated enterprises.

Source: ABS 2007 Survey of Employment Arrangements, Retirement and Superannuation

week (37% compared with 29%). For part-time casuals, working extra hours to take time off may not be as important as being able to negotiate which days or hours are worked.

...for full-time employees

Full-time casuals were less likely to have flexible working arrangements in many respects than other full-time employees. Full-time casuals were less likely to have a say in start and finish times (36%) than other full-time employees (43%), less likely to be able to choose when to have holidays (74% and 89%, respectively) and less likely to be able to work extra hours to take time off (39% and 52%, respectively). On the other hand, full-time casuals were more likely than other full-time employees to have some say in which days they worked (35% compared with 23%).

...by industry

Job flexibility for employees varies across industries according to the activities and requirements of the workplace. In all industries, casuals had less flexibility than other employees for most measures, except that casuals in each industry were more likely to have a say in the days on which they worked. Where casuals had low job flexibility, other employees in the same industry often had low flexibility as well.

Job flexibility was highest for casuals in the Professional, scientific and technical services industry: 69% of all casuals in this industry had a say in their start and finish times, 87% could choose when holidays were taken, 53% were able to work extra hours to take time off and 67% had a say in the days they worked each week. Casuals in the Financial and insurance services industry also had higher flexibility

Employees(a) in main job, selected working arrangements by industry, casuals and other employees – 2007

	Employees(a)		Some say in start / finish times		Could choose when holidays taken(b)		Could work extra hours to take time off		Some say in days worked	
	Casuals	Other	Casuals	Other	Casuals	Other	Casuals	Other	Casuals	Other
	'000	'000	%	%	%	%	%	%	%	%
Agriculture, forestry & fishing	70.1	61.1	44.9	54.7	73.4	88.7	40.7	64.9	52.5	37.9
Mining	18.7	125.9	*26.4	29.4	73.0	94.5	*31.2	45.6	31.3	15.4
Manufacturing	169.2	780.3	31.4	34.9	68.7	92.6	28.4	49.6	34.6	17.6
Electricity, gas, water & waste services	9.2	73.3	*55.0	59.9	*55.8	94.0	*36.0	65.8	*45.6	26.5
Construction	112.6	358.4	33.8	35.1	79.7	90.8	49.6	54.9	37.1	21.3
Wholesale trade	49.2	280.8	37.8	47.7	71.5	93.6	*23.0	54.4	44.2	22.9
Retail trade	438.7	603.3	37.9	40.1	83.3	95.9	26.0	51.3	58.0	35.9
Accommodation & food services	357.6	191.6	39.8	41.9	78.8	91.3	27.4	50.2	56.5	44.5
Transport, postal & warehousing	99.7	327.7	33.1	33.1	76.2	92.1	31.3	44.2	36.6	20.6
Information media & telecommunications	39.1	166.1	42.4	57.3	80.9	96.5	*24.6	59.8	54.1	36.0
Financial & insurance services	29.9	294.6	67.2	56.4	88.9	98.1	45.1	63.6	51.2	22.9
Rental, hiring & real estate services	41.5	114.1	46.2	42.7	69.7	97.2	*18.9	55.8	56.1	29.3
Professional, scientific & technical services	91.4	443.6	68.7	61.4	87.0	98.1	53.0	65.6	66.7	29.9
Admin. & support services	123.0	144.1	36.0	43.1	70.3	92.5	26.5	43.8	41.4	24.3
Public administration & safety	55.6	557.3	56.8	60.1	73.9	93.6	33.4	64.9	47.8	28.6
Education & training	112.0	612.0	29.1	35.2	46.5	37.0	20.3	32.4	50.5	23.5
Health care & social assistance	183.3	786.2	42.6	37.5	82.0	94.9	26.0	44.4	61.3	43.8
Arts & recreation services	49.7	71.2	34.6	49.7	83.5	90.5	24.7	53.2	64.2	32.8
Other services	57.5	211.6	48.0	40.5	79.4	95.0	36.8	56.8	47.9	27.5
Total(c)	2 109.8	6 204.4	40.0	43.3	76.8	88.6	29.9	51.6	51.7	28.5

* estimate is subject to sampling variability too high for most practical purposes

(a) Employees excluding owner managers of incorporated enterprises.

(b) Includes those who could sometimes choose when holidays were taken.

(c) Includes people whose industry could not be determined.

Source: ABS 2007 Survey of Employment Arrangements, Retirement and Superannuation

than most other industries, though having some say in the days on which they worked was similar to the level for all casuals. However the proportion of casuals in these industries was relatively small (17% in Professional, scientific and technical services and 9% in Financial and insurance services).

Accommodation and food services had the highest proportion of casuals. Only 40% of casuals in this industry had a say in their start/finish times, although close to 80% of casuals could choose when they took holidays.

Employees working in the Education and training industry were much less likely to have a choice in when holidays were taken than employees generally (38% in Education and training compared with 86% overall) as many of these employees are restricted to taking leave outside of teaching periods. However, casuals seemed to be less restricted than other employees in this industry: 46% of casuals in Education and training were able to choose when holidays were taken, compared with 37% of other employees.

...by occupation

In terms of choosing when holidays were taken, having some say in start and finish times, and being able to work extra hours in order to take time off, Clerical and administrative workers had the highest levels of job flexibility among casuals. Most (83%) casual workers in this occupation group could choose when holidays were taken, 58% had some say in start and finish times and 44% were able to work extra hours in order to take time off. The proportion of casuals in this occupation was smaller than

most other occupations (19% of Clerical and administrative workers were casuals compared with 25% for all occupations).

Across all major occupation groups, casuals were less likely than employees with leave entitlements to be able to choose when holiday leave was taken or to work extra hours in order to take time off. However, for most occupation groups, casuals were more likely than other employees to have some say in their start and finish times or to have some say in days worked. For example, one in three casual Labourers had some say in their start and finish times compared with only one in five labourers with leave entitlements. Casual Labourers were much more likely to have some say in days worked (41%) compared with other Labourers (16%).

Job stability

As well as the flexibility of working arrangements, another concern when considering the working arrangements of casuals is the security and stability of their jobs. Particular areas of concern include the fact that casuals may not be given notice (or severance pay) in the case of dismissal and uncertainty around pay amounts from pay period to pay period. While some casuals keep their jobs for long periods, many are in short-term, irregular jobs characterised by high levels of employment insecurity and high turnover.⁵

Employees(a) in main job, selected working arrangements by occupation, casuals and other employees – 2007

	Employees(a)		Some say in start/finish times		Could choose when holidays taken(b)		Could work extra hours to take time off		Some say in days worked	
	Casuals	Other	Casuals	Other	Casuals	Other	Casuals	Other	Casuals	Other
	'000	'000	%	%	%	%	%	%	%	%
Managers	70.2	790.1	45.3	69.6	78.2	93.5	42.0	58.2	48.4	35.9
Professionals	212.6	1 582.0	48.3	50.5	71.6	79.1	34.4	47.8	59.6	33.1
Technicians and trades workers	178.6	870.2	34.1	33.0	75.1	91.8	35.1	55.4	38.5	21.9
Community and personal service workers	314.5	477.5	37.1	29.2	77.3	83.1	24.6	37.6	57.7	36.5
Clerical & admin. workers	256.4	1 120.1	58.3	49.6	83.2	94.4	44.2	64.8	59.2	27.2
Sales workers	436.7	423.4	42.0	42.0	82.8	95.1	26.8	50.6	64.1	35.2
Machinery operators & drivers	162.6	450.1	26.3	19.4	72.6	90.6	29.6	42.5	32.2	14.5
Labourers	478.1	490.9	32.6	18.9	71.7	90.4	22.8	39.8	40.8	15.6
Total	2 109.8	6 204.4	40.0	43.3	76.8	88.6	29.9	51.6	51.7	28.5

(a) Employees excluding owner managers of incorporated enterprises.

(b) Includes those who could sometimes choose when holidays were taken.

Source: ABS 2007 Survey of Employment Arrangements, Retirement and Superannuation

...duration of current job and expected future duration

In 2007, while almost half (45%) of all casuals had been in their current job for less than a year, nearly three-quarters (74%) of all casuals expected to be working for the same employer in 12 months time compared with 89% of other employees.

Employees with paid leave entitlements were much more likely than casuals to have been in their current job for five years or more (46% of employees with paid leave entitlements, compared with 15% of casuals). This may partly reflect the younger age profile of casuals and the fact that some of them would have been in the workforce for less than five years.

For those casuals who expected to change employer within 12 months, the most common main reason for doing so was that they would be changing jobs or seeking other employment (55%). Returning to study was also a common main reason (11%). In 13% of cases, the main reason was to do with the job finishing at the employer's instigation (e.g. the contract coming to an end, the employer downsizing, or it being a seasonal/temporary job).

...do earnings and hours vary?

Variations in pay from week to week can make it difficult for employees to plan their finances and take out loans. Nearly half (47%) of casual employees had earnings (excluding overtime) that varied from pay to pay, compared with 16% of other employees.

Casuals were twice as likely as other employees to work in a job where the hours varied from week to week (35% and 17%, respectively).

There was little difference between the sexes when it came to these aspects of job stability. About 37% of female casuals had hours that

varied from week to week (compared with 33% of male casuals). There was no significant difference between the sexes for earnings that varied from pay to pay.

...is a minimum number of hours guaranteed?

Almost one-quarter of casuals did not have a minimum number of hours guaranteed, while around 11% did have a guaranteed minimum. There was little difference between the sexes. The remainder of casuals (65%) worked the same number of hours each week.

Would casuals prefer to work more hours?

Casuals who worked part-time were more likely to prefer to work more hours than other part-time employees (28% and 16%, respectively).⁶

For both casual and other part-time employees, men were more likely to prefer to work more hours than women. About 32% of men in casual part-time employment would have preferred more hours, compared with 22% of other male part-time employees. Just over one-quarter of women in casual part-time employment would have preferred more hours (26%) compared with 15% of other female part-time employees.⁶

How many casuals get paid a loading for being casual?

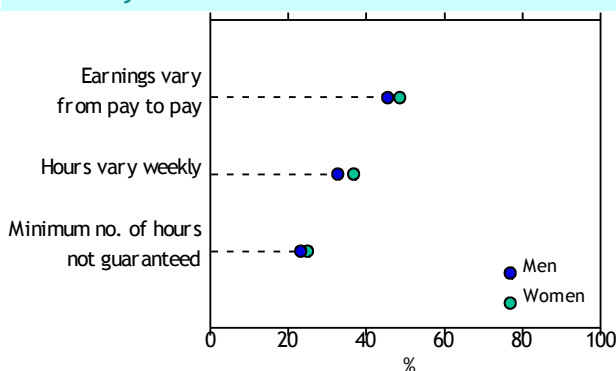
Another factor affecting casual jobs is whether or not employees get paid a casual loading. Almost half of casuals said they received a loading (48%), just over one-third said they did not receive a loading (36%) and the remainder (16%) did not know whether or not they received a casual loading as part of their pay.

Female casuals were more likely than male casuals to say they had received a casual loading (50% compared with 45%). One-third of female casuals said they did not get a casual loading (compared with 41% of male casuals) and 17% were unsure whether or not they received such a loading (compared with 14% of male casuals).

Conclusion

In 2007, one in four employees were casuals. This type of worker is likely to have less flexible working arrangements in some respects than other employees, although the part-time working arrangements common for casuals may allow time for other parts of life, such as family responsibilities. Casuals also tended to have less certainty in terms of the amount of pay they receive from one pay period to the next, and in hours of work. Nevertheless, just

Casual employees(a), selected measures of job instability – 2007



(a) Employees excluding owner managers of incorporated enterprises.

Source: ABS Survey of Employment Arrangements, Retirement and Superannuation 2007

over half (53%) of casuals had earnings that did not vary from pay to pay, and 65% had hours that did not vary from week to week.

Endnotes

- 1 Australian Bureau of Statistics 2009, [Australian Labour Market Statistics, January 2009](#), Data Cubes: Table 2: Employment Type 1992-2007, cat. no. 6105.0, ABS, Canberra.
- 2 Watson, I, 2004, 'Contented Casuals in Inferior Jobs? Reassessing Casual Employment in Australia', Working Paper no. 94, Australian Centre of Industrial Relations Research and Training, Sydney, viewed 29 May 2009, <www.wrc.org.au>.
- 3 Wooden, M. and Warren, D, 2003, 'The Characteristics of Casual and Fixed-Term Employment: Evidence from the HILDA Survey', Working Paper 15/03, Melbourne Institute of Applied Economic and Social Research, Melbourne, viewed 29 May 2009, <www.melbourneinstitute.com>. The authors noted that many commentators consider growth in casual employment an unfortunate by-product of labour market reform, but they found that 'non-standard employment is not necessarily seen as undesirable by workers'.
- 4 For more information on how casual employment may be defined, see '[Measures of Casual Employment](#)' in *Australian Labour Market Statistics, October 2008*, cat. no. 6105.0, ABS, Canberra.
- 5 Campbell I, Whitehouse G and Baxter, J, 2009, 'Working Paper, Australia: Casual Employment, Part-time Employment and the Resilience of the Male-Breadwinner Model', viewed 1 June 2009, <www.genderwork.ca>.
- 6 Australian Bureau of Statistics, 2007 Survey of Employee Earnings, Benefits and Trade Union Membership.