

# Issues Paper: The Growth of Insecure Employment in Higher Education

NTEU August 2020

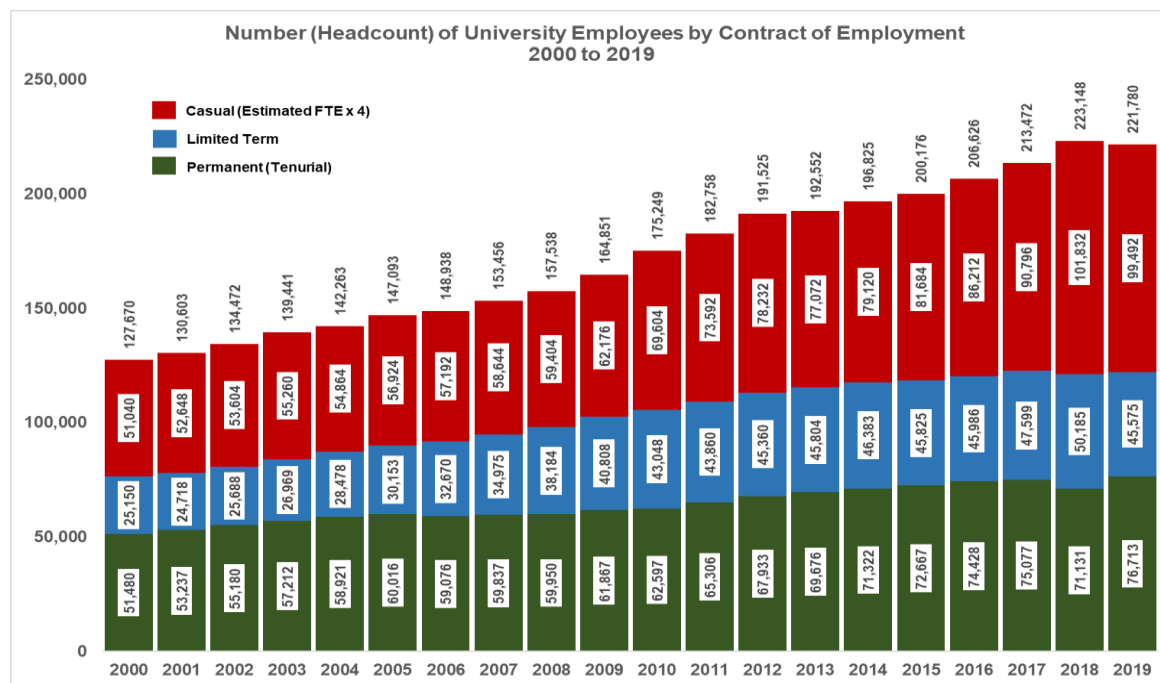
## Executive Summary

Australia’s higher education sector employs over 220,000 individuals, the majority of whom are highly educated and highly skilled. Yet, the higher education sector has become heavily reliant on fixed term contract and casual employment – and these forms of employment are growing.

The number of casual and fixed term staff in the sector has increased by 89 percent since 2000, while the number of continuing staff has increased by only 49 percent over the same period. **Together casual and fixed term staff now account for 66 percent of all persons working in higher education.** (see fig 1.)

This overreliance on transitory forms of employment in the cutting edge of Australia’s knowledge economy poses systemic risks to the sector and impacts on the lives and careers of the 145,000 staff currently engaged impermanently. However, the ongoing need for the majority of this work suggests that continuing employment in the sector could be significantly increased, bringing benefits to both employees and institutions.

Figure 1: The growth in insecure employment in higher education



## Background: The types of employment in universities

Universities' primary functions are teaching undergraduate and post-graduate students, supervision of research students, undertaking basic and applied research, and community service and engagement.

This work is undertaken by a diverse workforce. University staff can be divided into the following functions:

**Teaching-and-research academics** – these are traditional academics, they deliver most of the lectures, co-ordinate most of the courses, and do a proportion of research. Although they are the archetypal member of university staff, they are only about 10% of all employees.

**Research staff** - A smaller category of academic staff, they are employed, often via grants, to perform research.

**Teaching-only (or teaching-focused) academics** - these make up the majority of academic staff, most are casual, some are continuing or fixed term, they do no or very little paid research.

**Professional or general staff** - These constitute nearly half of employees and perform a wide the wide variety of non-academic roles needed for universities to function.

Employees performing these functions are formally said to be employed in three different *types* of employment:

**Continuing** – ordinary employment without a fixed end date. “Tenure” of the type which exists in many North American, British, and European settings, is unknown in Australia.

**Fixed Term** – employment for a specified period of time or to the end of a project.

**Casual** – employment (hourly paid). The term “*sessional*” employment is sometimes used to describe an hourly paid engagement of an academic for a specified teaching period, such as a four-month semester, this can be treated as a sub-group of casual employment.

**See Appendix 1. For a full explanation of these different employment functions and types.**

## The Flood of Insecure Employment in Higher Education

In 2018 the NTEU released a report titled *The Flood of Insecure Employment*, it documented in detail the staggering extent of casual and fixed term employment in the higher education sector. This report indicated that 68 percent of all university employees were employed insecurely in 2018.<sup>1</sup>

This issues paper updates this report using the latest available 2019 data on employment in Australian universities. This data shows that insecure employment levels remain stubbornly high in higher education.

### Trends in higher education employment: 2000 to 2019

Figure 1 below shows the changes in total employment by staff headcount among the three main categories of employment. It shows that around 145,000 of the total 221,000 staff in the sector were insecurely employed in 2019, versus 76,000 out of 127,000 in 2000.

Figure 1 The growth in insecure employment

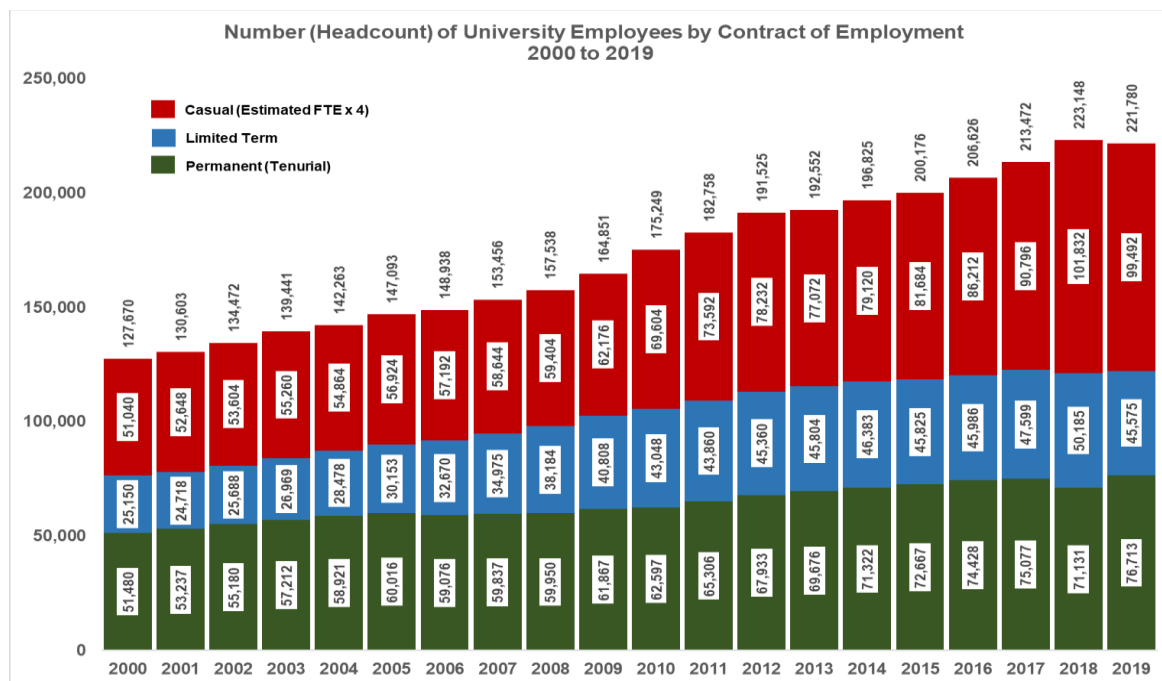


Figure 2, below, shows this trend by expressing each employment category as a total percentage of employed persons. It shows that an estimated 66 percent of persons working in higher education in 2019 were engaged in precarious, fixed term modes of employment, versus 60 percent in 2000.

<sup>1</sup> NTEU, *The Flood of Insecure Employment at Australian Universities*, 2018  
<https://www.nteu.org.au/col/article/The-Flood-of-Insecure-Employment-20784>

Figure 2: Share of employment by contract type (headcount)

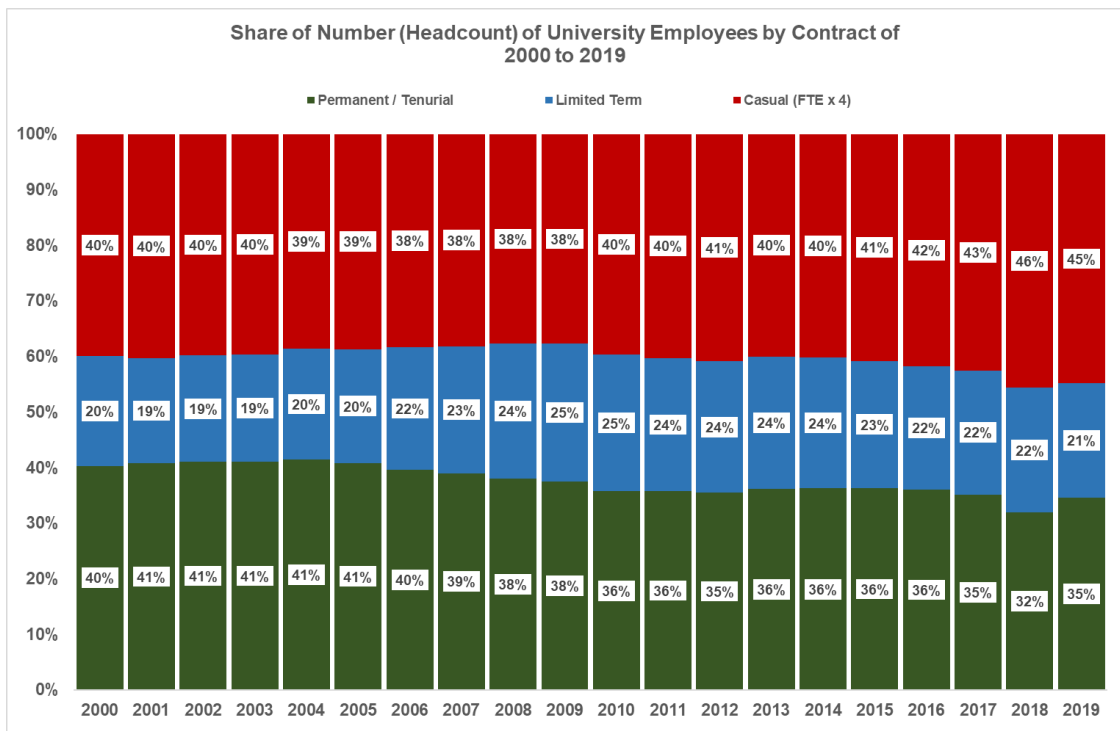
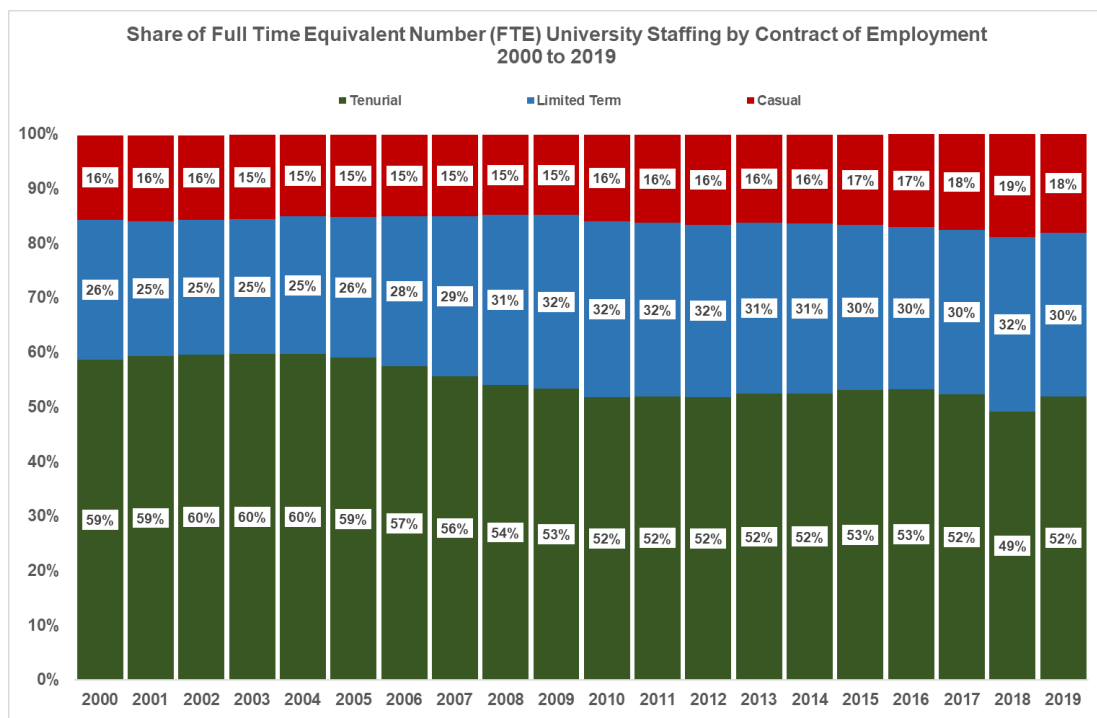


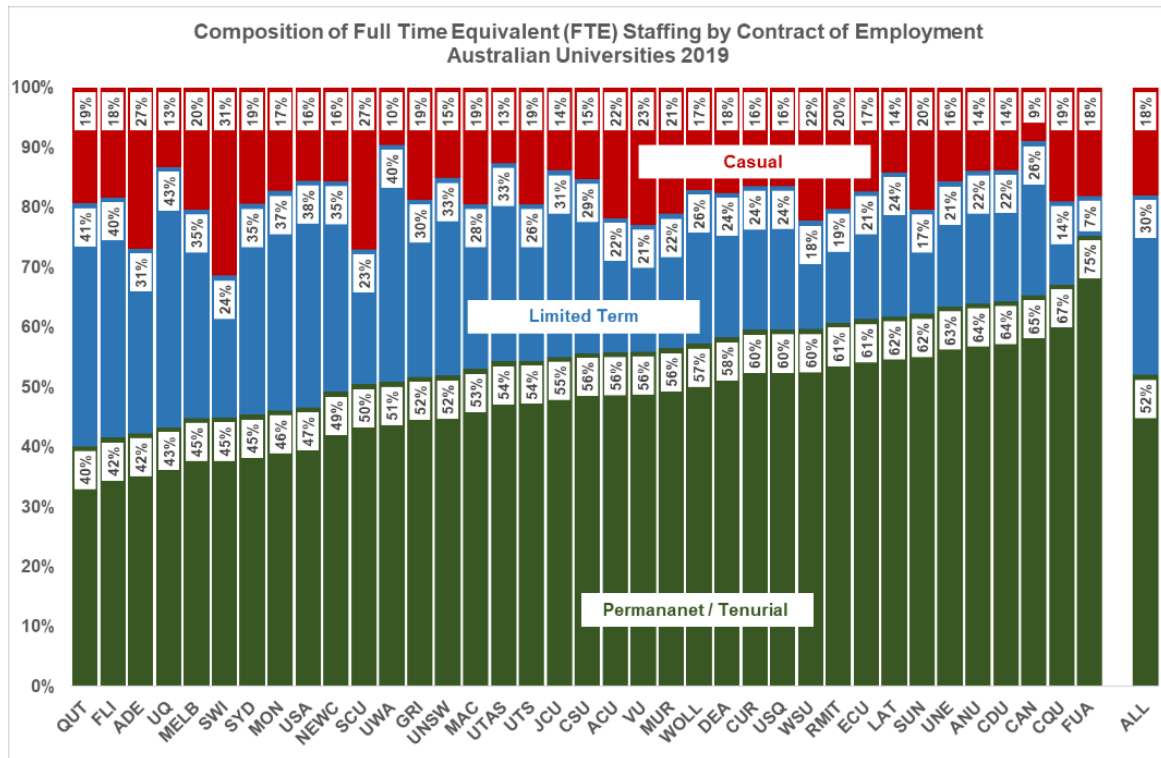
Figure 3 below, shows that this trend has still been present when we look at Full Time Equivalent staff (FTEs) rather than persons. The difference between the proportions in figures 2 and 3 is largely the result of the smaller average employment fraction consumed by each insecure job.

Figure 3: Share of employment by contract type (FTEs)



It is important to note that the ratio of secure to insecure employment is not uniform across the sector. Figure 4, below, shows the mode of employment, by FTE, in each university. It shows that 75 per cent of all FTEs at Federation University are employed on a continuing basis, versus only 40 per cent at Queensland University of Technology.

Figure 4: Share of employment by contract type and University (FTEs)



*A Note about this Data*

The department of Education publishes employment data for universities in numbers of Full Time Equivalent staff (FTEs), rather than number of persons employed. Figures above are based on the assumption that 1 FTE of casual employment equates to four persons (excluding those engaged on a one-off basis, such as occasional or guest lecturers or general staff employed for one day). This seems to be a fair, if conservative, estimate based on the analysis of the number of active superannuation accounts that correspond to casual employment, universities' reports to the Workplace Gender Equality Agency, and declarations made by employers in connection with the approval of enterprise agreements.<sup>2</sup> All primary employment data is from Department of Education *Selected Higher Education Statistics* series or supplied by the Department of Education.

<sup>2</sup> May, R (2011) "Casualisation; here to stay? The modern university and its divided workforce" AIRAANZ conference, February 2011, Auckland, NZ - pp5-6.

## The Dynamics of Widespread Precarious Employment in Higher Education

The levels of insecure employment described above are having significant detrimental impacts on individuals and present a systemic risk to the integrity of the sector; through lost retention of PhD trained experts and losses in teaching and research quality.

### The Individuals in insecure employment

#### *Casual Academic Staff*

Casual (and sessional) hourly-paid academic staff are the largest group of employees in higher education. This group undertakes the majority of the core teaching and student contact work in the sector and are probably responsible for the majority of student coursework assessment.

Yet, the majority of these casual academic staff in universities would prefer to be in more stable employment. A 2019 NTEU survey of over 6000 casual employees in the sector found that only 18 percent of casual academics were happy with their mode of employment, with two thirds preferring ongoing employment.

NTEU research has also found that casual academic employees work in insecure employment for extremely long periods of time: 22 per cent reported they had worked in the sector for over ten years (fig 5). This shows that universities are consistently engaging the same people to do the same work, and that this work is ongoing for a very long period of time, rather than work that emerges on an ad hoc basis.

I have not previously worked in the university sector	7%
Less than three years	21%
Three to five years	26%
Six to ten years	24%
Over ten years	22%

As one casual academic employee wrote:

*"I don't like it. I would prefer to be on a contract, or better still be ongoing. I left a stable career (in banking) to be a university teacher and it's been unstable since entering education. If you are doing the same hours, week after week after week, it's not really casual, is it? I am filling a role, but every semester break I am unemployed."*

Overwhelmingly, casual academic employees (in research and teaching) are carrying out core academic work which is required indefinitely. NTEU data would suggest that less than 10% of academic casual work could be described as ad hoc. Moreover, the overwhelming majority of casual work does not involve any casualness on the employee's part. Teaching hours and work requirements are strictly fixed, and employees cannot, for example, take a day off work when it suits them.

### Casual Professional Staff

While this group consists of around 21,000 employees, it has not been the subject of much research or data collection. The best available data is from the NTEU's State of the Sector Survey. These employees are concentrated in the lower and middle classifications, though they are highly qualified - a large majority are graduates. There is a widespread view which is that most casual employment consists of retirees or students who are "just earning a bit of extra money." This is not supported by the NTEU's survey of the sector, where 47 percent described their casual employment as being an important part of their livelihood.

#### Figure 6. How would you describe your employment with the university?

I am working as a casual for the university to supplement my income as a student, but will move on.	17%
I am working as a casual in a field very closely linked to my studies, which will contribute to my learning.	13%
I am working as a casual and it supplements a retirement income.	5%
My casual employment is an important part of my livelihood which I want or need to keep on an ongoing or medium-term basis	47%
My casual employment is interesting, or the money is useful, but I would not really care if it finished	5%
I consider myself underemployed and I am only doing this work until I can get a decent or better-paid job	13%

The same survey results suggest that this group is employed for long periods – with most employed for more than one year, and engaged in regular ongoing work required on an indefinite basis, with substantial work hours. The same survey suggests that 3 in 4 of all casual general staff would prefer not to be employed on a casual basis (fig 7), and that 59 percent see their work as regular and ongoing (fig 8).

#### Fig 7: What is your preferred mode of employment?

I am happy with casual employment	27%
I would prefer full-time ongoing employment	30%
I would prefer part-time ongoing employment	33%
I would prefer full-time fixed term employment	5%
I would prefer part-time fixed term employment	5%

#### Fig 8: What is the best description of your work?

I do occasional ad hoc work when a specific need arises and when the university contacts me.	15%
I am replacing an employee on leave or filling a position which will be filled by a regular employee.	5%
I am doing regular work, but it is temporary - it won't be required in 12 months' time.	21%
I am doing regular ongoing work which will be needed on an indefinite basis	59%

### Fixed Term Staff

Fixed term staff make up about one quarter of all employees in the sector. They are most commonly employed on contracts of one, two, or three-years' duration, with smaller numbers being employed on very short contracts or for 5 years.

Universities have preferred to employ the vast majority of research staff on fixed term contracts. In late 2019 the NTEU surveyed 1400 research only staff in Australian universities. Around 45 percent of these staff had been employed on a series of fixed term contract for over 6 years, and almost 5 percent had been employed for 20 years or more on fixed term contracts. One quarter of respondents had held 7 or more different contracts. These figures (Figs 9, 10) suggest that these employees are performing ongoing work that is consistently required.

**Figure 9: How many years have you been continuously employed on fixed term contracts (without breaks of greater than 3 months)?**

Less than 1 year	10%
1 – 3 years	27%
4 - 5 years	16%
6 - 10 years	23%
11 - 20 years	16%
More than 20 years	5%

**Figure 10: Over this time, how many contracts have you held?**

1	18%
2	14%
3	16%
4	10%
5	8%
6	5%
7	4%
More than 7 years	24%

Using consecutive fixed term contracts to employ people long term in this manner has a negative impact on their wellbeing. NTEU research (figure 11) has found that only 4 percent of fixed term workers in universities report that this mode of employment has no negative impact on them.

In addition, it found that 24% of fixed term employees see job security as a negative impact, while 14 percent rate career development as a negative, along with 9 percent who rate stress as a top three downside of fixed term employment.

**Figure 11. The Three Most Important negative impacts as a result of my fixed term employment**

Fixed-term employment does not have a negative impact on me	4%
Planning for a family	6%
Kid's schooling	1%
Partner's job	2%
Carer responsibilities	2%
Intellectual property	1%
Income security	21%
Career development	14%
Job security	25%
Vacation planning	3%
Stress and other health issues	9%
Ability to speak up in the workplace	5%
Fear of reprisal	3%
Community, cultural and/or religious obligations	0%
Other	3%



## The Impact of Precarious Employment on the Integrity of the Higher Education Sector

Notwithstanding impacts on the lives of Australians, widespread systemic use of fixed-term and insecure employment in the higher education sector poses risks for the future development of the sector as a whole. These risks include a failure to retain a new generation of knowledge workers, deterioration in the quality of human capital, decline in the quality of teaching, and decline in the international reputation of Australian higher education qualifications.

Highly skilled workers (usually PhD holders in the case of sessional academics) are exiting higher education due to the unfavourable nature of fixed-term contract and casual employment. While the true extent of this brain-drain is unknown, PhD graduates can only subsist in low paid unstable employment for so long. Our survey respondents suggest that they see casual employment as a way of earning experience to enter into the permanent workforce, rather than as a convenient short-term engagement. However, as the data above shows, long term casually employed staff are not moving into permanent positions, either in higher education or in other sectors where they could be making a contribution. This drawn out intermittent employment represents wasted human potential and a lost opportunity for the sector to retain expertise that has been developed through both public and private investment in PhD graduates.

In addition to this brain drain problem, there is an intimately related quality problem. Continuing academic staff are paid to perform a broad role in academia including teaching, research and community and academy engagement. They therefore build their profile and maintain their engagement with the cutting edge of their specialist fields. Sessional academics, in contrast, are employed for specific hour blocks of teaching, and specific hour blocks of assessment marking. Whether they maintain their level of expertise by doing this unpaid work cannot be known. As continuing employment becomes more and more elusive voluntary self-education among sessional academics will decline. Importantly, it is these sessional academics that now perform the majority of face to face teaching in Australian universities and who are usually the first point of contact for students. This therefore also impacts the reputation of Australian qualifications overseas.

This brain drain problem is also true for research only staff. Australian universities account for over 50 per cent of all research and development spending in Australia.<sup>3</sup> Yet, the largely avoidable choice of universities to employ researchers on a continuing basis poses a risk to the ability of Australia to maintain this highly skilled workforce.

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<sup>3</sup> ABS 8111.0 -Research and Experimental Development, Higher Education Organisations, Australia, 2018 <https://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/8111.02018?OpenDocument>

## The Causes of Insecure Employment in Higher Education

As discussed above, the majority of insecure employment in tertiary education is unnecessary. This is because most work done by fixed term and casual staff is core work which will be required by the university on an ongoing basis – the contracts may be contingent, but the work is not. For example, the same undergraduate courses are usually taught each year, and student numbers have been growing steadily. In grant-funded and project areas, there is no doubt a minority of positions which require a type of work or skills which are unlikely to be ongoing in demand, and in which the use of fixed term employment might be reasonable. However, most fixed term staff have high level transferrable skills like lab methodologies or data analysis which mean that they could readily be employed on an ongoing basis.

The move towards insecure employment in the sector, therefore, has largely been driven by decisions occurring at the University level rather than any government policy or necessity. To some extent, universities have also been apathetic, rather than intentional, in the employment modes used. University leaders have devolved hiring decisions to lower level managers with little overarching vision or plan about future workforce composition.

This practice been coupled with a move towards labour specialisation, whereby specific staff perform teaching only in specific subjects, and other staff are engaged in particular research tasks. This has tended to involve the use of casual and fixed-term contracts to perform necessary ongoing work.

Overall, there is little public scrutiny of the hiring practices in public universities, and data on employment in universities is limited and difficult to interpret. For example, outside Victoria, no headcount of casuals is publicly available.

University managers claim that the costs of redundancies make continuing employment unattractive to them, because their spend on redundancies is too high, yet in normal times, the growth of the sector means that the need for genuine redundancies is limited. Rather, redundancies have been driven by a culture of constant restructuring, perhaps encouraged by the growth in the number of managerial positions in university administrations. Only a small proportion of the \$50-100m spent on redundancy payments each year is related to *functions* becoming truly redundant.

***See Appendix 2. For a discussion of current regulations around higher education employment***

## Conclusion

The Higher Education sector has moved away from a model of retaining and investing in high value high skill staff, towards the default deployment of rolling casual and fixed term engagements. This new model threatens to degrade the quality of our higher education sector through brain drain; signalling to teaching and research staff that careers in the sector are no longer viable, and through the direct degradation of teaching quality; as student primary contact is now with casuals who are engaged on a very limited hour by hour capacity. A new commitment from employers to engage staff on a continuing basis when work is continuing will kick-start a virtuous cycle of up-skilling and higher quality teaching and research.

## Appendix 1. The characteristics of the employees and the employment

### *Teaching-and-research Academics*

A little more than one-third of employees in universities are continuing. A big majority of the conventional “*teaching-and-research*” academics are continuing staff, and most continuing academics are teaching-and-research. This category engages in teaching, competes for grants and other research opportunities, and does most of the research-student supervision. They still deliver most of the lectures and design and co-ordinate most of the courses. While being the archetypal member of “university staff,” they are only about 10% of all employees, and in decline as a proportion of university employees. When this group wins research grants, they often “buy-out” teaching duties which are given to casual staff. There has been a tendency among universities to disaggregate teaching and research so that they are performed by different groups of staff: this group is in decline.

### *Research staff*

Around 3 in 10 non-casual academics do no, or negligible, teaching but are what are called “research-only”. These employees typically have their employment funded by external research grants (e.g. ARC, NHMRC). Most of these staff have transferable academic research skills (statistical analysis, instrument design, literature reviews, interviewing subjects, testing assays or materials) and are hence employed on a series of different projects, on rolling fixed term contracts.

There is a small cohort of overwhelmingly senior continuing research-only staff, but the great majority of fixed term academic staff are engaged in research only functions, typically on external grant-funded research. This is why fixed term employment is usually much higher at the GO8 universities than at those which are former colleges of Advanced Education. In many cases, despite their being employed by a grant which covers 3 or 5 years, the contracts are only annual.

### *Teaching-only (or teaching-focused) academics*

These constitute a large majority of academic staff. While many of these employees do research, they are not paid to do so. The largest group of these are *casual-sessional teaching staff*. This group carries out the majority of teaching work in our universities, and most of the assessment of students’ work and contact with students. This group also performs a significant minority of lecturing and subject-coordination work.

There is also a small but growing cohort of *teaching-only or teaching-focused* staff who are not casual, but are continuing or fixed-term. These staff are different from most *teaching-only casual staff* in that they have higher level responsibilities for coordinating units or courses, and are generally have office facilities, are allowed some paid time for the scholarship and conference attendance necessary to maintain teaching quality, and generally have within their duties responsibilities for service and administration.

### *Professional staff*

These constitute nearly half of all employees and a majority of non-casual employees. There is a great diversity of occupations – if a university has 2000 general staff, it probably has 100 distinct job-types. These range from those in directly academic-support roles, such as library staff, curriculum designers,

teaching-and-learning specialists and student welfare staff, to staff engaged directly in research projects as research assistants, scientific and technical officers and data analysts, to staff engaged in supporting the administration and technical aspects of teaching department, to those involved in central administration, marketing, human resources, information-technology support, finance, to those engaged in the maintenance and improvement of the physical environment – cleaning, security and grounds.

Large proportions of these employees are engaged in each of the types of employment – continuing, fixed term and casual. A large proportion of general staff have post-graduate qualifications, and a large majority is degree-qualified.

## Appendix 2. The Current Regulation of precarious employment in the Higher Education Sector

### *Casual general staff*

Casual general staff employment regulation is very similar to that found in the general workforce. Employees are entitled to paid for the hours of work actually performed, and under the Award (*Higher Education General Staff Award 2009*) they have a right to apply for conversion after a qualifying period of service. In the NTEU's experience with this group, nearly all employees who might qualify for conversion are too fearful to apply, as they would expect to be dismissed for doing so (often with good reason).

Casual general staff are employed under the same classification structure as those which apply to non-casual employees.

### *Casual academic staff*

Casual academic employees are paid according a unique system of regulation. For lectures and tutorials, the Award (*Higher Education Academic Staff Award 2020*) provides that employees are paid an "all-up rate" of (usually) 3 hours for the preparation and delivery of an hour of teaching, plus the associated marking and student consultation, irrespective of how long it takes for all that work to be performed.

Where the tutorial or lecture is a "repeat" of a lecture already given, the minimum payment is for two hours' work.

The effective relative rate of pay for this work has fallen as a result of the enormous increase in the sizes of tutorials over recent decades. This has been offset in part by the Union negotiating in enterprise agreements that all marking is to be paid for separately from the class with which it is associated.

Marking and other work (such as re-writing a subject or course, research work) is not paid on an all-up rate but is required by the Award and Agreements to be paid on an hours-actually-worked basis (as for other casual employees). Despite this, there is considerable contention over management practices, where supervisors (or university computing systems) simply decree in advance how long marking or other work will take, and only pay for the time decreed. This leads to significant wage theft at some universities, as is reflected in the SOTUS which suggests that 72% of casuals who do marking report that they are not paid for the hours they do.

Again, casual employees are reluctant to press their rights to be paid for the work they perform, as they believe they will lose their work if they do.

Casual academics are not employed according to the incremental and promotion-based classification structure applicable to other academic employees, but are paid fixed rates close to the bottom of the classification structure, with higher rates for lecturing, holding a PhD, or being responsible for subject co-ordination, all near the bottom of the classification structure.

Casual academics generally receive no pay whatever for the time they are required to spend – rarely less than 100 hours per annum – to maintain the skills necessary for the performance of their work in a professional manner. This work – generally called scholarship – is part of the paid work of full-time staff but is expected to be performed by unpaid for casual staff. This institutionalised and still quite legal “*work appropriation*” (if not wage theft) is worth something well in excess of \$100m per annum.

There are currently no criterion-based limitations on the use of casual employment in Awards or Agreements, and very limited conversion rights – found only in some Agreements and not in the Award.

### *Fixed term employment*

In an ordinary day-to-day sense, the regulation of fixed term employment most closely resembles that of ordinary continuing employment, with leave, hours of work and like provisions being the same.

The main legal difference is that employment ceases by the effluxion of time or the occurrence of an event, and the employee – even one with 20 years’ service – will, under the Award, only very rarely have any redress against arbitrary or capricious non-renewal of employment.

NTEU did obtain the *Higher Education Contract of Employment Award 1998* following an extensive Full Bench arbitration by the Australian Industrial Relations Commission. This provided for severance payments for a limited number of fixed term staff whose contracts were not renewed, but more importantly set criteria for the use of fixed term employment, which limited a little the circumstances under which such contracts could be used, to:

- Specific tasks or project of limited duration;
- Externally funded positions (not being from operating grants from government or student fees);
- Research-only functions;
- Students undertaking work linked to their studies;
- Professionals with recent professional practice;
- Pre-retirement contracts; and
- Apprentices and trainees.

Even these very employer-friendly criteria have been fiercely resisted by employers, both by widespread non-compliance, and by their seeking to water down the restrictions through bargaining, in order to make fixed term employment the default type of employment for new employees. Many fixed term employees are reluctant to enforce their rights, for fear that a pretext will be found to not renew their employment when their contract comes to an end.