

Part-time trend no 'flash in the pan'

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Kathryn MacMillan is more than familiar with the trend sweeping Australian workplaces - part-time jobs.

With part-time workers having swelled to record numbers, the employment recruiter believes the trend is no "flash in the pan".

"I had a fabulous discussion with a fellow in his 80s and he said to me, 'I work two days a week and I'd actually be interested in doing a bit more'," Ms MacMillan says.

While her client might not fit the stereotype of a part-timer - usually a mum with young children - he is among a growing number of older workers going part-time before retirement.

The bulk of the part-time workforce is still made up by women though, along with students.

The part-time trend emerged in recent years as the mining investment boom ended, with tens of thousands of full-time jobs being shed.

At the same time the services sector - which includes restaurants, healthcare, education and tourism - expanded.

Out of the 12 million or so Australian workers, about a third are part-timers. That's climbed from 25 per cent in 2015.

Almost one in five men and nearly half of all women workers have part-time jobs.

Ms Macmillan believes the part-time trend is largely driven by the increasing number of working women.

"There's also structural industry changes, with the loss of some traditional male jobs and the increase in service-based industries which females traditionally gravitate towards and which traditionally use more part-time staff," said Ms MacMillan, founder of the Nine2Three recruitment agency.

"Full-time employment is never going to go away but the growth of part-time is not going to go away either."

Economists say the trend also reflects the weakness of the labour market.

Unemployment is stuck at 5.9 per cent while the underemployment rate - the number of people in work but who are looking for more hours - is a record 8.7 per cent.

Combining those two figures means there is nearly 15 per cent of the labour force who are either out of work and want a job, or who are working but want more.

Dr Jim Stanford, director of the Centre for Future Work at the Australia Institute, says when the labour market was stronger before the global financial crisis hit in 2008, the share of part-time jobs was lower.

"Now you have a situation where you have millions of Australians unemployed or underemployed," he said.

"In that type of depressed labour market people are desperate for work and employers know it and this is what I think is feeding the aggressive efforts by employers to utilise part-time, irregular and casual workers rather than permanent full-time jobs.

"The general sense of desperation out there means that employers can generally attain a higher level of discipline and tolerance from workers for circumstances that might not be ideal."

Some economists believe employers will be more inclined to take on more full-time workers when tough economic conditions ease.

Major infrastructure projects in Victoria and NSW could also help swell the number of full-time workers.

However AMP Capital's chief economist Dr Shane Oliver believes those factors will only provide a short-term boost to full-time jobs growth while part-time jobs will continue expanding for many years.

"There are other aspects to it as well, like technological change," he said.

"To some degree technology has made it more feasible to work in a more casual fashion, with people working from home and working different hours as a matter of choice.

"Likewise for companies producing things or services where demand can go up and down. They may not need a full-time workforce like they did in the past."

But the fact that the underemployment rate remains stuck around record high levels suggests there's plenty of workers who might not be part-time by choice.

"A chunk of them are happy with working two or four days a week but the net underemployment number is a guide telling us something is not quite right," Dr Oliver said.

Having such high underemployment is keeping a lid on wages growth.

"When firms are advertising for jobs they are getting a tonne of applications, so there's no need to lift wages in that environment," CBA senior economist Gareth Aird says.

"Another part of the reason wages growth is so weak is because you don't want to go to your boss and ask for a pay rise because you know someone else is out there willing to do the job."

Mr Aird says young people aged 16 to 25 make up a big chunk of the part-time workforce but also have high levels of underemployment.

"That reflects people who go to uni and get a degree but can't get a full-time job in the area they studied," he said.

"They have to look for part-time jobs in the services sector while they look for a full-time job that's commensurate with what they studied."

Whether part-timers are happy with the amount of work they have or not, Ms MacMillan sees them as an adaptable commodity.

"Just like we all want our shops open seven days a week and flexibility in our lifestyle to do things not in the normal days, people also want to have flexibility," she said.

"It's a very malleable state, part-time work, and I think that reflects a shift in society."

