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Media release

Unpaid overtime a \$72 billion gift to employers

Australian workers are 'donating' more than their annual leave entitlement back to their employers in the form of unpaid overtime, a new survey by The Australia Institute has found.

The typical full-time employee is working 70 minutes of unpaid overtime a day, which equates to 33 eight-hour days per year, or six and a half standard working weeks.

Something for nothing – unpaid overtime in Australia examines the nature, extent and consequences of Australia's heavy reliance on unpaid overtime. While Australians might have a reputation for taking 'sickies' and 'smokos', the evidence suggests otherwise.

Across the workforce, the 2.14 billion hours of unpaid overtime worked per year is a \$72 billion gift to employers and means that 6% of our economy depends on free labour.

Executive Director Dr Richard Denniss said the economic value of unpaid overtime is enormous and goes largely unacknowledged.

"The amount of unpaid overtime worked in Australia is the equivalent of 1.16 million full-time jobs. In an economy where unemployment is rising, overwork is an obvious area for government to address," said Dr Denniss.

"Over the past decade we have simply accepted the dubious honour of working the longest hours in the western world, when many other developed countries have sought to reduce working hours. Given the dangers to health, families and communities posed by overwork, we should be looking to the success that other countries have had in capping overtime."

The Australia Institute's survey also found:

- Forty-five per cent of Australian workers, and more than half of all full-time employees, work more hours than they are paid for on a typical workday
- 44 per cent of people who work unpaid overtime said that it is 'compulsory' or 'expected' and another 43 per cent said that it is 'not expected, but also not discouraged'
- Australians work three times more hours of unpaid overtime than they volunteer to community organisations.

In response to these findings the Institute has nominated November 25 as national Go Home On Time Day. Workers are being encouraged to postpone all last minute tasks and register for a 'leave pass' at www.gohomeontimeday.org.au

"Ultimately, managers and business owners have a responsibility to create an environment in which employees can work reasonable hours without risking their career, their health or their relationships," said report co-author Josh Fear.

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“Supporting national Go Home On Time Day on November 25 is a way of showing that workplace flexibility goes both ways,” concluded Mr Fear.

ENDS

Notes for editors:

- A copy of *Something for nothing – unpaid overtime in Australia* is available on request.