Submission

Insecure Work in Australia

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Inquiry into Insecure Work in Australia

beyondblue

beyondblue, the national depression and anxiety initiative, is pleased to present this submission to the independent inquiry into *Insecure Work in Australia.* In making this submission, *beyondblue* has focussed on the **high prevalence mental health disorders of depression and anxiety**, the impact on consumers and carers, and areas that are most relevant to our work and research findings.

In 2010 *beyondblue* conducted a series of focus groups with people who experience depression and anxiety and their carers. Participation in employment was a major issue identified in these groups. **The outcomes from these focus groups, and the personal experiences reported, have informed this submission.**

beyondblue is a national, independent, not-for-profit organisation working to address issues associated with depression and anxiety in Australia. Established in 2000, initially by the Commonwealth and Victorian Governments, *beyondblue* is a bipartisan initiative of the Australian, State and Territory Governments, with the key goals of raising community awareness about depression and anxiety and reducing stigma associated with the illnesses. *beyondblue* works in partnership with health services, schools, workplaces, universities, media and community organisations, as well as people living with depression and anxiety, to bring together their expertise. Our **five goals** are to:

1. Increase awareness of depression and anxiety - we will increase awareness of depression and anxiety in the Australian community.

2. Reduce stigma and discrimination - we will reduce the stigma and discrimination associated with depression and anxiety in the Australian community.

3. Encourage help seeking - we will increase the proportion of people in the community with depression and anxiety who seek help.

4. Reduce impact and disability - we will reduce the impact and disability associated with depression and anxiety.

5. Facilitate learning, collaboration, innovation and research - we will facilitate learning, collaboration, innovation, research and information sharing to build the knowledge base of depression and anxiety and increase capacity across the Australian community.

Specific population groups that *beyondblue* targets include young people, Indigenous peoples, people from culturally and linguistically diverse backgrounds, people living in rural areas, and older people.

Prevalence and impact of depression and anxiety disorders

Depression, anxiety and substance use conditions are the most prevalent mental health disorders in Australia.[1] One in three Australians will experience depression and/or anxiety at some point in their lifetime and approximately 20 per cent of all Australians will have experienced depression, anxiety or a substance use disorder in the last year.[2] People experiencing depression and/or anxiety are also more likely to have a co-morbid chronic physical illness.[3]

Mental illness is the leading cause of non-fatal disability in Australia, and it is important to note that depression and anxiety accounts for over half of this burden.[4] Globally, the World Health Organization predicts depression to become the **leading cause of burden of disease by the year 2030**, surpassing ischaemic heart disease.[5]

Mental illness costs the community in many different ways. There are social and service costs in terms of time and productivity lost to disability or death, and the stresses that mental illnesses place upon the people experiencing mental illness, their carers and the community generally. There are financial costs to the economy which results from the loss of productivity brought on by the illness, as well as expenditure by governments, health funds, and individuals associated with mental health care. These costs are not just to the health sector but include direct and indirect costs on other portfolio areas, for example welfare and disability support costs. **It is estimated that depression in the workforce costs the Australian society $12.6 billion over one year, with the majority of these costs related to lost productivity and job turnover**.[6] The individual financial costs are of course not exclusively borne by those with mental illness. It is often their carers who experience financial hardship due to lost earnings, as well as increased living and medical expenses.[7]

beyondblue's response to the inquiry into *Insecure Work in Australia*[1]

The workers most at risk of insecure work

People with depression and anxiety and their carers are more at risk of insecure work than the general population. People with a mental illness have lower levels of workforce participation than both the general community and people with a physical disability. Research suggests that in 2003, 28.3 per cent of people with a mental illness participated in the labour force, compared to 48.3 per cent of people with a physical illness.[8] Among those people with a mental illness who do work, they are more likely to work fewer hours, and work in low paying jobs.[9] The Department of Education, Employment and Workforce Relations (2008) report that in 2003: [10]

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[1] As outlined in the inquiry's Terms of Reference, insecure work is defined as *"that which provides workers with little social and economic security, and little control over their working lives"* and includes employment such as *"casual work, fixed-term contracts, seasonal work, contracting and labour hire".* This submission also draws on research assessing the impact of downsizing and organisational restructuring.

- 37.6 per cent of employed people with a primary psychiatric disability worked between one and 15 hours per week, compared to 12.2 per cent of all workers.
- 29.7 per cent of employed people work more than 40 hours per week, compared to 1.5 per cent of people with a primary psychiatric disability.

In *beyondblue* focus groups with consumers and carers, the impact of depression and anxiety on the ability to participate in the workforce was identified:[11]

> *"I would love to go out and work in my profession that I've been trained for. But I still feel I lack the confidence because of the panic feelings that I sometimes get. I feel as though I'm missing out. I'll do volunteer work because I feel safe. I'm not tracked there. I can make a mistake or I can leave. I find it really hard to go that next step and actually commit to working in a regular job where I get paid."* Consumer

> *"I think for part-time work it's still a bit difficult. I'd call up work, 'I'm not feeling up to it', and they were like 'well, without a medical certificate...' Which I was able to get, but not really show all the physical signs of not being able to work. She didn't understand the extent to what I was feeling...In casual work, I was judged upon a lot more."* Consumer

People with depression and anxiety and their carers experience a number of barriers to participating in the workforce, which increase the likelihood of being in insecure employment. These include:

- **The episodic nature of mental illness** - employers may not understand the cyclical nature of many mental illnesses, and the importance of focusing on functioning, rather than diagnoses. The structure and policies of workplaces often do not recognise the needs of people with mental illness.[12,13]
- **Stigma and discrimination associated with mental illness** – this impacts on recruitment, returning to work, promotions, and acknowledging workplace-related mental health problems.[14] Stigma also impacts on the likelihood of disclosing a mental illness within the workplace, and contributes to people with a mental illness feeling shameful about their experiences.[15,16]
- **Employer and manager-related barriers** – the perceptions, attitudes and understanding of employers and managers about mental health is a barrier to participation in the workforce. Employers are reluctant to employ someone with a mental illness as there is a view that the employee will pose a risk to the organisation and be a potential cost or liability.[17,18] Employers may also not understand mental illness, and feel that they do not know how to accommodate or support potential employees.[19,20]
- **Need for greater collaboration and coordination** – across the mental health and employment sectors there is a need to improve the understanding of the relationships between employment and health; knowledge about how employment can be reasonably adjusted for employees experiencing a mental illness; and awareness of available support services**.**
- **Financial disincentives** – the fear of losing government-sourced financial benefits if employment is obtained is a significant barrier to employment, as people with a

mental illness may not be able to maintain ongoing employment, and will then be left on a lower income once their period of employment ends – thereby reducing the incentive for employment.[21,22,23,]

To decrease the number of people with a mental illness who are in insecure work, these barriers to workforce participation need to be acknowledged and considered in workplace policies and programs. Recommendations to address these barriers are provided below.

The effect of insecure work

Financial security

There are significant economic consequences of insecure work and low workforce participation levels. These include a lack of income and financial security; an increased likelihood to be in debt; and an increased risk of losing one's home due to serious rent arrears.[24,25] Employees with depression, who do not have access to paid sick leave, also have high costs associated with absenteeism. These costs have been estimated at a total of $85 million over one year.[26] The financial impact of low levels of workforce participation has been identified by consumers and carers:

> *"You can't say, 'I'll be better in six months or I'll be better in a year' because you don't know. We were in dire problems financially. We had no or very little income."* Consumer

> *"I was out of work for a good two years, so that was bad financially."* Consumer

> *"The financial impact is huge. We used to live the high life. Thank God we did, because we've got those memories."* Carer

Occupational health and safety of workers and workplaces

There is evidence that contingent work arrangements and downsizing/restructuring are associated with considerable problems in terms of compliance with occupational health and safety (OHS) legislation and workers' compensation systems. Research has shown that threats to job security encourages presenteeism, excessive and often unpaid hours at work, failure to take annual leave (with a consequent risk of burnout), and discourages workers from joining health promotion initiatives, reporting OHS problems or taking part in OHS committees. [27,28]

Wellbeing and health of workers outside the workplace, including impact on family and other relationships

Job insecurity is a well established risk factor for poor health.[29,30] It has been shown to increase effects of poor mental health (particularly anxiety and depression), self reported ill health, heart disease and risk factors for heart disease.[31] Other work conditions associated with poorer health include high job demands, low decision control, job strain, a lack of social

support, and an effort-reward imbalance.[32] Research suggests that while employment is generally associated with better mental health, moving from unemployment to a poor quality job may be more detrimental to mental health than remaining unemployed.[33] This relationship highlights the importance of addressing job insecurity, and incorporating psychosocial job quality into workplace and social inclusion policies.

Having an insecure job may deny employees with the opportunity to experience many of the positive benefits of employment. These benefits include having a defined social role, identity and purpose; accessing social support and social networks; and having a routine and structure.[34,35,36] Employment may also be a key component of recovery, which is beneficial not only for the individual, but also their employer and the broader society.[37] These benefits were highlighted in the *beyondblue* focus groups with consumers and carers:[38]

> *"Last time I got employed, within a week of doing that, I said 'why didn't I do this before?' Really got my confidence up. And my bank balance!"* Consumer

Social inclusion

Participation in the workforce is an important component of social inclusion.[39] Employment provides a sense of belonging, an opportunity to share goals, access to social support and networks, and status and recognition – key components of being included within the community.[40,41] A stable income also provides greater access to resources, such as housing and food, which are essential for a meaningful participation in the community.[42,43] This was identified in the *beyondblue* focus groups with consumers and carers:

> *"One of the biggest parts of recovery is getting work again. That's how you can pay for stuff, that's going to help you have social inclusion. You can pay to have quality of lifestyle. But unless you can get a job, that's a real barrier for people with mental illness."* Consumer

Insecure work may reduce the likelihood of being able to access the social and economic benefits of workforce participation, thereby contributing to social exclusion.

Recommendations

1. Incorporate the needs and experiences of people with a mental illness and their carers in policies and programs addressing insecure work.
2. Within workplace and union policies and programs, acknowledge the spectrum of mental health disorders, and the varying levels of severity, and impact on functioning.
3. Provide workplaces with evidence-based information (such as *beyondblue* resources) to increase the understanding of depression and anxiety disorders and their impact on workplaces.
4. Promote campaigns, such as those developed by *beyondblue,* to increase awareness of depression and anxiety disorders in workplaces, and the relationship between workplace conditions and mental health and wellbeing.
5. Increase employer awareness of the links between insecure employment, mental health and OH&S.

6. Support employers to develop, implement and review workplace policies which promote mental health.
7. Develop mental health policy templates that can be adapted by organisations.
8. Provide information to employers on how to make reasonable adjustments to support the needs of employees experiencing a mental illness and their carers, to support their ongoing participation at work.
9. Encourage workplaces to provide psychological support services.
10. Deliver training to workplaces on how to support someone with a mental illness. The *beyondblue* National Workplace Program is an example of an effective program that can be implemented.

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