



Council of Australian Postgraduate Associations Incorporated

## **Council of Australian Postgraduate Associations (CAPA)**

Submission to:

Education and Employment References Committee

**Penalty Rates Inquiry**

July 2017



Council of Australian Postgraduate Associations Incorporated

Compiled with the assistance of the staff and office bearers  
of the Council of Australian Postgraduate Associations (CAPA)  
and its affiliated member organisations.

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## 1. About CAPA

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The Council of Australian Postgraduate Associations (CAPA) is the peak body representing the interests of Australia's 340,000+ postgraduate students, with over 60,000 undertaking research degrees and over 280,000 pursuing coursework or combined research programs. Founded in 1979, CAPA is a membership based non-profit organisation. Our members include over thirty postgraduate associations and the National Aboriginal and Torres Strait Islander Postgraduate Association (NATSIPA). CAPA carries out its mission through policy, research, and activism, communicating the interests and issues of postgraduate students to the Federal Government, Federal Opposition and minor parties, and higher education stakeholders. CAPA is Australia's longest continuously running student peak body, representing students since 1979.

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### **3. Overview – a degree is not optional**

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Educational attainment increasingly means the difference between being employed and being unemployed. As a result, more people than ever are enrolling in higher education, and even more will do so in the future. Students frequently work while studying in order to make ends meet, and are employed within the retail, hospitality, and fast-food sectors. Shifts in penalty rates have a significant financial impact on these students, as well as on their ability to succeed at university.

Changes to penalty rates are an issue for university students across Australia, including those undertaking postgraduate level qualifications such as Coursework Masters or Doctoral (PhD) degrees. The challenges facing these students are many, however, one key area requiring closer consideration is the relationship between postgraduates' income support, work, and studies.

Work and study can be immensely stressful. While attending university can be a challenging and rewarding pursuit, short deadlines and long hours are common. Students that need to work while they study face additional challenges and stresses: financial, mental, and emotional.

This report presents information on penalty rates and their importance to postgraduate students. We make three key arguments:

1. The diversity of the postgraduate student cohort means that postgraduates are impacted differently than undergraduates by a change in penalty rates.
2. Postgraduate students are already struggling to balance the inflexible requirements of work and study. Changes to income streams such as penalty rates will make this even more difficult.
3. Postgraduates in Australia are in need of better income support arrangements, in order to avoid the negative outcomes of penalty rate changes.

In order to support these arguments, we report on an exploratory study undertaken by CAPA. We collect a series of student case studies, focusing particularly on postgraduate beneficiaries of penalty rates who require them in order to continue their studies.

## 4. Postgraduates are not your average student

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When you think of a postgraduate student, what comes to mind? Do you imagine a young, possibly male student, studying full time with family support and few other commitments? Someone who proceeds from a Masters by Research or an equivalent degree, and must prepare for their (first time) entry into the workforce after completing their doctorate (Pearson et al. 2011)?

Unfortunately, this student is far from a reality. As Pearson and colleagues (2011) show, postgraduate students are a diverse cohort. A summary of respondent characteristics from a 2005 survey (below) illustrates this diversity among Doctoral (PhD) candidates.

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62% women/38% men
31 median age/35 mean age
70% full-time enrolment at the time of survey
79% formal mode of attendance 'internal' (on-campus)
92% PhD by research, 4% professional doctorate, 3% doctorate by research and coursework
80% Australian citizens
70% on scholarships (33% on Australian Government scholarships)
5% report a disability
1% report being of Aboriginal or Torres Strait Islander descent

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Understanding this cohort's demographics can help us better understand the impact of changes to government policy around penalty rates. Drawing on national datasets collected by the Department of Education and Training, we can see the size and shape of the postgraduate population in Australia. According to the Department, there were 322,785 postgraduate students enrolled in higher education institutions in 2016. Of those, 59,614 were enrolled in Masters or Doctorate by Research degrees, and the remaining 263,171 were enrolled in Masters by Coursework or other postgraduate degrees.

Table 1 provides a breakdown of enrolments between 2012 and 2014, displaying enrolment status by headcount and percentage. This table is useful in understanding changing enrolment patterns. Increasingly, both domestic and international students are enrolling full time. However, a high proportion (67%) of domestic 'Postgraduate Other' students—a category that includes Coursework students—continue to be enrolled part time. Part time enrolment can often be symptomatic of poor income support, an issue that will be examined further in the following section (5).

	Postgraduate other <i>Includes Coursework and other courses</i>						Postgraduate research <i>Includes Research Masters and PhD</i>					
	2012	%	2013	%	2014	%	2012	%	2013	%	2014	%
<b>Domestic</b>												
<b>Full-time</b>	53,876	30	59,898	31	66,052	33	22,870	53	23,667	55	25,846	59
<b>Part-time</b>	125,508	70	130,432	69	134,566	67	20,082	47	19,712	45	18,273	41
<b>Sub-Total</b>	179,384		190,330		200,618		42,952		43,379		44,119	
<b>Overseas</b>												
<b>Full-time</b>	66,771	76	74,312	79	89,935	81	15,405	81	16,418	85	18,834	92
<b>Part-time</b>	20,684	24	20,048	21	21,392	19	3,533	19	2,876	15	1,550	8
<b>Sub-Total</b>	87,455		94,360		111,327		18,938		19,294		20,384	
<b>Total</b>	266,839		284,690		311,945		61,890		62,673		64,503	

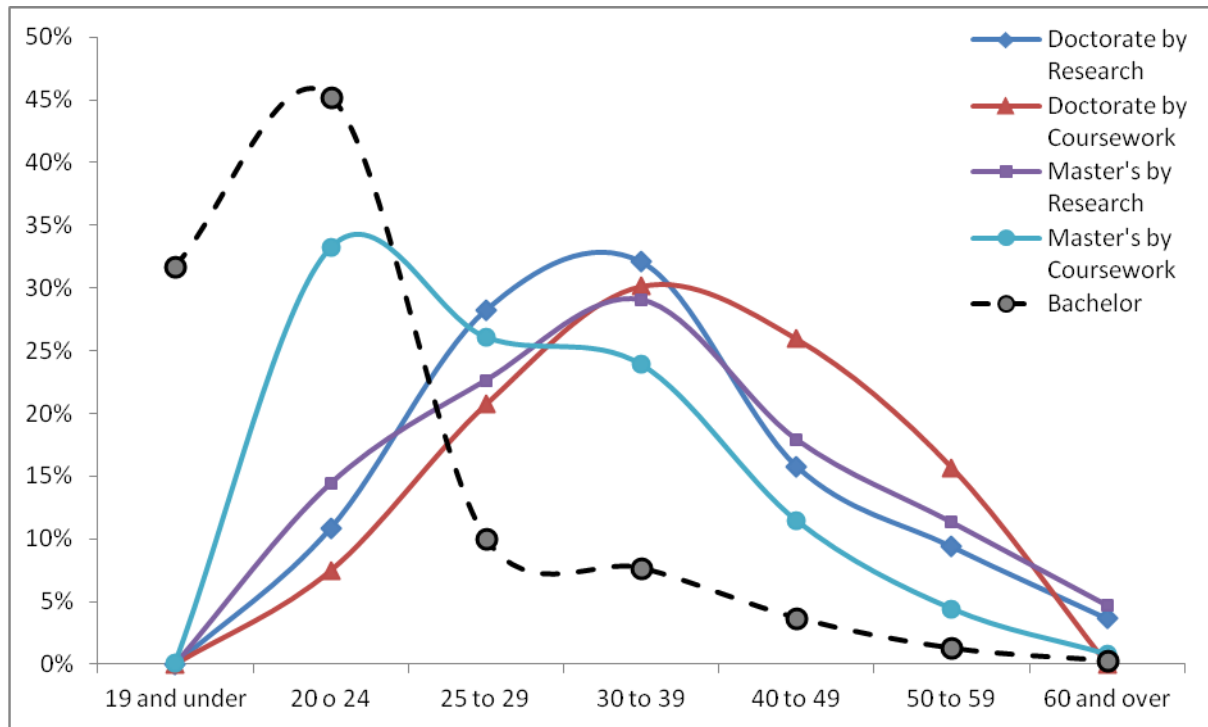
**Table 1: Postgraduate Enrolments, Department of Education and Training: Higher Education Statistics Data Cube (uCube)**

Changing trends in postgraduate study have contributed to the diversification of students undertaking these degrees. Postgraduate students now engage in a range of programs: from the traditional research thesis to coursework programs or a combination of both. Another trend in postgraduate enrolments is the growing number of female students, even among overseas cohorts (see Table 2). Table 2 compares the ratios of male and female students between domestic and overseas enrolments in 2014.

	Postgraduate other					Postgraduate research				
	Male	%	Female	%	Total	Male	%	Female	%	Total
<b>Domestic</b>	80,719	40	119,899	60	200,618	20,078	46	24,041	54	44,119
<b>Overseas</b>	58,598	53	52,723	47	111,321	11,773	58	8,611	42	20,384
<b>Total</b>	139,317		172,622		311,939	31,851		32,652		64,503

**Table 2: Proportion of postgraduate enrolments by gender and type of attendance in 2014, Department of Education and Training: Higher Education Statistics Data Cube (uCube).** *Note that a discrepancy in Totals is due to unspecified gender information in the data set.*

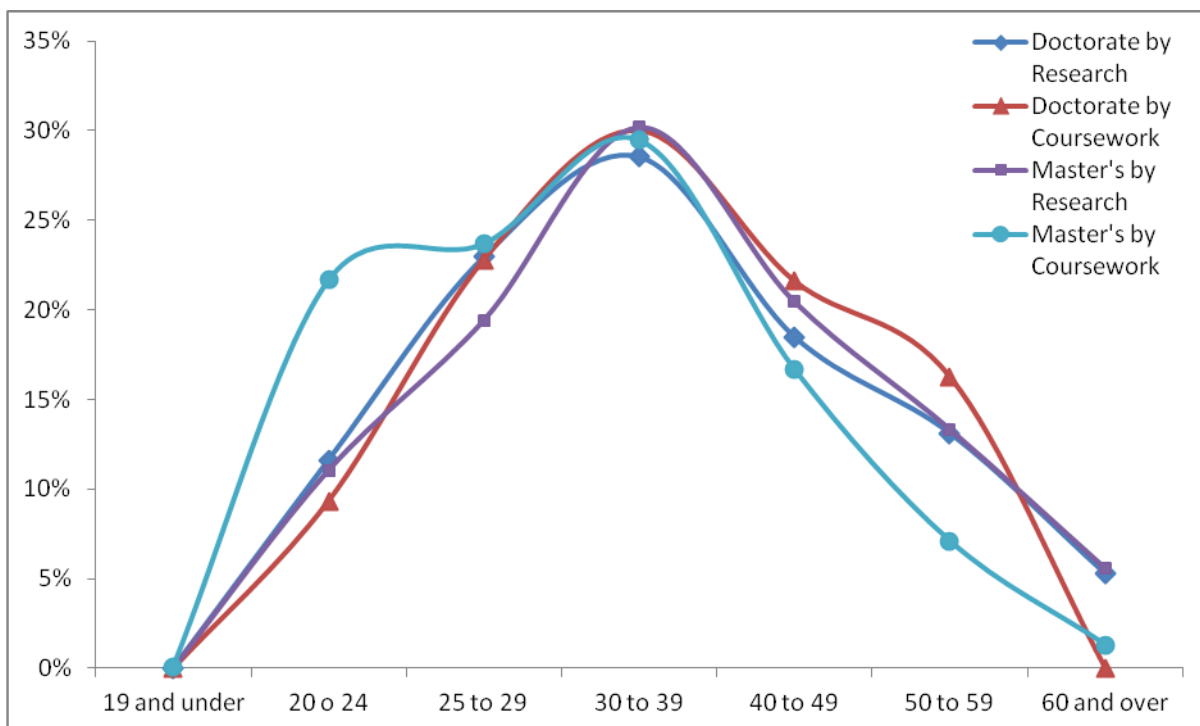
Student demographics provide a good overview of the postgraduate cohort. However, the financial and living circumstances of different postgraduate groups are also important to consider. Research and coursework postgraduates can have many different kinds of study commitments, costs, and levels of financial support. Similarly, the circumstances of domestic and overseas postgraduates also vary. One important indicator of students' circumstances is their age, as illustrated by Figures 1, 2, and 3.



**Figure 1: Proportion of all student enrolments by age group in 2013**

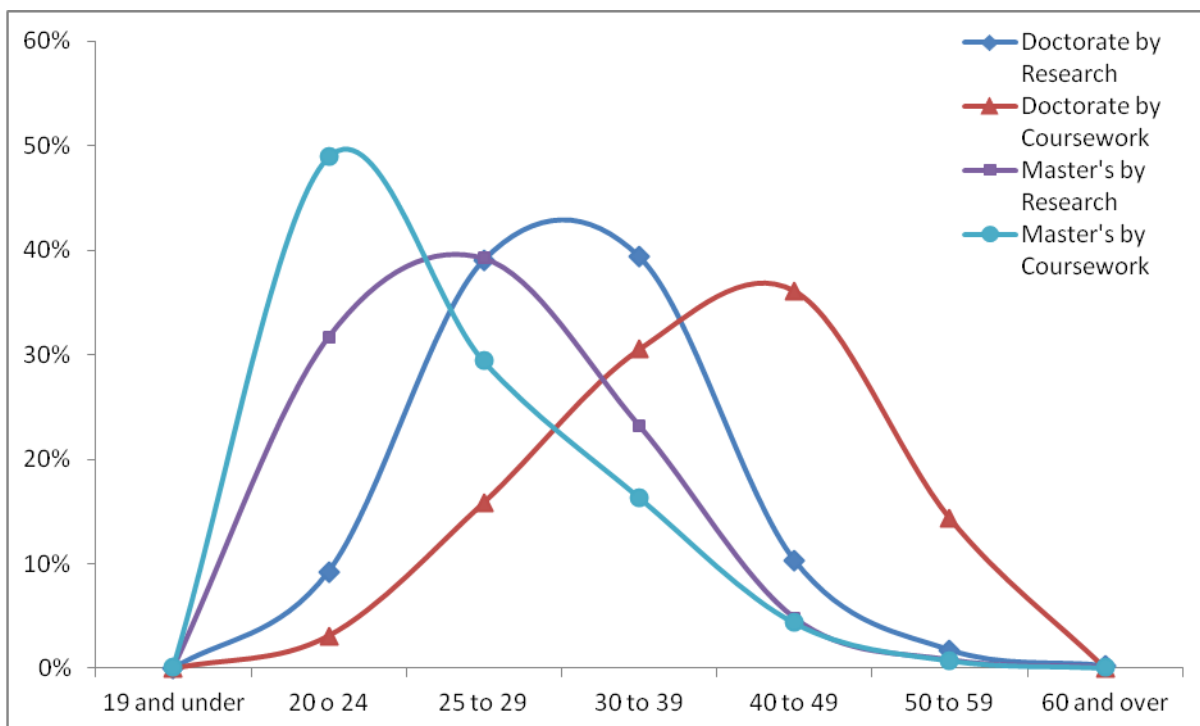
Figure 1, for instance, shows the proportion of enrolments for all age groups in 2014. This illustrates the very different age profiles of undergraduates and postgraduates (e.g., Doctorate by Research, Doctorate by Coursework, Masters by Research and Masters by Coursework).





**Figure 1: Proportion of domestic postgraduate students by age group in 2013**

Figure 2 shows the shape (distribution) of domestic postgraduate enrolments between age groups. The difference is striking when compared with overseas enrolments (see Figure 3). The majority of domestic postgraduates are 30-39 years old, whereas the age of overseas students varies significantly between the different course types.



**Figure 2: Proportion of international postgraduate students by age group in 2013**

Overall, Figures 1, 2, and 3 show the shape and distribution of postgraduate enrolments by age. When considered in conjunction with Tables 1 and 2, a more complex picture emerges. A person's reasons for enrolling or for choosing a particular course appears to be strongly linked to factors such as age and other life circumstances.

Overall, postgraduate students are spread across a wide variety of age groups, socio-economic backgrounds, nationalities, and family living situations. This diversifying postgraduate student body makes it difficult to identify a 'typical' postgraduate student, and makes it particularly challenging to model the impact of legislative or policy changes on such students.

The diversity of postgraduate enrolments—their differing enrolment statuses, genders, and age groupings, along with many other demographic factors and life circumstances—make it highly likely that they will be impacted by changes to penalty rates. The extent of this impact is difficult to estimate, however, the students most impacted will be those needing to undertake work and study simultaneously.

## 5. Postgraduates under financial stress

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A recent Universities Australia study found that the average expenditure of postgraduate students has increased between 2006 and 2012 (Bexley et al. 2013; see Table 3). For research students, this growing expenditure has not been matched by a corresponding increase in the value of postgraduate scholarships. Furthermore, in 2008, the Bradley Review of the higher education sector recommended extending income support to all postgraduate courses, not just research degrees (Bradley et al. 2008). This recommendation has yet to be implemented, leaving coursework postgraduates unable to meet this increased expenditure. Overall, this shortfall between students' income and expenditure results in depleted savings, a reliance on family support, and greater engagement in casual employment (or a combination of all three).

As outlined above, there is a great deal of variation in postgraduates' ages, living conditions, family structures, and backgrounds. There are, however, *some* observable trends in postgraduate demographics, mostly related to students' ages. In recent years, there has been an increase in the average age of postgraduate students, and these students are more likely to have family and caring responsibilities, financial costs like rent or mortgages, and less likely to be supported by parents during their studies. A combination of these responsibilities, alongside the higher workload of postgraduate (as opposed to undergraduate) studies, places these students under a great deal of financial stress, making them vulnerable to changes in income.

	2006 Mean Expenditure	2012 Mean Expenditure
Postgraduate Coursework	\$29,057	\$43,817
Higher Degree by Research	\$29,110	\$41,473

**Table 3: Mean expenditure 2006 and 2012 by Postgraduate Coursework and Higher Degree by Research**

Students' increased expenditure from 2006 to 2012, and the lack of a corresponding increase in scholarships and other forms of financial assistance, has meant that many postgraduates have had to increase their working hours. On average during this period, coursework students increased their weekly working hours from 17.0 to 20.1, while research postgraduates increased them from 8.0 to 10.5. For coursework students with a full time course load, this means that approximately 60 hours a week is spent in study and work. For research students on postgraduate scholarships, the number of weekly hours spent working during 'typical work hours' cannot exceed 8. For those working *in universities*, this is strictly enforced. This means that research students often work *outside* of regular working hours.

International postgraduate students have a particular set of financial issues that are attached to their widespread employment in insecure forms of work. Bexley and colleagues' (2013) study for Universities Australia found that 60.7% of international coursework students and 58.2% of international research students were working. However, for international students, the hours one is allowed to spend working vary depending on when this work is undertaken

(for instance, during or outside of semester dates). These variations in international students' working hours are determined by strict visa requirements.

Overall, work undertaken by postgraduate students often contributes a significant proportion of their total income. Full time postgraduate coursework students, for instance, earn 68% of their income through work (see Table 4). Therefore, the financial importance of weekend penalty rates for postgraduates cannot be overstated.

	<b>Full Time</b>	<b>Part Time</b>
<b>Coursework</b>	\$17,213 (68%)	\$49,135 (93.1%)
<b>Research</b>	\$11,280 (31.7%)	\$40,850 (88.2%)

**Table 4: Proportion of income earned through work by part-time and full-time Coursework and Research postgraduates**

An examination of the expenditure of postgraduate students (see Table 3) and their income (see Table 4) reveals that students supporting themselves are now more or less required to study part time. Without the financial support of others, it becomes impossible for students to earn enough to meet expenditure requirements and to maintain a full time study schedule. Any decrease in income—for instance, because of changes to penalty rates—is likely to push even more students into part time study, or to prevent them from undertaking postgraduate degrees altogether.

## **The Australian Postgraduate Award (APA)**

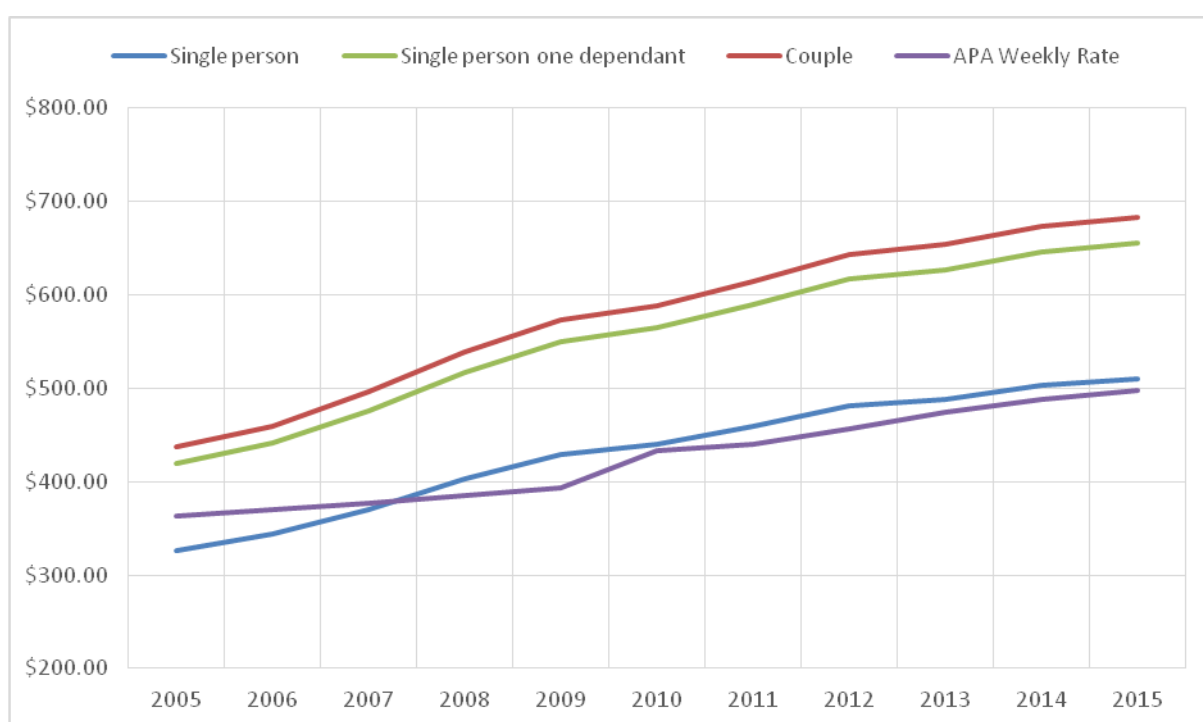
In Australia, the Australian Postgraduate Award (APA) is the standard benchmark stipend awarded to students undertaking a Masters by Research or Doctoral (PhD) degree (Commonwealth of Australia 2015). Since 2008, the APA stipend rate has fallen and remained below what is known as the Henderson Poverty Line.

<b>Year</b>	<b>APA Rate</b>	<b>APA per/week</b>	<b>Single Person Poverty line</b>	<b>Couple</b>	<b>Single Person +1</b>
2015	\$25,849.00	\$497.10	\$510.16	\$682.45	\$654.95
2014	\$25,392.00	\$488.31	\$503.05	\$672.95	\$645.83
2013	\$24,653.00	\$474.10	\$488.50	\$653.48	\$627.15
2012	\$23,728.00	\$456.31	\$480.71	\$643.05	\$617.14
2011	\$22,860.00	\$439.62	\$459.10	\$614.15	\$589.40
2010	\$22,500.00	\$432.69	\$439.47	\$587.89	\$564.20
2009	\$20,427.00	\$392.83	\$428.33	\$572.99	\$549.90
2008	\$20,007.00	\$384.75	\$402.40	\$538.30	\$516.61
2007	\$19,616.00	\$377.23	\$370.45	\$495.56	\$475.59
2006	\$19,231.00	\$369.83	\$346.47	\$444.81	\$23.36
2005	\$18,872.00	\$362.92	\$328.94	\$422.30	\$33.98

**Table 5: The Australian Postgraduate Award (APA) rate compared to measures of the Henderson Poverty line 2005 – 2015.**

Table 5 shows data on APA stipend rates from 2005 to 2015, alongside Poverty Line estimates from the Melbourne Institute of Applied Economic and Social Research (2014). The Poverty Lines are for a single person, couple, and a single person living with a dependant (+1). Figure 4 models the distribution of rates over the 2005 to 2015 period. It clearly shows that the APA rate, since 2008, has not kept pace with the cost of living. For a couple or a single person with a dependant (such as a single parent), the difference is significant.

The 2017 APA rate remains below the minimum wage. In 2017, research students in receipt of a full time scholarship were paid an annual tax-free stipend at the base amount of \$26,682 for up to four years. This is more than \$8,000 below the equivalent annual minimum wage for full-time workers (Fairwork Ombudsman 2017).



**Figure 3: Comparison of APA rate and Poverty line for a Single person, Couple and, Single person with a dependant 2005 – 2015 based on Table 3 (this publication)**

APAs support thousands of postgraduates while they complete their degrees. However, the purpose of this scholarship is to enable postgraduates to focus on their research. If APAs are not currently providing an adequate 'living allowance'—in keeping with students' costs of living, rent, or even the extra costs associated with research—then financial pressure is placed on postgraduates themselves.

As discussed above, research students are generally older than undergraduate and coursework students. Older students generally have more financial responsibilities—for instance, supporting dependents and paying mortgages—and are less likely to receive financial support from family members. These extra responsibilities, as well as the fact that

not all research students are provided with scholarships, means that casual employment is often crucial for postgraduates.

### **Income support for Coursework postgraduates**

As seen above, coursework postgraduate students substantially outnumber research postgraduate students. Coursework students are still not provided with the scholarship opportunities afforded to research students, however. The Bradley review recommended that the government extend eligibility for income support benefits to all students enrolled in Masters by Coursework programs (Commonwealth of Australia 2008, Recommendation 5). Unfortunately, this recommendation has yet to be implemented. Due to the poor financial support of Masters by Coursework students, these postgraduates often seek further employment. This is highlighted by the proportion of full time and part time domestic enrolments (see Table 4): 68% of postgraduates undertaking Coursework or other postgraduate degrees are enrolled part-time.

CAPA believes that recent changes to penalty rates fail to account for the importance of this income for students. Postgraduates, in particular, have limited available hours to work during the week, and require additional income in order to continue studying. Postgraduates balancing work and study, and particularly Coursework Masters students, will therefore be hugely impacted by this change.

## 6. Work–study balance is a struggle

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The original purpose of weekend penalty rates was to ensure that employers did not require their employees to work on weekends, due to the strain it placed on them. This strain is exacerbated when students need to study *and* work full time. Students doing so report many negative impacts. For instance, the requirements of work can negatively influence students' studies, and increase the time taken to complete a degree. As with all workers, excessive work and study can negatively impact personal relationships. Decreases to the weekend penalty rates will therefore result in an increase in the negative effects experienced by student-workers.

Research on students' finances reveals how the requirement to work can and does have a negative influence on study behaviour. Students will either risk their studies or shift from full time to part time in order to manage their studies. For those who choose to undertake part time study, 81.9% of coursework postgraduates and 82.4% of research postgraduates said that they needed to fit their studies in with their employment. Given the urgent need for highly trained postgraduates in Australia's changing economy, a rise in part time candidature is worrying. Part time candidature corresponds with lower completion rates (DET 2017), and furthermore 10% to 20% of postgraduate students defer study due to financial constraints. These numbers are of great concern, and a decline in the financial position of postgraduate students is likely to make this situation worse.

	Postgraduate Coursework		Postgraduate Research	
	Full time	Part time	Full time	Part time
My work commitments adversely affect my performance at uni.	50.1%	64.4%	40.1%	66.9%
I regularly miss classes because I need to attend paid employment	25.7%	31.6%	20.4%	44.4%

**Table 6: Work commitments and their impact on study**

Not all students have the option of studying part time, particularly postgraduate students. In many cases, the only option available to students is to study full time and to work part time. As a result, students may need to skip classes, and their academic performance may suffer (see Table 6). Decreases in the amount of money earned by students on weekends will mean that more students will need to work more hours, further impacting the academic performance of these students.

Not all postgraduate students' work is detrimental, however. Some students report that their work benefits their studies and career prospects. Research into work-life balance suggests that greater flexibility in work hours can significantly reduce work-life conflicts, and that flexible work hours and paid leave can make postgraduate studies less stressful (Pocock, Skinner, & Ichii 2009). Currently, however, there is little flexibility available to postgraduate students, both at work and at university (see Table 7).

	Postgraduate Coursework		Postgraduate Research	
	Full time	Part time	Full time	Part time
Paid Study leave	7.5%	27.5%	3.8%	16.1%
Unpaid Study Leave	11.3%	10.4%	3.7%	8.4%
Flexibility in Working hours	42.2%	40.1%	37.6%	46.3%

**Table 7: Inflexibility of employment and its impact on postgraduates**

Work-study-life conflicts do not just create issues among those that are studying, but can also be a barrier to those considering studying in future. For those who are already employed, undertaking study has the potential to further or begin one's career. The 2009 Australian Work and Life Index revealed a number of trends in employed people's willingness enter (or plan to enter) higher education and training. While women were more likely to engage in higher education and training, they were also more likely to experience high levels of work-life conflict as a result of this participation (Skinner 2009). Many currently employed people are unable to find the time to participate in higher education and training. With changes to penalty rates, their numbers should be expected to increase.

Work-study-life conflicts can result in severe physical and mental health issues, and place additional strain on individuals, families, and communities. Risks can include sleep deprivation, illness, workplace injuries, obesity, delayed marriage, and road accidents from fatigued drivers (Caruso 2006). Studies from the United States show that working at least 12 hours a day results in a 37% increase in hazards, while working more than 60 hours a week results in a 23% increase (Dambe et al. 2005). Increases to postgraduates' work-study hours are therefore likely to be accompanied by growing mental and physical health risks. Furthermore, increased work hours also negatively impact students' family lives (Bittman 2005).



## 7. Case studies of postgraduates

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In 2015, CAPA undertook an exploratory study examining postgraduates' experiences of work and study. CAPA collected case studies of current university students who self-identified as balancing work and study, and whose work attracted penalty rates. Here, we describe the study and its results.

### Recruitment

The exploratory study aimed to recruit 6 to 10 participants in order to explore issues associated with students' penalty rates. Participants were recruited through a request sent out to CAPA member organisations. Recruitment took place in June and July of 2015.

### Research methods

We developed a questionnaire containing 43 unique items. As participants were recruited from universities across Australia, the questionnaire was digitised and placed online, so that it could be completed in a time and place suitable to each participant. Participants also met with a CAPA officer for a face to face conversation prior to completing the questionnaire.

### Participants

Eight university students volunteered to participate in the study. These participants were enrolled in courses ranging from Bachelor to Doctoral (PhD) degrees. The majority studied full time and supported themselves through a range of income sources. Participants were between 23 and 28 years old, falling below the average age of postgraduate students (30 to 36). A summary of participants is provided in Table 8.

Participant	Age	Gender	Course Level	University	Enrolment Status	Sources of income
A	24	Female	PhD	Curtin University	Full time	Work part-time
B	25	Male	Masters	UWA	Full time	Work casually
C	27	Female	PhD	UWA	Full time	Work casually
D	28	Female	PhD	UWA	Part-time	Work part-time, Scholarship, Completion scholarship
E	22	Female	Honours	University of Tasmania	Full time	Work casually, Youth Allowance
F	25	Male	Masters	UWA	Full time	Work casually, Family assistance
G	23	Female	Bachelor	University of Tasmania	Full time	Work part-time, Work casually, Austudy
H	23	Female	Bachelor	University of Tasmania	Full time	Work part-time, Have opened my own kids entertainment business

**Table 8: Summary of select participant characteristics**

Two participants were currently enrolled in undergraduate (Bachelor) degrees. These two students are included here, as they both aspired to undertake postgraduate degrees and had balanced work and study. Participants were from diverse backgrounds: there were international students, low SES students, mature aged students, and rural/regional students.

## Findings: Type of work

Participants worked either casually or part time during evenings, weekends, or public holidays (penalty rate hours). The number of hours spent working ranged from 10 to 20 hours per week, with the percentage of income from penalty rates ranging from 0% to more than 50% of participants' income. The household incomes of participants varied significantly.

## Findings: Impact of work

Respondents all reported that working penalty hours had a negative impact on their lives in at least one of four areas: family, community/social, health, and study. Table 9 shows the collated responses of the eight respondents.

Aspect of respondents life	Number of participants that indicated an impact		
	Very Negative Impact	Negative Impact	Neutral or no Impact
Family Life	4	2	2
Community and Social Life	4	4	0
Health	3	1	4
Study	2	3	5

**Table 9: The effects that working penalty hours has on the lives of postgraduate students**

All participants indicated that working penalty hours had a negative or very negative impact on their family life, with one respondent commenting that:

*"I have a younger brother who has an intellectual disability and we are really close - but since this year (and for the most part, 2014 too), I do not have the time to visit them on the weekends either. My parents are divorced both working full-time, living separately, so even when I do go visit it takes up quite a bit of time as I have to go round to each of their houses etc. So it just doesn't happen. I have no contact with them during the week - the only time I hear from them is when I go to see them (which is only on special occasions now)"* [Participant E].

Respondents who said that their study hours were inflexible, or that they varied in flexibility, also reported that work impacted negatively on their community and social lives. For instance:

*"I hate missing out on social things and free time, I hate the stress and the business, I hate how it stuffs up my sleeping patterns and eating habits and I hate not seeing my friends and family"* [Participant E].

*"Since a lot of my friends are not currently/did not go to university, I struggle finding the time to meet up with them. They all work 9-5 jobs during the week, which means the only time they are free is during the weekend - but this is when I work... So my social life is quite affected by my work/study schedule"* [Participant E].

*"It weighs heavily on social life as well where you lose connection with your social circles"* [Participant F].

## Findings: Impact of penalty rates

Effect of removing penalty rates	Impact on participants		
	Very Negative Impact	Negative Impact	Neutral or no Impact

You Personally	2	4	1
On your Household or Family	2	4	1
On your Budget	4	3	0
On your Health and Welfare	1	3	3
On your Studies	5	1	1

**Table 10: The effect on respondents should penalty rates be removed.** One respondent was removed from the case study as they no longer received penalty rates

When asked about the impact of removing penalty rates, participants felt strongly that this impact would be negative. Changes were seen as particularly impacting their finances and studies, their households and families, and themselves individually. Responses are summarised in Table 10. One participant elaborated:

*“The current food and beverage award level II for a 23 year old is a base rate of \$18.02 per hour with a \$4.5 casual loading. This means that my average 3 hours nightly shift would drop from \$67.56 to \$54.06. Certainly an advantage to my employer, however I would lose on average \$300 per month. This amounts to thousands per year. My average yearly income for the past 2 years since being 21 and eligible for the full pay (my business is quite new and only marginally profitable) currently stands at \$19,000. With the removal of penalty rates I would be so much below the poverty line as to be quite unable to do anything other than work” [Participant H].*

### **Case study 1: An aspiring postgraduate working with penalty rates**

Participant E is an undergraduate student who has ambitions of continuing on to postgraduate study, but will be adversely impacted by penalty rate changes. This participant is a 23 year old woman living with her partner and 2 housemates, all of whom are studying at university. They have an annual household income of \$20,000 to \$35,000. Participant E is studying a full time Bachelor of Arts and Law at the University of Tasmania, and expects to enter a Juris Doctorate program upon completion.

Participant E’s income comes from Austudy payments and working 20 hours a week. Around 25% to 50% of her salary comes from working penalty hours. The participant said that she worked nights, weekends, and public holidays on a regular basis, mainly because of the extra money earned from penalty rates. According to Participant E, however, working penalty hours has a negative impact on her family and social life, and a very negative impact on her health and study. Overall, she said that she “hate[s] it. I hate missing out on social things and free time, I hate the stress and the business, I hate how it stuffs up my sleeping patterns and eating habits and I hate not seeing my friends and family”.

She said that penalty rates were extremely influential when it came to the number of hours she worked and the jobs she held. She believed that penalty rates helped her employer, as it allowed them to find student staff members. However, on public holidays her employer rostered on fewer employees and held back employees’ tips.

The removal of penalty rates will have a very negative impact this participant, her budget, and her studies. Changes will require her to increase the number of hours she works. She stated that she would “probably claim more Centrelink, and possibly have to reduce my university units so I could work more”.

### **Case study 2: A research student working without penalty rates**

Participant C is a research postgraduate student working on a Doctor of Philosophy in the biomedical sciences at The University of Western Australia, as well as being a Masters of

Laboratory Medicine at Edith Cowan University. This participant is a 26 year old woman living with her partner in shared accommodation, along with other housemates and a yearly household income of \$75,001 to \$100,000.

This participant works 10 hours a week at a race track. Less than 10% of her salary comes from penalty rates, although she reports occasionally working weekends and public holidays (but never nights). She says that working penalty hours has a negative impact on her family and social life, and a very negative impact on her health: "It's tiring, it never gets easier no matter how used to it I get. I have to try not to think about it just to make it through a week". This participant said that penalty rates were only marginally important to her finances, and had no influence on her choice of hours or job. She did, however, add that "more people want shifts when penalty rates are applied (often in my industry it's difficult to find people who want to work on weekends)".

Participant C expects that the removal of penalty rates will have a negative impact on her life, and result in her having to work more hours. This is because "Penalty rates are a much needed boost when car registration bills, health and care insurances etc. come around".

This participant said that work impacts her research experiments: "My experiments run for a week at a time and [I] have to balance them around my shifts at work so they don't interfere. This means sometimes having to work around the clock for some days with little to no sleep".

### **Case study 3: An international Masters student working with penalty rates**

Participant F is an international Masters student from India, studying a Masters of Science at The University of Western Australia. This participant is a 25 year old man, living in a shared room in order to cut the cost of living. He lives in a household with an income of up to \$20,000.

This student studies 10 hours a day except for Saturdays, and works 11 hours a week, predominantly at night. He also receives some income from his family. The major reason for working penalty rates for this participant is that it is a requirement of the job/industry that he works in. He reports that working penalty hours has a very negative impact on his social life, and a negative impact on his studies. Overall, this student believes that "working extra hours would have a significant impact on [my] assessments. Additionally, it weighs in heavily on [my] social life as well where you lose connection with your social circle".

Penalty rates play an important role in this participant's finances, and he states that they are moderately influential in his choice of job and hours. He does not believe that his employer supports penalty rates, but does think that the removal of penalty rates would have a negative impact on his budget, household, and a very negative impact on their studies. This participant says that, should penalty rates be removed, he "would lose income and the employer might start extending work hours without concern for the employees personal life". As a freelance graphic designer, the participant says he works when it is available, as his study times can be irregular and make working a regular schedule difficult.

### **Study conclusions**

Despite the proven negative impacts of working penalty rate hours, there are financial and practical reasons why students take on this work. Of those students who received 25% or more of their salary from penalty rates, the financial benefits of working penalty hours was highly influential. Yet each respondent gave *two* reasons why they would choose to work penalty hours: that it "fits in with study" *and* it allows them to "make extra money".

Penalty rates provide an incentive for people to work during undesirable times. All respondents who received penalty rates, and who considered them important or extremely important, also rated penalty rates as moderately to extremely influential in their choice of work. Penalty rates compensate and encourage students to work these hours and jobs. All respondents who supported the previous system of penalty rates (7 out of 8 respondents) said that their employers were also better off with penalty rates, as it provided an incentive for people to work at undesirable times:

*“They get a lot of uni student staff members which helps them to actually have staff, however I know on public holidays they aren't too keen having to pay staff that much, and therefore try to put less people on and keep our tips”* [Participant E].

*“My employer supports penalty rates, and these apply for casual staff. It is easier to have staff cover shifts on weekends/public holidays and evenings when they are receiving penalty rates as compensation”* [Participant D].

*“...they would have a hard time convincing their part-time employees (prospective and current) to work on the days everyone hates (weekends and public holidays)”* [Participant A].

It is often claimed that penalty rates prevent businesses from opening on weekends and at night. However, given the negative impact of working during penalty hours, and the role penalty rates play in encouraging work during these hours, it is no shock that respondents highlighted the problems associated with penalty rates' removal. According to them, the biggest impact would be on their budgets and studies.

All respondents who received penalty rates indicated that they would have to increase the number of hours they worked or make lifestyle changes when penalty rates were removed. Furthermore, throughout the case studies, students consistently and repeatedly indicated that work had a negative impact on their studies. Only one student, who rarely received penalty rates, said that removing them would not impact on their studies. Others commented:

*“Weekends would also be ideal for study because of limited use of the library/study areas, but I am unable to take advantage of this because of work”* [Participant A].

*“Yes, absolutely. At the beginning of my undergraduate degree and throughout college I worked at least 20 hours per week. However, my study was adversely affected by this so I reduced my hours and now work around 12 hours per week”* [Participant E].

*“...working impacts the experiments I run. My experiments run for a week at a time and [I] have to balance them around my shifts at work so they don't interfere. This means sometimes having to work around the clock some days with little to no sleep”* [Participant C].

The impact of work on students' studies and health is not something that should be ignored. Students are studying between 20 and 50 hours a week, and working between 10 and 20 hours on top of this. According to these case studies, students who received penalty rates will now need to work even more hours. This puts students at real risk, potentially harming their mental and physical health. Ultimately, the removal of penalty rates places more students under stress and contributes to an increase in their working hours.

## 8. Conclusion

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In a knowledge based economy, it is more important than ever for people to engage in higher education, and particularly postgraduate education. Simply having a degree is no longer enough, and there is currently a shortfall in Masters/Doctoral qualified workers in Australia. Yet postgraduates are a diverse group, and policy changes can impact them in unexpected ways.

For postgraduates, finding a work-life balance can be a constant struggle. These students lack adequate financial support and can have significant family responsibilities. Postgraduates' study options are often not as flexible as those of undergraduates, and the workplaces where they earn a living can be similarly inflexible. Work-life-study conflicts can lead to students working weekends or nights, following long study hours, in order to maximise their income.

Even with the benefit of penalty rates, postgraduate students have been under considerable financial strain. Without these benefits, working postgraduates will be forced to work longer hours and to put both their studies and their health at risk. Along with reinstating previous penalty rates, CAPA therefore urges the *Education and Employment References Committee* to work towards improving postgraduates' access to scholarships, Austudy, and to raise their overall levels of income support.

## 9. References

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## 10. Additional Tables and Figures

**Table 11: Proportion of all students by age group in 2013, Department of Education and Training student data 2013**

Age Group	Doctorate by Research	Doctorate by Coursework	Masters (Extended)	Masters by Research	Masters by Coursework	Other Postgraduate	Bachelor
19 and under	0%	0%	0%	0%	0%	0%	32%
20 o 24	11%	7%	26%	14%	33%	21%	45%
25 to 29	28%	21%	33%	23%	26%	22%	10%
30 to 39	32%	30%	26%	29%	24%	29%	8%
40 to 49	16%	26%	10%	18%	11%	19%	4%
50 to 59	9%	16%	5%	11%	4%	8%	1%
60 and over	4%	0%	0%	5%	1%	2%	0%

**Table 12: Proportion of international postgraduate enrolments by age group, Department of Education student data 2013**

Age Group	Doctorate by Research	Doctorate by Coursework	Masters (Extended)	Masters by Research	Masters by Coursework	Other Postgraduate
19 and under	0%	0%	0%	0%	0%	0%
20 o 24	9%	3%	43%	32%	49%	35%
25 to 29	39%	16%	37%	39%	29%	29%
30 to 39	39%	31%	17%	23%	16%	24%
40 to 49	10%	36%	3%	5%	4%	8%
50 to 59	2%	14%	0%	1%	1%	2%
60 and over	0%	0%	0%	0%	0%	0%

**Table 13: Proportion of domestic postgraduate enrolments by age group, Department of Education and Training student data 2013**

Age Group	Doctorate by Research	Doctorate by Coursework	Masters (Extended)	Masters by Research	Masters by Coursework	Other Postgraduate
19 and under	0%	0%	0%	0%	0%	0%
20 o 24	12%	9%	25%	11%	22%	19%
25 to 29	23%	23%	32%	19%	24%	21%
30 to 39	29%	30%	26%	30%	29%	30%
40 to 49	18%	22%	11%	20%	17%	20%
50 to 59	13%	16%	5%	13%	7%	8%
60 and over	5%	0%	0%	6%	1%	2%