

Extended Hours: Causes, Effects and Responses

**David Peetz, Keith Townsend, Bob Russell, Chris Houghton,
Andréa Fox and Cameron Allan
Griffith University**

Abstract

Drawing on qualitative and survey research in a number of organisations, we report on some of the causes and effects of extended working hours. Extended hours are mostly employer-driven, where workplace regulation of hours is weak so employees are not compensated for extra hours worked, though in a minority of instances it was jointly driven by employers and employees who benefited from overtime pay. Workplace culture was important in shaping extended hours. Employees internalised pressure to work long hours, so that without adequate say on their workload, employees with higher say in their working hours tended to work more, not fewer hours. Yet many full-time employees were working more hours than they wanted, and most supported an upper limit on hours. Such a limit failed when it was implemented, however, due to lack of enforcement and the willingness of a minority to circumvent it.

Australia is one of the few countries in the industrialised world with increasing working hours for employees (Campbell, 2002). An important feature of Australian work time practice is the high proportion of employees working extended or long hours. Based on a comparison of nine OECD countries, Jacobs and Gerson (2000:93-95) found that Australia had the highest proportion of workforce working more than 50 hours per week. The problem of extended working hours was the catalyst for the ACTU to pursue its 'reasonable hours' test case in the AIRC.

Extended hours can have negative implications for health and safety at work (Dawson *et al.* 2001) and the coherence of social relations within families and communities (Pocock, 2001). In this paper we explore the issue of long hours using workplace survey and case study data. In particular, we examine some of the factors associated with 'very long hours' - that is, 'normal' working weeks of 50 hours or more. We also use the term 'long hours' to refer to employees normally working 45 hours per week or more.

Method

In 2001 and 2002, we undertook a major study of working time arrangements in Queensland, including case studies of 17 organisations and employee surveys in 15 of those organisations. The latter included: two manufacturers, a mine, a construction company, a government department, a law enforcement agency, a public utility, a bank, a theme park, a retailer, a law firm, a large-vehicle repair company, a trade union, a hospital and an educational institution. This included a mixture of small, medium and large organizations (although there was a greater representation of larger sized firms), a balance of strongly-, weakly- and non-unionised workplaces and a blend of female-dominated, male-dominated and mixed gender workplaces. In each case study organisation, qualitative interviews with management and employee representatives were undertaken, along with focus groups of employees. Questions were designed to elicit information on working time changes that had occurred at the research site, the processes by which the changes were

arrived at, and an evaluation of the impacts upon work.

Subsequently, employees in all but two of the case study organisations were surveyed by use of a self-completion questionnaire. Survey administration commenced in March 2002 and finished in May 2002. The surveys were undertaken in those parts of the organisations that were studied in the qualitative stages of the case studies. These usually corresponded to either a whole workplace or the entire organisation, but in some cases it concerned a division of the organisation that encompassed more than one workplace, or particular occupational groups. In organisations where our study site included less than 200 employees, all employees (excluding senior management) were surveyed. In those with over 200 in the study site, a sample of 200 employees was randomly selected, using systematic random sampling, in all cases bar one from a payroll list. Response rates varied substantially between organizations: from 60 to 21 per cent. The median was 44 per cent and the total 42 per cent. In total, 963 usable questionnaires were returned. The data are unweighted.

Background and Overview

Consistent with this trend, working hours in our case study organisations were increasing on average. Amongst 12 of our 15 survey organisations, the number of full-time workers who reported an increase in weekly working hours outnumbered the number who reported a decrease. In most other cases, between a fifth and a third reported increased hours. By comparison around one tenth of our full-time respondents reported a drop in working hours.

Not only were hours increasing, there was also evidence of long hours in many of our organisations. In all but one case, some respondents in each organisation reported a working week of 45 hours or more. In all

but two cases, some respondents reported working 50 hours or more. Yet our survey slightly underrepresented long-hours workers, compared to the Australian workforce: while 19 per cent of our full-time respondents normally worked 49 hours or more per week, ABS data indicate that, in November 2001, 24 per cent of full-time employees worked 49 hours or more (ABS Cat No 6359.0).

Very long hours were more common amongst employees who have had long tenure with their current employer – 69 per cent of respondents working very long hours had worked with their current employer for at least five years, compared to 55 per cent of respondents working 'award hours' – that is 35-40 hours per week (we will refer to this group of employees as 'award hours' employees as they work within the range of full-time hours set out in the awards that underpinned the agreements they worked directly under). There is also some indication that very long hours are more common amongst union members, but this is due to a strong relationship between tenure and union membership (70 per cent of respondents who had been with their employer for 10 years or more were union members, compared to 33 per cent of those who had been with their employer for under 2 years). Once this is controlled, union membership ceases to have a significant impact on the incidence of very long hours. Very long hours were also more common amongst the almost one third of respondents who supervised other employees.

Long Hours and Compensation

If employees are not recompensed for extra hours, through either overtime pay or TOIL, then there is an incentive on employers to directly or indirectly make employees work longer hours, and little constraining them from doing so. Consequently, employees who were never paid for working extra hours or overtime

were much more likely to be normally working over 40 hours. However, payment at overtime rates did not, on its own, explain very long hours. Indeed, respondents working very long hours were more likely to be paid overtime than those who regularly worked 41-45 hours.

It is more useful to examine overtime pay and TOIL together – that is, to look at what happens when employees are not compensated, either by overtime pay or TOIL, for working extra hours. Table 1

does this, to show that long hours was most common where employers did not have to recompense employees for working those hours. Amongst respondents working very long hours, over a half never received either overtime pay or time off in lieu for working extra hours. This was the case for 28 per cent of those normally working 45-50 hours, 23 per cent of those normally working 41-45 hours, and only 16 per cent of those normally working 35-40 hours.

Table 1: Always or Never Receive Overtime or Time Off in Lieu (TOIL) for Additional Work

	part time (%)	35-40 hrs (%)	41-45 hrs (%)	45-50 hrs (%)	over 50 hours (%)
never receive overtime pay or TOIL for extra hours	25	16	23	28	52
always receive overtime pay or TOIL for extra hours	23	37	24	30	21

Source: Main employee survey
Population: all respondents

Numbers in cell indicate the proportions of respondents in the columns having the characteristics in the rows. For example, the top left hand cell indicates that 25 per cent of part-time employees worked never received overtime pay or TOIL for extra hours despite sometimes working extra hours.

There appear to be two main categories of employees working very long hours. The larger category is those workers who are not regularly remunerated (either in overtime pay or time off) for working overtime, in which case long hours may be seen as being mainly employer-driven. The smaller category comprises those employees who normally receive overtime pay for working extra hours, and who probably become dependent on the extra income so obtained. In this latter case very long hours appear to be jointly driven by employer and employees.

A similar relationship between long hours and the mode of compensation can be seen in relation to penalty rates. In our sample only about a third of employees received penalty rates for night or weekend work; another quarter never worked on nights or weekends. Employees normally working award hours were most likely to receive penalty rates for night or weekend work (Table 2). Long hours employees were most commonly those who did not receive penalty rates for night or weekend work, either because they only received ordinary-time rates or (more commonly) they were not paid for night or weekend work.

Table 2: Penalty Rates, Rostered Days Off and Hours Per Week

	part time (%)	35-40 hrs (%)	41-45 hrs (%)	45-50 hrs (%)	over 50 hours (%)
Receive penalty rates for night or weekend work	38	42	19	25	32
Paid at ordinary time rates or not paid for working night or weekends	25	30	49	61	50
Access to a rostered day off	7	40	27	32	19

Source: Main employee survey

Population: all employee respondents.

Numbers in cell indicate the proportions of respondents in the columns having the characteristics in the rows. For example, the top left hand cell indicates that 38 per cent of part-time employees received penalty rates for night or weekend work.

N=906 (lines 1,2), 912 (line 3)

Finally, rostered days off, as a means of regularising working time, also had a link to normal working hours. While 40 per cent of award hours employees had access to an RDO, this was so for only 19 per cent of very long hours employees.

Union Membership and Compensation

Union members and non-members did not differ in their access to TOIL. However, union members were more likely than non-members (by 31 per cent to 18 per cent) to report that they were always paid overtime rates for extra work. This was mainly because non-members were twice as likely as members to say that they only were paid ordinary-time rates for overtime work (10 per cent v 5 per cent) and, by a similar margin, more likely to say that they never worked extra hours. Standard hours (as set out in their contract of employment, award or agreement) were shorter for members: 41 per cent of non-members had standard hours of 39 hours or more, compared to 29 percent of union members. In short, union members appeared more likely than non-members to be compensated for working over 38 hours per week.

Another dimension of this issue is the relationship between unionism and increased pay and hours. Amongst full-time employees some 31 per cent of union members and 30 per cent of non-members

reported an increase in their weekly working hours (approximately three times the numbers who reported a decrease). Amongst those full-time employees whose working hours increased, 94 per cent of union members also reported an increase in their weekly pay, but this was the case for only 83 per cent of non-members. Again, members were more likely to be rewarded for working longer hours than were non-members.

Satisfaction with Hours

The majority of employees working less than 45 hours were satisfied with the hours they were working. However, two thirds of very long hours, and over half of respondents working 45-50 hours, agreed that they were working more hours than they would like (Table 3). Furthermore, a majority of very long hours respondents said that their current hours of work did not suit them. The clear implication of the first question is that most very long hours employees would prefer to work fewer hours.

A preference for shorter hours amongst full-time employees was also revealed in employees' responses when it happens. Amongst those whose hours had increased, only 19 per cent were more satisfied with their hours, while 31 per cent were dissatisfied. In contrast, 51 per cent of

full-time employees whose hours had decreased were more satisfied with their hours, and just 15 per cent were less satisfied.

We also asked employees a question directly about policy: whether there should be an upper limit on how many hours someone can work each week. It was no

surprise that a majority of very long hours employees agreed with this. More noticeable was that majority agreement was found across all groups of employees, regardless of hours worked. Between 63 and 67 per cent of employees in each group of full-timers, and even a majority of part-timers, agreed with this proposition.

Table 3: Working Time Preferences

	part time (%)	35-40 hrs (%)	41-45 hrs (%)	45-50 hrs (%)	over 50 hours (%)
My current hours do not suit	14	12	11	27	54
I work more hours each week than I would like.	13	25	35	54	68
There should be an upper limit on how many hours someone can work each week.	59	63	67	66	63

Source: Main employee survey
Population: all employee respondents.

Numbers in cell indicate the proportions of respondents in the columns having the characteristics in the rows. For example, the top left hand cell indicates that 14 per cent of part-time employees said their current working hours did not suit them.

The Long Hours Environment and Behaviour

Several aspects of the workplace environment varied according to hours normally worked (Table 4). One was the existence of a long hours culture: while 69 per cent of very long hours employees agreed that 'working for long hours is taken for granted in this organisation', this was the case for only 37 per cent of award hours employees.

We saw this pattern in the supervisory culture also. Very long hours employees were less likely to say that, when their workload gets too much, it is easy enough to get it reduced by talking to their supervisor. Similarly, they were less likely

to agree that 'you can say you don't want to work overtime here and it won't cause you any problems'.

The workplace environment influenced working hours in other ways. Very long hours workers were more likely to agree that 'we work to tight deadlines here' (86 per cent of very long hours employees agreed, compared to 66 per cent of award hours employees). While 60 per cent of award hours employees agreed that the performance targets management sets are mostly very reasonable, this was the case for only 42 per cent of very long hours employees.

Table 4: The Long Hours Environment

	part time (%)	35-40 hrs (%)	41-45 hrs (%)	45-50 hrs (%)	over 50 hours (%)
Working long hours is taken for granted in this organisation.	37	43	56	76	69
You can say that you don't want to work overtime here and it won't cause you any problems.	57	49	30	27	32
When my workload gets too much for me, it is easy enough to get it reduced by talking to my supervisor.	47	42	38	34	25
We work to tight deadlines here.	60	66	76	81	86

Source: Main employee survey

Population: all employee respondents.

Numbers in cell indicate the proportions of respondents in the columns having the characteristics in the rows. For example, the top left hand cell indicates that 37 per cent of part-time employees agreed that working long hours is taken for granted in this organisation.

Long hours were reflected in high levels of pressure felt by employees. Long hours workers were more likely to say that 'if you take time off or get sick, your work just builds up while you're away'. Employees normally working very long hours were more likely than award hours workers to say that they often took work home, less likely to say that they left on

time most days, less likely to say they have enough time to rest during meal breaks, and more likely to be dissatisfied with their start and finishing times (Table 5). They also had a higher work-related injury and illness rate, with 18 per cent of very long hours employees reporting time off in the previous year for this reason, compared to 10 per cent of other full-time employees.

Table 5: Manifestations of Long Hours

	part time (%)	35-40 hrs (%)	41-45 hrs (%)	45-50 hrs (%)	over 50 hours (%)
If you take time off or get sick, your work just builds up while you're away.	35	54	67	72	64
I have enough time to rest during meal breaks.	62	67	62	45	38
I leave on time most days.	64	70	50	33	32
I often take work home.	28	23	33	41	54
dissatisfied with start and finishing times	11	10	8	10	34
Within the last year I have had to take some time off work, due to an illness or injury I received at work	6	12	10	10	18

Source: Main employee survey

Population: all employee respondents.

Numbers in cell indicate the proportions of respondents in the columns having the characteristics in the rows. For example, the top left hand cell indicates that 35 per cent of part-time employees agreed that if you take time off or get sick, your work just builds up while you're away.

The problems for long hours employees arose not just from the hours they worked but also, for some, in their unpredictability. Thus 25 per cent of very long hours

employees said that their starting or finishing times were often or always changed on short notice, making it difficult for them to arrange things in their personal

or family lives. This was the case for only 5 per cent of award hours employees. While 67 per cent of award hours employees started at the same time each day, this was so for only 49 per cent of very long hours employees.

It might be expected that employees working long hours were predominantly people who had little control over their working hours. On the surface, this would not appear to be the case. Very long hours employees were, if anything, amongst the group of employees with the highest likelihood of responding that they had a 'great deal of say' over how many hours they worked (Table 6) and also over their start and finishing times. Yet we know

that many would prefer to be working fewer hours. Importantly, long hours employees had much lower control over their *workload* than they had over working time issues, and they had no more perceived say over their workload than did most other employees. Presumably, as they were working longer hours than other employees, their workload was higher. Without effective control over workload, the best that might be achieved by giving long hours employees some greater control over their working hours is the possibility of making it a little easier for them to negotiate the boundaries between work and home lives. At worst, it may be a means of inducing them to work longer hours.

Table 6: Control

	part time (%)	35-40 hrs (%)	41-45 hrs (%)	45-50 hrs (%)	over 50 hours (%)
have a great deal of say over how many hours work a week.	24	11	17	14	27
a great deal or quite a lot of say over how many hours work each week	40	28	37	37	46
have a great deal of say over workload	7	9	8	10	14
a great deal or quite a lot of say over workload	26	24	25	17	24

Source: Main employee survey

Population: all employee respondents.

Numbers in cell indicate the proportions of respondents in the columns having the characteristics in the rows. For example, the top left hand cell indicates that 24 per cent of part-time employees believed they had a great deal of say over how many hours they worked.

Long Hours and Changes

Respondents working long hours experienced workplace change in a different way to other employees. Employees working long hours were more likely to report that the number of hours they worked in a week had gone up – indeed, nearly half of long hours employees said this. Interestingly, long hours employees were both more likely to say that their ability to limit the number of hours they worked had gone down – and to say that their ability to limit their hours had gone up. Overall, very long hours

employees were the group most likely to report that their satisfaction with the hours they worked had gone down. They were more likely to report that their job stress had gone up and were more likely to report that the amount of time it took them to recover from work had gone up. They were least likely to report that they were now under less pressure from their fellow workers to work hard or that they were less closely watched by their supervisors. However, to place this in perspective, the majority of long hours employees were not reporting tighter supervision or greater

pressure from employees. Long hours employees were also more likely to report a decline in the safety of their work area and workplace.

Long Hours at *Truck Repairs*

Having examined some of the survey data, we turn to consider a pertinent case study. Perhaps the most significant instance of long hours amongst our case study organisations was at *Truck Repairs*, where 46 per cent of our survey respondents worked 50 hours or more per week. While *Truck Repairs* employees had a standard 7.5-hour working day, employees were expected to work twelve-hour shifts as part of the client-focussed service the organisation provides. Much of the long working hours within this organisation was directly related to the twelve-hour shifts within the major client's production. Several employees indicated that they had arrived on the work-site of the major client where twelve-hours shifts were in place and had been asked by a security guard at the front gate 'Are you here for twelve hours?' If they were not, the *Truck Repairs* employee would be sent home.

The union and management had agreed in the 1999 EBA to a 60 hour limit on actual hours that could be worked in any week. What's more, the employees at truck repairs strongly endorsed a limit: 71 per cent of our respondents there agreed that there should be an upper limit on the number of hours someone can work each week. Indeed, 38 per cent of *Truck Repairs* employees *strongly* agreed with this proposition, double the rate in other organisations. In the focus groups, many employees indicated that working their number of working hours generated a range of negative effects including making errors in their work, dissatisfaction with relationships with co-workers and deterioration in family and social relations. Some 38 per cent of *Truck Repairs* survey respondents said that their current hours of work did not suit them, more than double

the rate elsewhere. Only 43 per cent were satisfied with their start and finishing times, compared to 77 per cent of other employees. They were significantly less likely to feel they were treated fairly at work. And 49 per cent were dissatisfied with the balance between their personal and family lives, double the rate of dissatisfaction elsewhere. In short, there was strong support for a limit on working hours and good reason for it to be supported.

Problems with long hours were manifested in other, serious ways. The work-related injury and illness rate, at 30 per cent, was triple the rate in other organisations, and only about one quarter of this difference was due to the occupational mix at *Truck Repairs*. Some employees referred to safety problems in the focus groups, for example a recent vehicle accident on a return trip from a mine after a period of long working hours:

We just don't get days off to recover...if they (the organisation) don't do something it won't be long before we'll all be taking a day off for someone's funeral...

Truck Repairs employees were more likely (at the 10 per cent level of significance) to want a job elsewhere, 43 per cent saying they'd prefer a job with another organisation, compared to 27 per cent of other employees.

With such strong support for a limit on working hours, and such good reasons for there being one, why did it fail? It seemed to boil down to three related factors: the lack of adequate systems in place to enforce the limit; a willingness of managers and supervisors to circumvent the limit when there was a need to satisfy a client's request and insufficient ordinary-time labour to do so; and the willingness of a minority of employees to subvert the limit.

Let us turn to the last of these first. A majority of employees said in the focus

groups that a sixty hour limit was their preference. However some employees indicated that sixty hours was not enough to make the money that they would like to make. A handful of other employees explicitly argued that there should be no cap on hours and that each individual should determine how many hours they want to work. For long-tenured employees, the circumvention of the limit was seen as a problem caused particularly by short-term employees:

There will always be someone from down south to come and work the long hours for a couple of years and so it doesn't give us a chance to really say to the bosses... 'no, we won't work more hours'...it's expected that we will because of these guys coming up and doing it.'

Hence in the survey, support for a limit on hours strongly increased with tenure.

The field service staff (qualified fitters) reported in focus groups that it was not uncommon for them to work in excess of 70 hours per week. Several began to treat their long hours as a competition, with some explaining quite happily that they had been involved in races to see who would average the most hours in a year with an average of 100 hours per week being a target. While qualified fitters earned a base salary of around \$40,000 per year, some employees spoke of the aim to 'crack a hundred grand a year'. Had effective management systems been in place, the minority who wanted to work above the cap would have been constrained from doing so. But it appeared that nobody was willing to take responsibility for tracking the hours worked by employees. Tradespeople viewed the managing of hours as the duty of management. Leading hands felt that it was not their role to be responsible for monitoring employees' hours. The union felt it could not be seen to be directly stopping individuals from earning more money. So, in the end, as the cap was unenforceable, it was not implementable.

The lesson to be drawn from the *Truck Repairs* experience is this: for an agreed ceiling on working hours to be effective, there must be enforcement mechanisms in place, otherwise a minority of employees can subvert the operation of a ceiling.

Increasing Hours

We also, separately, analysed the situation of full-time employees whose hours had increased. For space reasons we cannot report the findings in detail here. There was a great deal of overlap between the patterns associated with long hours and the patterns associated with increasing hours. One finding, though, is worth explicit mention. The internalisation of pressure for increased hours is also reflected in the data on the link between changing say in hours and changing hours. Amongst employees who reported no change in their say over how many hours they worked, only 23 per cent reported increased hours. But increased hours were reported by 51 per cent of those who said that their say in how many hours they worked had gone down – and by 58 per cent of those who reported that their say over how many hours they worked had gone up! Thus there were, in effect, two paths to increased hours – one involving tighter direct control over employees' hours, and one involving a loosening of direct control and replacing it with internalisation of the need to work longer hours to 'get the job' done. This is consistent with evidence from an earlier survey (Peetz, Allan & O'Donnell 2002) which showed that work intensification could be achieved both by tightening managerial prerogative and by increasing employee control.

Conclusion

In this paper we have seen a number of causes and consequences of long hours and also of increased hours. Some of the consequences take the form of increased pressure on employees – leaving work late, taking work home, feeling work is piling

up while they're away. Some of them are potentially serious – for example, in terms of injury and illness rates. The hours worked in our survey organisations (and in Australia as a whole) are, on average, higher than what full-time employees want – while paradoxically many part-time employees seek longer hours and many potential employees without any working hours seek at least some.

The data show the importance of workplace culture – amongst employees, supervisors and managers - in influencing hours. They suggest that workplace changes may be playing a part in reshaping employees' perceptions as a means of reshaping their behaviour, so that they internalise the objectives of the organisation and feel it an obligation to work long hours, rather than be forced to by management.

The data also suggest, in this context, the importance of the regulatory framework in shaping the working hours of employees. Long hours is in most cases employer driven. However, we also identified the existence of a minority group of long hours employees who worked these hours at full overtime rates. Here we could say that long hours were being driven by both employees and employer. However, there was still a constraint on the employer in offering or requiring employees to work such long hours – the financial constraint arising from the high costs of overtime pay. If employees are not fully compensated for working long hours, then there is an unconstrained incentive on employers to take advantage of this and require or persuade employees to work long hours. Constraints such as the payment of overtime rates, penalty rates and rostered days off help employees control their working hours. It is an indirect form of control, because employees are not individually choosing the constraints within which management operates – rather, these constraints are

determined (or not determined) by some time of collective process that may be internal or external to the workplace. Yet it is more effective in constraining hours than giving employees the individual 'capacity' to determine their own hours, because in reality those hours will be determined in the context of an environment which is shaped by the needs of the employer and a workplace culture that reflects that environment. Employees who are never paid overtime or TOIL if they work extra hours are more likely than other employees to report that they are told at home that they are working too much, and that they are often too tired to properly enjoy their time away from work. If giving employees more say over their working hours really was the liberating force it is said to be, then we would expect employees with more say over the hours they work to be much less likely than those whose influence has not changed to agree that they were being told they work too much. This is not the case.

Our findings also suggest that the battle for control over working hours is, if it is to make a difference to working hours, not a battle for individual 'say' but for collective regulation.

While employees like to have more say over their hours, they also like the idea of external regulation of hours. Thus we found majority support across all groups for a ceiling on weekly working hours. But we also found that, in the one instance where a ceiling had been put in place (at *Truck Repairs*), it had failed. This demonstrated that, for an agreed ceiling on working hours to be effective, there must be enforcement mechanisms in place, otherwise a minority of employees and unsympathetic supervisors can subvert its operation.

References

Campbell I. (2002) 'Extended Working Hours in Australia', *Labour and Industry*, 13(1): 91-110.

- Dawson D., McCulloch K. and Baker A. (2001) *Extended Working Hours in Australia: Counting the Costs*, Adelaide, Centre for Sleep Research.
- Jacobs J. and Gerson K. (2000) 'Who are the Overworked Americans?', Golden L. and Figart D. (eds) *Working Time: International Trends, Theory and Policy Perspectives*, Routledge, London.
- Peetz, D, Allan, C and O'Donnell, M (2002) 'Are Australians Really Unhappier with their Bosses Because they're working harder? Perspiration and Persuasion in Modern Work', in C Bernier, D Harrison, G Murray and T H Wagar (eds), *Rethinking Institutions for Work and Employment*, XXXVIIIth Annual CIRA Conference, Canadian Industrial Relations Association, Québec, 26-28 May.
- Pocock B. (2001) *A Survey of Existing Literature: The Effects of Unreasonable Hours on Family and Community Life*, Report for Queensland Department of Industrial Relations, Adelaide, Centre for Labour Research.