

DCA submission in response to the Victorian Government's plan to introduce working from home legislation

To the Victorian Department of Premier and Cabinet (DPC),

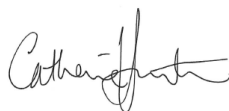
Thank you for the opportunity to provide feedback on the Victorian Government's plan to introduce working from home legislation.

As the nation's leading independent peak body for diversity and inclusion, Diversity Council Australia (DCA) is a member-based, not-for-profit, with a strong network of over 1,300 members, including many of Australia's largest employers. For 40 years DCA has worked to advance more equitable workplaces—supporting a stronger economy and fairer society. DCA's evidence-led approach is centred on lived experience, and our research consistently shows that inclusive organisations are more innovative, productive, and resilient in changing environments.

Founded as a joint initiative of the Business Council of Australia and what would become the Australian Chamber of Commerce and Industry, DCA's original mission was to support equal opportunity for women through industry-led programs. Our founding members included ANZ, AMP, BHP, Coles, IBM, Myer, Rio Tinto, and Westpac. Today, we champion a spectrum of workforce diversity and inclusion dimensions and hold strong convening power, engaging directly with CEOs and senior leaders across a range of sectors from ASX-listed companies to not-for-profits.

Through research, practical tools, events, advocacy, education and training, we provide expert guidance to support employers, leaders and policymakers, and advance our charitable purpose to foster inclusive workplaces for the benefit of individuals, organisations and society.

Yours sincerely,

A handwritten signature in dark blue ink, appearing to read 'Catherine Hunter', written in a cursive style.

Catherine Hunter
CEO, Diversity Council Australia

A note on language

DCA recognises that a diversity of terms is used to describe people's lived experience. We recognise and respect individuals' right to identify with terms that they feel most comfortable with. We also recognise the limitations of binary language. However, sometimes binary categories have very real effects on peoples' experiences and may be necessary to convey the gendered nature and dynamics of our society.

DCA uses person-first language by using the term 'people with disability' but we recognise that many people with disability prefer identity-first language (i.e. a disabled person). We also acknowledge the diversity in disabilities and the impact this has on the experiences of people. Furthermore, some specific communities such as Autistic and Deaf communities may not define themselves as disabled at all.

DCA recognises that language is socially constructed and constantly evolving and our intention is always to be inclusive and to be open to change.

A note on intersectionality

DCA recommends an intersectional approach when developing and implementing policy and programs, recognising that individuals may experience overlapping and compounding forms of marginalisation based on their social identities. By applying an intersectional lens across our work, we help employers identify and address the structural barriers that affect participation and progression for people from marginalised groups.

Introduction

DCA welcomes the Victorian Government's decision to introduce new working from home legislation, giving Victorians who can reasonably do their job from home the right to do so for at least two days a week. DCA has long been an advocate for providing workers with the flexibility they needed to manage work and other commitments, whether it be flexibility in where, when and how they do their job.

The benefits of flexible working for individuals, organisations, and the economy are well-established, yet flexibility is still not mainstreamed in many Australian workplaces. In the face of globalisation, technology advancements and demographic shifts, embedding flexibility, including working from home, is critical to the future of work.

DCA's [Inclusion@Work Index 2023–2024](#) data illustrates that workers who access flexible working options are just as innovative, hard-working, and effective as those not using flex. Despite this, stigma associated with accessing flexible options remain. For example, workers using flexible working options continue to experience more exclusion than non-flex workers, with over 1 in 4 (29%) reporting they experienced discrimination and/or harassment at work in 2023, significantly higher than workers not accessing flexible options (20%).

Our research also found that the majority of workers accessing flex are from marginalised backgrounds, suggesting it is disproportionately important for these groups. Our latest Inclusion@Work Index found this is particularly the case for:

- **workers with caring responsibilities:** 3 in 4 (74%) workers with caring responsibilities reported using flexible working options. This is significantly higher than the 58% of workers without caring responsibilities using flex
- **women workers:** 72% of women use flexible work options, compared to 57% of men workers, contributing to a 15% gender flex gap

- **workers with disability:** 7 in 10 (71%) workers with disability reported using flexible work options, compared to 63% of those without disability
- **workers with a non-Christian religion:** 71% of workers with a non-Christian religion reported using flexible work options, compared to 64% of both workers with a Christian religion and those with no religion
- **Aboriginal and/or Torres Strait Islander workers:** 72% of Aboriginal and/or Torres Strait Islander workers reported use of flexible work options, compared to 64% of non-Indigenous workers.

The future of work demands flexibility in the way individuals, teams, and organisations work. If we are to fully engage Australia's diverse talent pool, we must encourage workplace conditions that are inclusive for all, and where flexibility is a standard, not an exception.

The case for working from home

There is a large body of evidence that shows benefits of working from home for both organisations and employees.

Productivity

- Earlier this year, the Productivity Commission released a [research paper](#) concluding that hybrid arrangements were either neutral or positive for labour productivity
- A [2025 report from the Australian HR Institute](#) found that 45% of employers found hybrid working had a positive effect on productivity levels, compared with just 11% who felt it had a negative impact
- Further [research](#) shows that employees who worked from home one or more days a week had nearly 10% more autonomy, meaning they could be up to 16.8% more productive
- Despite this, [research commissioned by the Fair Work Commission](#) in May showed productivity concerns were a key reason employers provided when declining work from home requests.

Participation

- The Productivity Commission's report found that allowing workers to work from home reduced geographical barriers to employment, which could improve job fit and productivity
- It also found evidence that working from home improved participation for carers, workers with disability, and other workers who might find it harder to come into the office 5 days a week
- [Recent research](#) has shown that flexible working practices are important for neurodivergent employees, who are estimated to make up [12% of the Australian workforce](#).

Economic benefits

- [Research conducted by the University of Queensland](#) found the economic benefits of allowing working from home outweigh the costs by a factor of seven, with the total annual cost for those living in Brisbane amounting to \$557.5 million, while the total benefits reached \$4.1 billion.

Wellbeing

- [Research](#) shows working from home also benefits work-life balance, with many using the time saved on commuting for exercise, recreation and community engagement
- [Research from Australian National University and University of Newcastle](#) found that working from home one or more days a week could reduce worker burnout by 10.6%
- It also found workers who work from home see an increase in physical, technological and psychological infrastructure support.

Sustainability

- A [literature review on travel behaviour](#) found working from home reduces traffic congestion and pollution, saves commuting time, boosts regional growth and helps employers cut costs

- Findings showed that the increase in working from home during the COVID-19 pandemic saw a reduction in commuting trips which positively impacted air quality and reduced greenhouse gas emissions.

Retention and attraction

- The ability to work from home is seen as highly desirable among employees and job applicants. [Researchers from the University of Melbourne and Western Sydney University](#) recently found that workers overwhelmingly expect having the flexibility to work from home
- A [randomized control trial from 2024](#) found that hybrid working improved job satisfaction and reduced quit rates by one-third
- The Australian HR Institute also found that 44% of employers believe it leads to improved retention rates.

Further DCA findings

While DCA does not have specific research into working from home, our most recent Inclusion@Work Index shows that workers who had access to the flexibility they needed to manage work and other commitments (which includes working from home) are:

- **Innovative:** Employees who are flex-satisfied are 3 times more likely to be innovative
- **Work effectively together:** Employees who are flex-satisfied are 3 times more likely to always work effectively together to meet work expectations
- **Job satisfied:** Employees who are flex-satisfied are 3 times more likely to be very satisfied with their job
- **Provide excellent customer service:** Employees who are flex-satisfied are twice as likely to always provide excellent customer/client service.

Why legislation is needed

Following former Coalition Leader Peter Dutton's threat to crack down on working from home arrangements, the ACTU has estimated [1 in three workers](#) across the country would be impacted by his proposed changes. As noted in the union's [submission to the Fair Work Commission](#) calling for a presumed right to work from home for clerical and administrative workers, many employees from marginalised groups access working from home arrangements informally with their employer, often not recorded in writing.

The absence of formal policy surrounding the right to work from home for those who reasonably can leaves marginalised employees open to having essential workplace adjustments removed or rejected. This would particularly effect women, carers and workers with disability who most commonly require access to workplace flexibility of this kind.

Further, the [Fair Work Commission's report on access to work from home arrangements](#) found a quarter of employers indicated they denied at least 25% or more of requests. As previously mentioned, requests were most frequently denied due to unfounded concerns about productivity or efficiency. Several employers also reported that requests are approved based on employees' personal circumstances, such as caring responsibilities, pregnancy, personal illness, disability, or family and domestic violence.

DCA research has found that for flexibility to be implemented effectively, it must be defined broadly. That means allowing flexible conditions for everyone. Restricting flexibility to a narrow group of workers risks embedding stigma, creating perceptions that flexible work is a "special concession" rather than a normal way of working. By making flexible work universally accessible, workplaces can remove this stigma, ensure fairer outcomes, and foster cultures of trust and inclusion.

Victoria's proposed legislation provides an opportunity to enshrine flexible work as a standard workplace right rather than a discretionary benefit. Clear and enforceable protections will help ensure that flexibility is available to all employees who can reasonably work from home, and that requests are assessed fairly and consistently. Embedding a universal right to request flexible work will not only safeguard essential adjustments for women, carers, and workers with disability, but also drive broader workforce participation, improve wellbeing, and enhance productivity across the Victorian economy.

Considerations and recommendations

1. Career development, promotion, and remuneration

Research from CEDA has found that employees who work from home are paid 5.8% less on average than those who do not. Further research from Qualtrics showed that 46% of workers in Australia believe in-office workers have a career advantage over those working from home. Concerningly, 57% of people working in management and 60% in director roles also agreed with this sentiment.

Workers who are remote risk being excluded from informal learning, mentoring, and networking opportunities that occur "naturally" in physical workplaces. These organic channels of knowledge sharing and relationship-building are critical for career development, sponsorship, and inclusion. Without deliberate interventions, remote employees may miss out on mentoring, learning opportunities and professional networks, which can limit promotion opportunities.

As mentioned in the introduction, DCA's research has found that the majority of workers accessing flex working options are from marginalised backgrounds. If this legislation is not implemented carefully, it has the potential to further entrench rather than reduce inequity, creating additional barriers for employees who already experience significant barriers to pay equity, development, and progression opportunities.

Policy Recommendation 1: Ensure equal access to pay and progression

The legislation should include safeguards to ensure that employees working from home have equal access to pay progression, promotions, and professional development opportunities. Employers should be required to monitor outcomes to prevent inequities.

Additionally, legislation should require employers to ensure equitable access to all forms of training, mentoring, and networking for remote employees. This includes offering digital alternatives to in-person programs, structured virtual mentoring or buddy systems, and policies to make sure remote workers are included in informal and formal professional development opportunities.

2. Workload management and wellbeing

At the same time, stigma and bias around flexibility can result in these employees being overlooked for development opportunities or promotions, reinforcing existing inequities. Studies show that employees working from home tend to working longer hours, blurring boundaries between work and personal life. CEDA found that people who work all their hours from home work nearly 20% more hours per week than those who don't, and people who work from home half of the time work just over 9% more hours per week. The ACTU also found that women are more likely to experience mental health issues when working from home than men. This is likely because women are disproportionately responsible for household management and childcare, even when they are working full time. This

overlap can further blur the boundaries between work and personal life. Without protections, this can lead to burnout and negatively affect wellbeing.

Policy Recommendation 2: Ensure workplaces are equipped to protect worker wellbeing

The legislation should be supported by guidance or requirements for employers to provide training for managers on leading flexible teams, setting realistic expectations, and supporting employee wellbeing. This could include:

- **Manager training and accountability:** Require employers to provide training for managers on leading remote and hybrid teams, including how to set realistic workloads, provide psychosocial support and recognise signs of burnout.
- **Structured work boundaries:** Encourage policies that set clear expectations around working hours, availability, and response times. This can include scheduling “no-meeting” periods, limiting after-hours communications, and reinforcing a culture where disconnecting outside work hours is respected.
- **Wellbeing monitoring and support:** Recommend regular wellbeing surveys and check-ins, access to mental health resources, and initiatives that promote work-life balance.
- **Flexible workload allocation:** Encourage organisations to adjust workloads and expectations based on the realities of individual workers, preventing the accumulation of excessive tasks that may disproportionately impact employees with caregiving responsibilities or other commitments outside work.

3. Workplace inclusion and equity

As mentioned above, flexible work is disproportionately accessed by marginalised groups such as women, carers, and people with disability. For many in these groups, flexibility is not simply a preference but a necessary adjustment that enables them to participate fully in the workforce. Without clear protections, these workers risk losing access to critical arrangements that support their ongoing employment and career progression.

At the same time, stigma and bias around flexibility can result in these employees being overlooked for development opportunities or promotions, reinforcing existing inequities.

Policy Recommendation 3: Ensure legislation centres the voices of marginalised workers

The legislation should explicitly recognise the role of flexible work in advancing workplace equity and mandate that access is assessed consistently and fairly across all employee groups. DCA recommends ensuring legislation centres the lived experiences of marginalised workers who commonly access flexible work options by consulting with external groups that can offer lived experience and subject matter expertise. This ensures the voices of marginalised workers are embedded in decision making, and that flexible work arrangements are designed to meet real workforce needs rather than relying on assumptions.

For more information, see [Centring Marginalised Voices at Work](#).

4. Assumptions around productivity and performance

A key reason employers deny requests is unfounded concerns about productivity. Research from multiple sources, including CEDA and the Productivity Commission, shows that productivity is not reduced by remote work and, in many cases, improves when employees are given autonomy and trust.

Despite this evidence, many employers continue to rely on outdated assumptions that equate visibility with productivity. This not only results in unfairly denied requests but also reinforces a workplace culture that values presenteeism over outcomes. Left unaddressed, this bias risks undermining trust, employee engagement, and the broader economic benefits of flexible work.

Policy Recommendation 4: Ensure requests are assessed fairly and consistently

The legislation should require that denials of work from home requests be based on demonstrable, role-specific operational needs rather than assumptions about productivity. Employers should be encouraged to implement outcome-based performance measures that assess the quality and impact of work rather than physical presence. Further, government guidance could support organisations to build capability in managing flexible teams effectively.

5. Occupational health and safety

Employers remain responsible for ensuring safe work environments, including when employees work from home. This includes ergonomic setups, psychosocial risks, and safe systems of work. Research shows that poorly managed remote work can contribute to physical health issues and mental health risks such as isolation and burnout.

It is important that workers have access to safe and healthy work-from-home conditions, and employers require practical clarity on the extent of their obligations. Without guidance, there is a risk of inconsistent practices and confusion about liability. At the same time, employees also need assurance that safety standards will be upheld regardless of where they work.

Policy Recommendation 5: Provide clarity on WHS responsibilities

The legislation should provide clarity on employer responsibilities for work health and safety, while offering practical guidance and reasonable limits to prevent undue burden on both employers and employees. To support implementation, government could issue model policies and resources for employers and promote training on psychosocial risk management in remote settings.

6. Regional and economic participation

Flexible work, including work from home, enables greater workforce participation for people in regional and rural Victoria, and for those with limited transport access. These arrangements bridge geographical gaps, offering employment opportunities to communities that might otherwise face barriers to traditional office-based roles. Research commissioned by Regional Development Australia found that hybrid work arrangements can help address regional workforce shortages by tapping into a broader talent pool.

Policy Recommendation 6: Position WFH as a lever for regional growth

The legislation should recognise flexible work as an economic enabler, particularly for regional Victoria, and encourage employers to facilitate it wherever reasonably possible. This could involve offering training programs to enhance digital literacy and ensuring that infrastructure supports remote work capabilities.

7. Cultural change and stigma reduction

When flexible work arrangements are granted only to certain groups, it risks being stigmatised as a concession rather than a normal way of working. This selective approach can reinforce stereotypes and perpetuate stigma, particularly when flexibility is associated with caregiving roles or other personal responsibilities. Such perceptions can undermine the legitimacy of flexible work and discourage employees from requesting arrangements that could enhance their work-life balance and productivity.

The perception of flexible work as a concession can be detrimental to both employees and organisations. It can lead to reduced uptake of flexible arrangements, limiting the potential benefits such as increased job satisfaction, reduced turnover, and enhanced productivity. Addressing flexibility stigma requires a cultural shift within organisations, promoting the idea that flexible work is a legitimate and effective way of working for all employees, not just those with specific personal circumstances.

Policy Recommendation 7: Promote cultural change to support WFH

The legislation should promote universal access to flexibility for all roles and embed cultural change to remove stigma from those who rely on flexibility for equity reasons. This could involve:

- **Normalising flexible work:** By making working from home arrangements standard practice across all roles, organisations can reduce the perception that such arrangements are special privileges.
- **Implementing inclusive policies:** Employers should develop and communicate clear policies that support flexible work for all employees, ensuring that these policies are applied consistently and equitably across the organisation.
- **Providing training and resources:** Organisations should offer training for managers and employees on the benefits of flexible work, how to implement it effectively, and how to overcome potential challenges.
- **Monitoring and evaluation:** Employers should regularly assess the impact of flexible work arrangements on employee performance, satisfaction, and organisational outcomes. This data can inform continuous improvement and demonstrate the value of flexible work to all stakeholders.

For more information, see [Getting started with flexibility](#).

Please feel free to contact myself or Dr Rose D'Almada-Remedios, Interim Research Director on rose@dca.org.au, should you require any further information about this matter.

Yours sincerely,



Catherine Hunter
CEO, Diversity Council Australia

Relevant DCA research and resources

- [DCA's flexibility resource page](#)
- [The Inclusion@Work Index hub](#)
- [Future-Flex: Mainstreaming Flexibility By Team Design](#)
- [Get Flexible!](#)
- [Myth Busting Flexibility](#)
- [Intersectionality at work](#)
- [Centring Marginalised Voices at Work](#)

Additional research and resource recommendations

- [Flexible working and psychosocial safety](#), SafeWork
- [When it comes to wellbeing, what are the pros and cons of working in an office vs from home?](#) The Conversation
- [Productivity before and after COVID-19](#), The Productivity Commission
- [Clerks – Working from Home Surveys](#), The Fair Work Commission
- [ACTU Submission –Working from Home Term](#), ACTU
- [Working from home is saving Australians time and money](#), CEDA
- [Hybrid and Flexible Working Practices in Australian Workplaces in 2025](#), AHRI
- [Working from home](#), ACTU
- [Hybrid Work Opportunities in Regional Victoria](#), Swinburne University of Technology.