



# Recent Employment Legislation: What do Employers Think?

# Contents

Foreword .....	3
Employer Insights .....	5
Research Findings .....	6
– General Attitudes .....	7
– Right to Disconnect .....	11
– Casual Employment .....	20
– Fixed-Term Contracts .....	25
– Looking Ahead to this Parliamentary Term .....	28
– Overarching Themes in Employer Experience ..	33
Summary of Key Legislative Changes .....	36
Research Methodology .....	37

# Foreword

**Over the last three years, Australian workplaces have seen the implementation of an ambitious and fast-moving workplace legislative change program. HR professionals have told us that this period has been one of the busiest in memory, with significant demands and increased workloads placed on HR teams, as well as additional demands on leaders and managers.**

In order to understand the early impact of this workplace legislative program on Australian workplaces, the Australian HR Institute (AHRI) undertook research through a survey of more than 600 employers in April 2025, followed by six focus groups across Australia, asking about the reforms introduced through the Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act 2022 (Cth) and the Closing Loopholes Acts of 2023 and 2024.

The survey findings indicated that employers feel that many of the reforms are having a positive effect on their workplaces. Respondents reported that legislative changes such as Respect@Work, flexible working, fixed-term contract limits, and casual employment have all had a positive impact on their organisation. The research also suggests that the right to disconnect legislation has led to higher levels of employee engagement and productivity, and improved work-life balance and employee wellbeing.

The focus group discussions supported the overall survey findings that many employers are seeing benefits arising from these recent legislative changes, noting improvements in job security, employee wellbeing and job performance.

HR professionals reported that the legislation has been an important driver of improved practice because the regulatory requirements have forced the whole organisation to review and improve its policies, practices and frameworks in many related areas. These include sexual harassment, workforce planning, flexible working and managing psychosocial risks.

However, HR professionals, who are responsible for leading and implementing these changes in the workplace, also reported significant challenges via the

focus groups; most notably increased workload and the perceived administrative cost in meeting these regulatory requirements. Such requirements include the need to understand the practical application of the changes, update workplace policy and practice, and train managers and inform employees; all in a very short period.

A consistent theme across the focus groups was the need for stronger line-management capability. Many HR professionals and employers reported that managers were either ill-equipped to implement changes consistently and fairly, or too quick to escalate issues to HR, undermining compliance and diverting them from strategic work.

HR professionals stressed that investment in line management capability is essential for the successful implementation of workplace legislative change. AHRI believes that the Productivity Commission's recent proposal to set up dedicated advisory services for small- and medium-sized businesses (SMBs) could be used to help small businesses comply with regulation.

The research also shows employers remain open to further reform, including extending the right to request flexible working to all employees and adding reproductive health protections. In the case of extending the right to request, several focus groups highlighted that extending the right would be fairer, simpler to understand and help support attraction and retention.

However, the research also suggests that any new reforms should come with a delay of two years to avoid any potential increased cost in processing these changes and to give HR professionals and employers some much-needed respite.

Overall, AHRI's research demonstrates that the recent legislative changes have had a positive impact on many organisations. However, it also shows that these changes have significantly increased HR professionals' workloads, with some also reporting that the workplace legislative changes have been administratively burdensome.

One of the key messages of this report is that any benefits of new workplace legislation can only be fully realised when reform is supported by realistic implementation timelines, investment in line-management capability, and tailored support for employers of all sizes.

Such an approach will ensure that employment regulation delivers positive outcomes for organisations, employees and the broader Australian economy. We hope this research makes a valuable contribution to this policy objective.



**Sarah McCann-Bartlett**  
*CEO, Australian HR Institute*



# Employer Insights

## Invest in line-management capability

- Employers consistently highlighted the need to strengthen line-management capability. Managers must be equipped not only with knowledge of legislative requirements, but also with the skills to apply them fairly and effectively in day-to-day practice. This applies especially to dealing with flexible-working requests given the recent changes to the law.

## Strengthen cross-functional collaboration

- Legislative changes increasingly demand coordination across HR, Health & Safety, IT and Legal functions. Employers emphasised that siloed approaches are no longer effective given the growing overlap between industrial relations and psychosocial risk obligations and the increasing use of technology to monitor stress and employee engagement.

## Anticipate and prepare for future reforms

- Employers expressed concern about “legislative fatigue”. Nevertheless, there was recognition that reforms such as extended flexible-working rights and reproductive-health protections are likely to proceed. Employers should start preparing the ground for these changes.

## Develop a strategic workforce plan

- Strategic workforce planning (SWP) has become a critical capability for Australian organisations. Recent legislative changes, particularly the two-year cap on fixed-term contracts, will require employers to plan beyond a traditional 12-month horizon and adopt longer-term strategies to meet workforce challenges.

## Acknowledge compliance workload

- Many employers noted the heavy administrative burden created by the reforms. While challenging, some employers also described the process as a valuable opportunity to reflect on their employment models and improve workplace practices.



# Research Findings

Over the last three years, Australian workplaces have seen the implementation of an ambitious and fast-moving workplace legislative-change program.

HR professionals, who are responsible for leading and implementing these changes in the workplace, have reported increased workload, including the need to understand the practical application of the changes on their organisation and employees, update workplace policy and practice, train managers and inform employees, all in a remarkably short period of time.

To understand the effect of these workplace legislative changes on Australian workplaces, a survey examined employers' experiences of implementing some of the key legislative changes introduced through the Fair Work Legislation Amendment (Closing Loopholes) Act 2023 (Cth) and the Fair Work Legislation Amendment (Closing Loopholes No 2) Act 2024 (Cth) alongside other legislative changes.

Despite the administrative burden and potential cost of some of these changes, both the survey and subsequent focus groups found that the proportion of employers that say these amendments have had a positive impact on their workplace outweighs those who say they have had a negative impact; particularly in the case of the right to disconnect.

In addition, the survey results and focus groups suggest that many employers are interested in further policy interventions, such as extending the right to request flexible working to all employees.

Survey respondents were provided with a list of workplace legislative changes introduced in the last Parliament and were asked whether they have had a positive or negative impact on their organisation. The net impact was calculated by taking the percentage who said positive and subtracting the percentage who said it was negative.

The results show that many of the policies were perceived to have had an overall positive impact on organisations. The Respect@Work agenda, which was designed to support individuals and organisations in preventing and responding to workplace sexual harassment and bullying, was perceived to have the most positive impact on Australian workplaces, with a net positive rating of +66. Other 'net positive' legislative changes included flexible working (+47), limits on fixed-term contracts (+37) and casual employment conversion (+35).

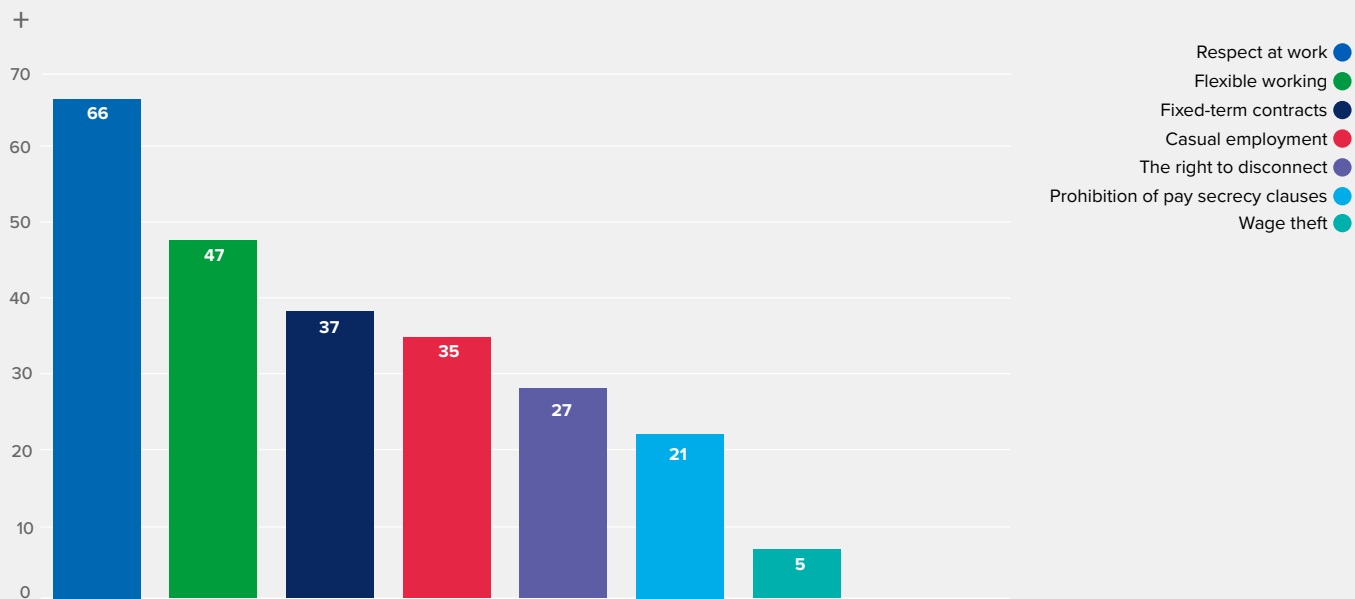
As we show later in this section, this report focuses in-depth on the right to disconnect, fixed-term contracts and casual employment, to shed light on why these ratings are positive.

Additionally, a smaller number of participants who commented on the Respect@Work agenda were unanimously positive about the impact it had made in raising awareness of sexual harassment and discrimination at work and holding individuals to account.

In addition, the flexible-working legislation was perceived to have been a positive driver of workplace practice, especially in terms of strengthening recruitment and retention outcomes.

**Figure 1: Thinking about your organisation, which, if any, of the following policies has impacted your organisation in a positive or negative way?**

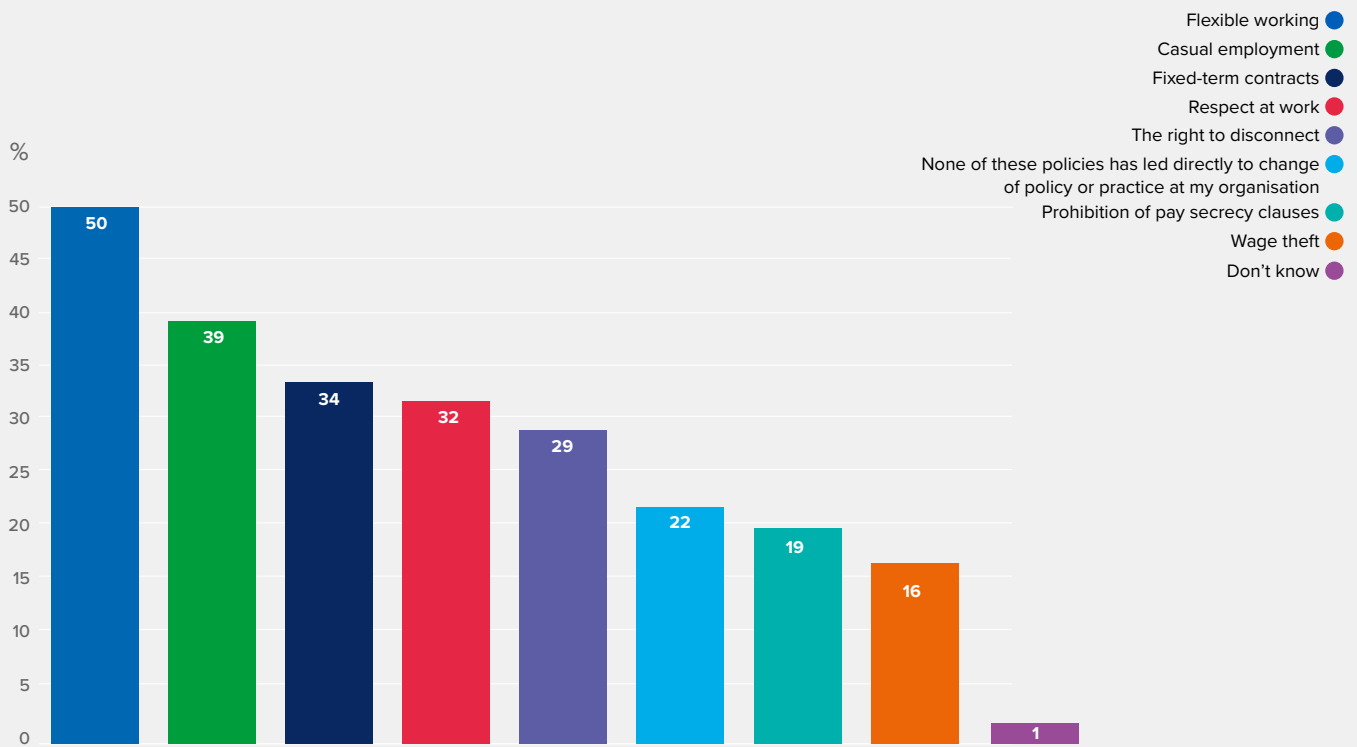
These ratings are calculated by taking the percentage of employers who say that policies have positively impacted on their organisation and subtracting the percentage of employers who say that policies have negatively impacted on their organisation. For example, a rating of +100 would mean that all organisations report that policies have positively impacted on their organisation.



Base: June quarter 2025, all employers n=619 (private: n=498; public: n=101; not-for-profit: n=20)

Employers were also asked whether any of the policies had led to changes in their organisation. The legislative changes most likely to lead to change within organisations were flexible working (50 per cent of organisations), casual employment (39 per cent), and fixed-term contracts (34 per cent). Some of the specific changes identified by focus group participants are explained in more detail in later sections.

**Figure 2: Thinking about your organisation, which, if any, of the following policies and/or any changes made by your organisation in responding to these policies has led directly to change of policy or practice at your organisation?**



Base: June quarter 2025, all employers n=619 (private: n=498; public: n=101; not-for-profit: n=20)



**58% reported that the right to disconnect legislation had either 'significantly increased' or 'somewhat increased' employee engagement and productivity levels.**

# Right to Disconnect

The right to disconnect gives employees the right to refuse to monitor, read or respond to contact (or attempted contact) outside their working hours unless that refusal is unreasonable.

Survey respondents and focus groups respondents were asked to assess the impact of the right to disconnect on a range of performance measures, in order to understand the impact of the new legislation on employers and employees against a range of criteria.

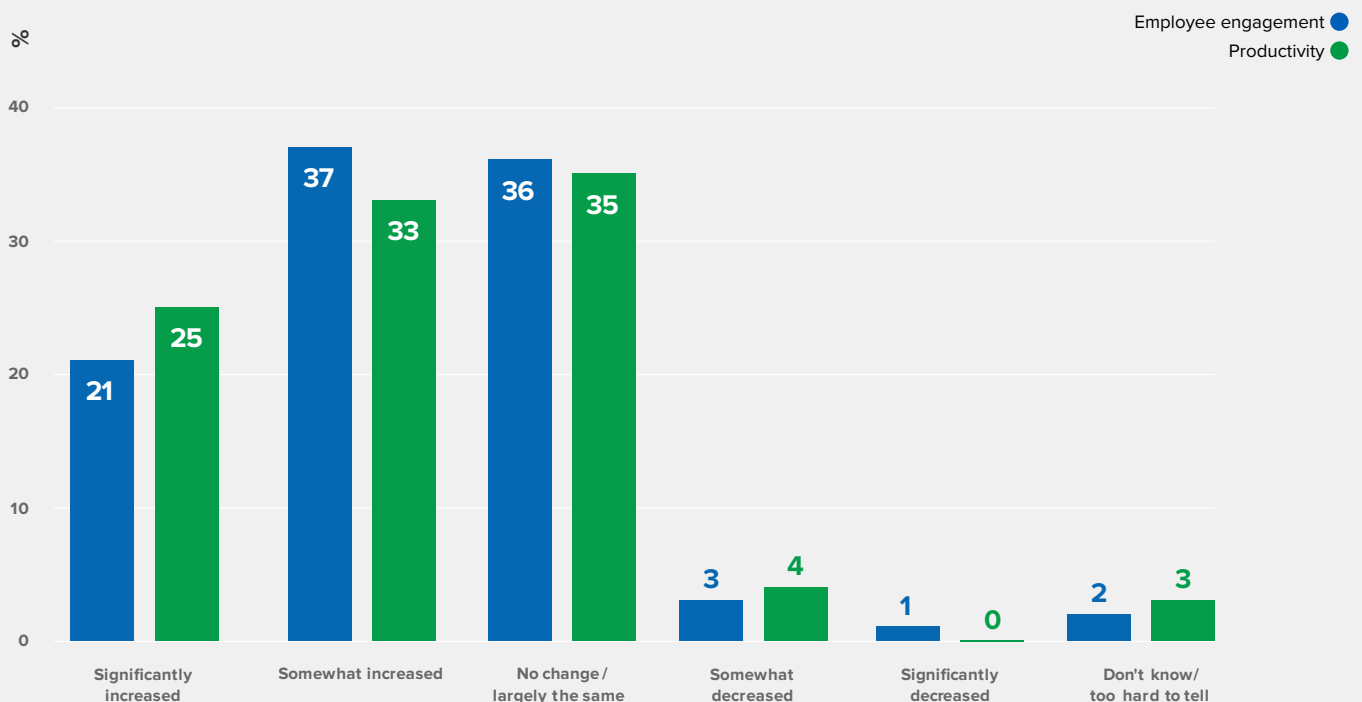
Many employers reported benefits to productivity and employee engagement as a direct result of the introduction of the right to disconnect legislation. Overall, 58 per cent reported that the legislation had either 'significantly increased' or 'somewhat increased' employee engagement and productivity levels at their organisation. This was particularly apparent among

public-sector employers, 75 per cent of whom reported seeing benefits to employee engagement. In addition, a higher share (77 per cent) of public-sector employers said that the new right to disconnect legislation had either 'significantly increased' or 'somewhat increased' productivity at their organisation.

In contrast, just 4 per cent of organisations reported that the right to disconnect legislation had either 'significantly decreased' or 'somewhat decreased' both employee engagement and productivity levels. There were no significant differences by sector.

As might be expected, small employers that employ between two and 19 employees were less likely to report increased productivity and employee engagement levels because small businesses at the time of the survey were not yet bound by the legislation, which came into law on 26 August 2025.

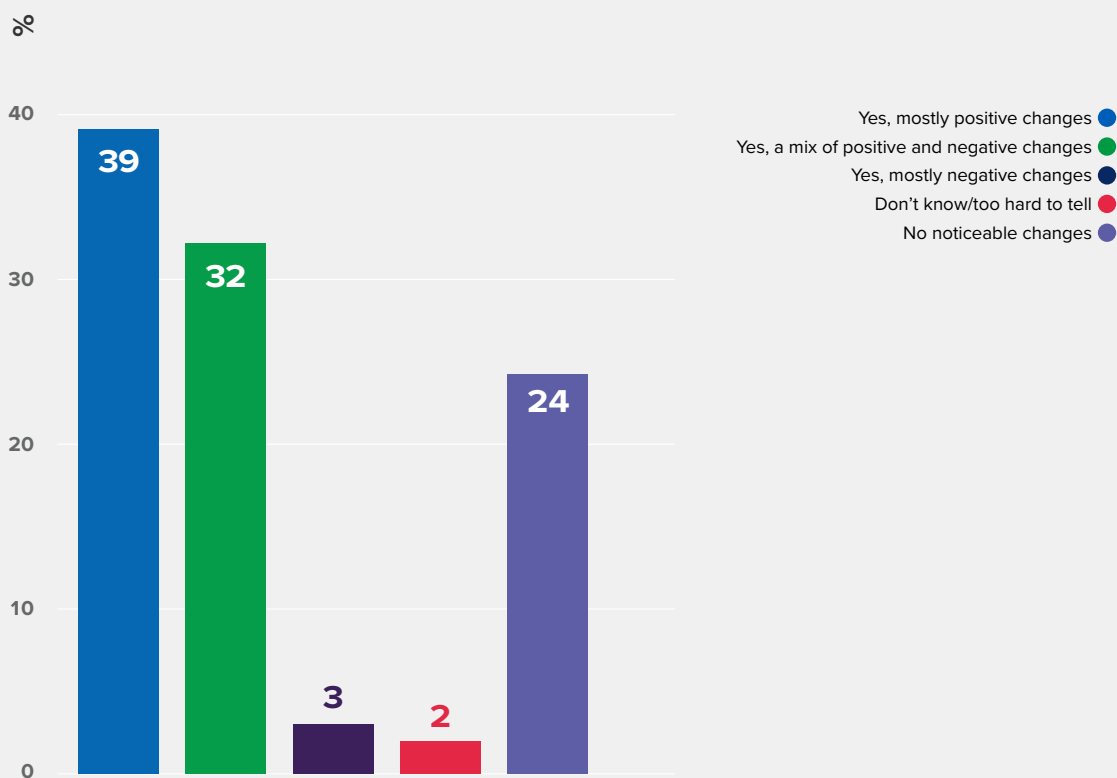
**Figure 3: To what extent, if at all, have you noticed any changes in the following aspects of your organisation post-legislation of the right to disconnect and/or any changes made by your organisation in responding to this legislation in relation to productivity and employee engagement?**



Base: June quarter 2025, all employers n=619 (private: n=498; public: n=101; not-for-profit: n=20)

Overall, almost four in 10 (39 per cent) employers reported benefits to work-life balance among employees at their organisation (Figure 11) as a direct result of the right to disconnect legislation. In comparison, just 3 per cent of employers reported negative changes to work-life balance. Just under a quarter (24 per cent) of employers reported no noticeable changes.

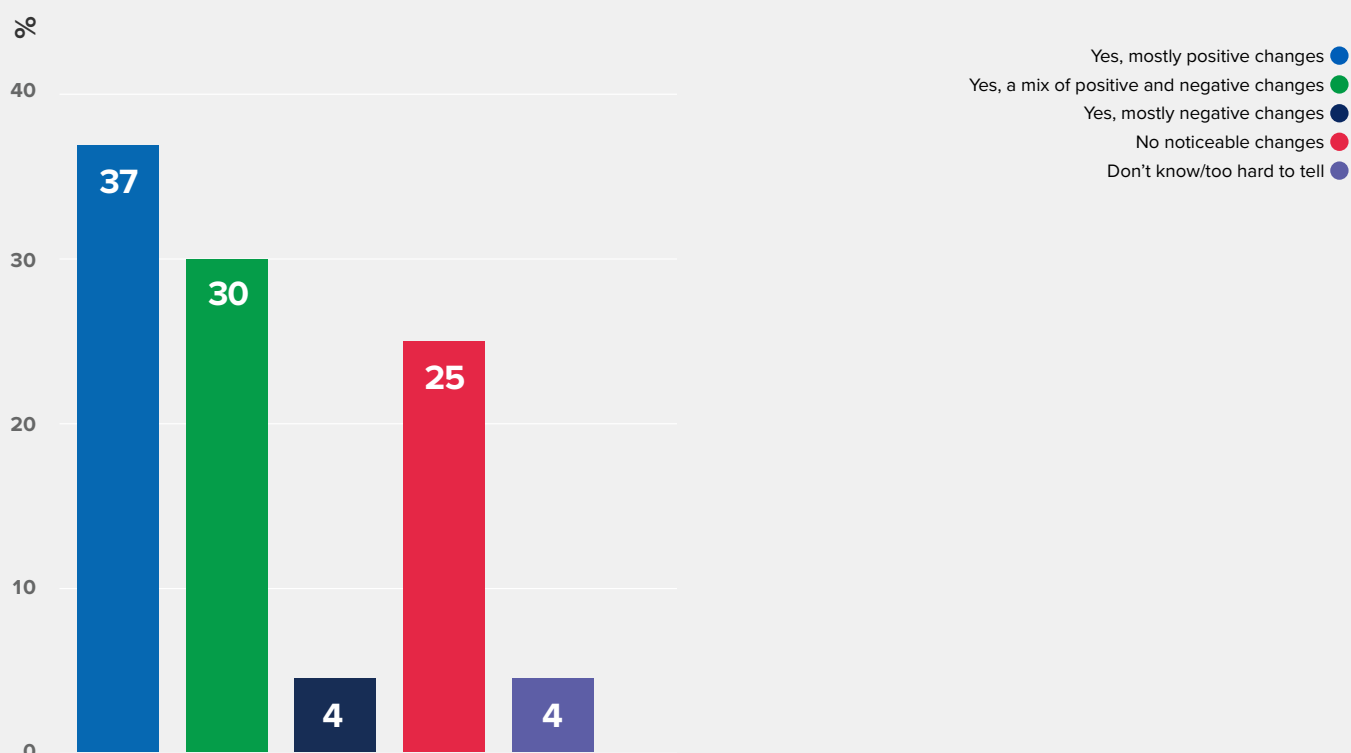
**Figure 4: Have you noticed any changes in the work-life balance among employees of your organisation post-legislation of the right to disconnect and/or any changes made by your organisation in responding to this legislation?**



Base: June quarter 2025, all employers n=619 (private: n=498; public: n=101; not-for-profit: n=20)

Similar results were reported by employers regarding employee stress levels. Thirty-seven per cent of employers reported that they had seen 'mostly positive changes' in stress levels among employees of their organisation after implementing the right to disconnect legislation.

**Figure 5: Have you noticed any changes in the stress levels among employees of your organisation post-legislation of the right to disconnect and/or any changes made by your organisation in responding to this legislation?**



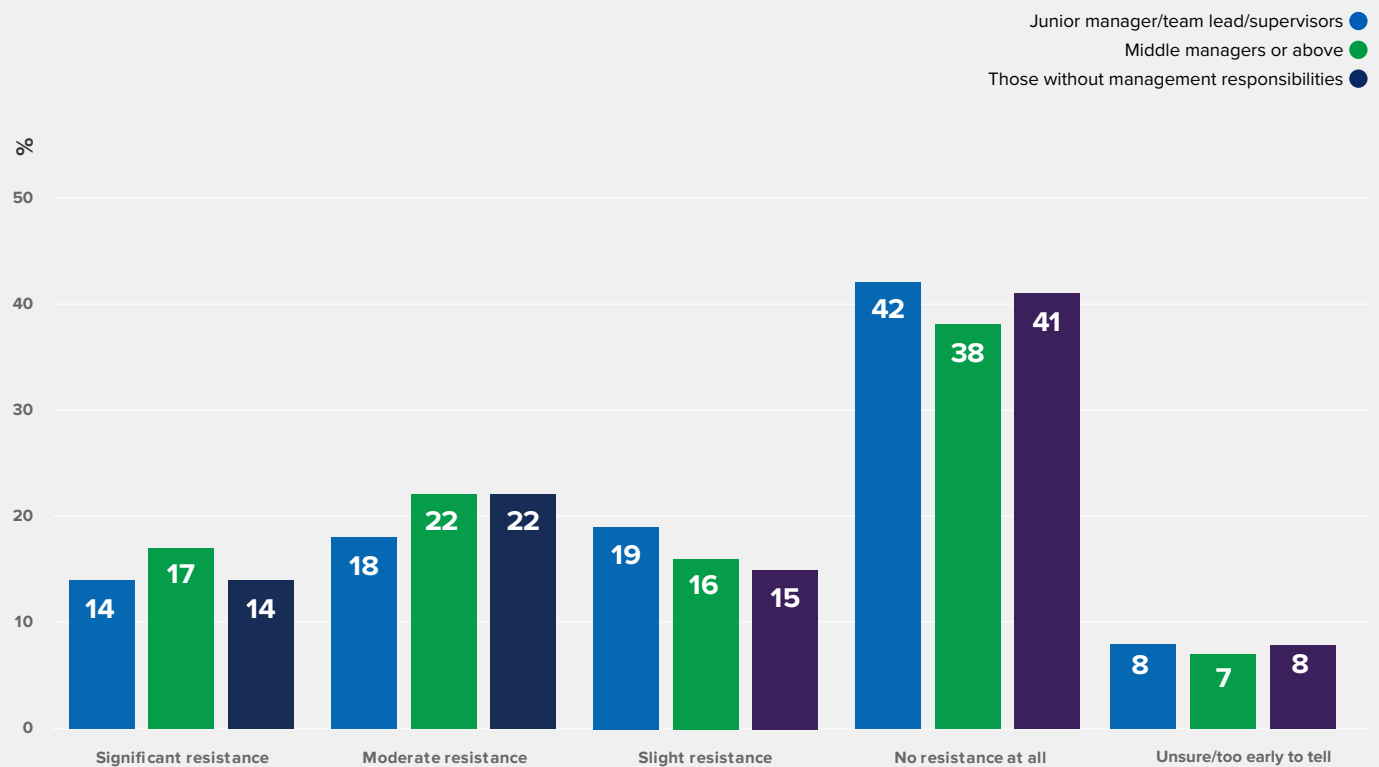
Base: June quarter 2025, all employers n=619 (private: n=498; public: n=101; not-for-profit: n=20)

A young woman with dark hair pulled back, wearing glasses with light-colored frames and a dark blazer over a light blue shirt. She is looking off to the right with a thoughtful expression. The background is a blurred office interior with a window. An orange decorative shape is in the top right corner.

**The Respect@Work  
legislative change was  
perceived to have the  
most positive impact on  
Australian workplaces.**

Despite these positive findings, employers report that some employees have found the adjustment difficult, with 38 per cent of organisations indicating that the changes had been met with resistance from managers. This result was particularly true of large organisations that employ 200 employees or more. Almost half (47 per cent) of large organisations reported resistance from managers regarding the new right to disconnect legislation.

**Figure 6: Thinking about your organisation, have you noticed any employee resistance to the legislation and/or any changes made by your organisation in responding to this legislation?**

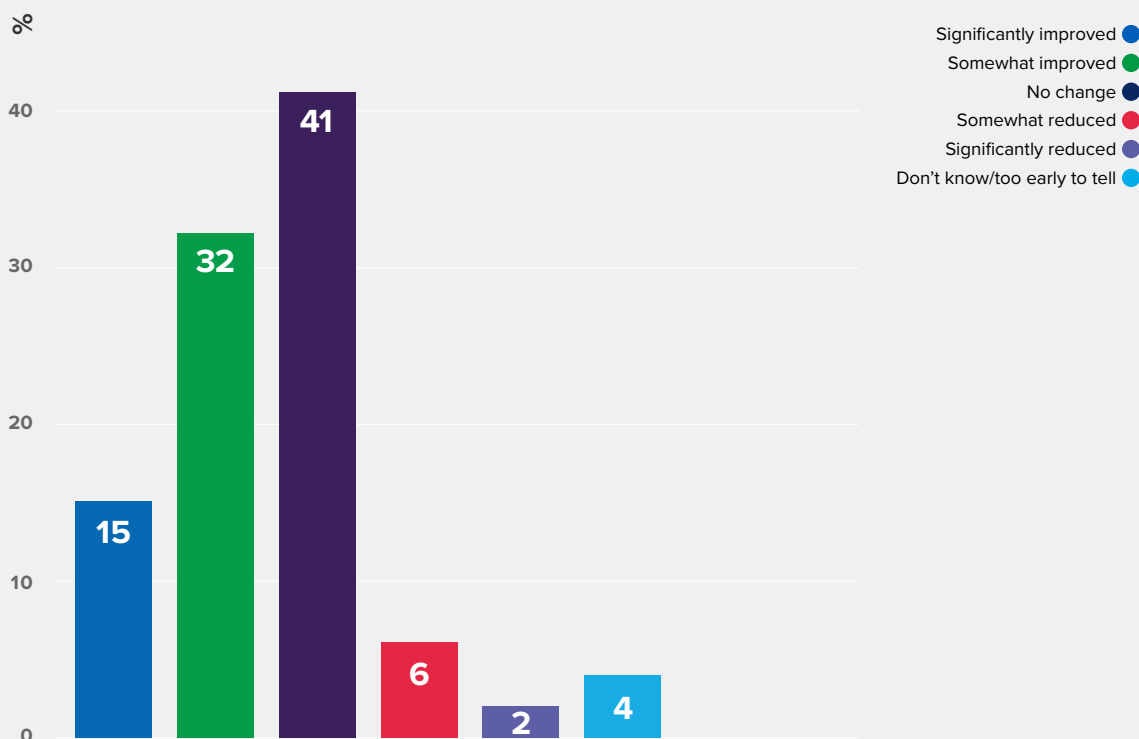


Base: June quarter 2025, all employers n=619 (private: n=498; public: n=101; not-for-profit: n=20)

It appears that the legislation has only had a noticeable operational impact on a small proportion of employers, with just 10 per cent of organisations reporting that the right to disconnect had affected their organisation’s communication practices outside of standard working hours. However, there was some variation across sectors; this was most notable in the public sector, where almost a quarter (23 per cent) of employers said that they had been operationally affected. There were no significant differences in terms of organisation size.

It also seems that the introduction of the right to disconnect has improved many organisations’ ability to manage urgent or time-sensitive matters outside of standard working hours, with nearly half (47 per cent) reporting an improvement in this area. That said, there is some variation by size of organisation. Almost two thirds (62 per cent) of small employers say that they have not seen any changes in the management of urgent or time-sensitive matters outside standard working hours, compared with an all-survey average of 41 per cent.

**Figure 7: How, if at all, have the right to disconnect legislation and/or changes made by your organisation in response to this legislation impacted your organisation’s ability to manage urgent or time-sensitive matters outside standard working hours?**



Base: June quarter 2025, all employers n=619 (private: n=498; public: n=101; not-for-profit: n=20)

# Right to Disconnect

The focus group discussions provided more insight into the reasons why employers have responded positively to the introduction of the right to disconnect legislation. When asked about the specific changes they have observed, many employers reported a range of improvements that have helped support better employee wellbeing and performance and workplace practice.

Key improvements cited by employers include increased awareness and clarity among leaders and managers about respecting boundaries outside

of standard working hours, greater understanding between managers and employees about expectations, and stronger psychosocial safety, including for those who work remotely, in a hybrid way or anti-social hours.

Several focus-group participants also noted that the legislation prompted reflection about what communication is truly urgent, which in turn has led to a positive cultural shift in their organisation.

The following comments were typical:

*"We actually had a lot of interest sparked from our managers. We have some extensive training sessions ... it's given us the platform to clear up and just to give clarity on the subject and what is defined, especially for more complicated situations like seasonal peak periods."*

HR manager, Food Manufacturer, South Australia

*"It's been more positive for us because we've used it as a catalyst to promote employee wellbeing. This is no longer an option, it is a legal right; so let's be a bit more aware."*

Senior Manager, Community Services Provider, Western Australia

*"It has been positive at an organisational level and also for our employees... it really forced us to take a closer look at our on-call and overtime policies, and support our employees in how they can go about accessing those entitlements."*

Head of People Services and Advisory, Telecommunications, Victoria

*"It's really changed how managers think ... instead of everything being urgent and needing it now, it's made them reflect: do I need the answer now or if it waits until tomorrow will it change the outcome?"*

People and Culture Manager, Hospitality Company, Queensland

*"The overall impact of that legislation has been relatively positive ... There's definitely been a really good cultural shift in this industry in the last two years."*

Senior People and Culture Manager, Government Department, ACT

*"It's been definitely positive for our organisation and people are a lot more respectful of boundaries. It's also created this culture ... pushing back and defining if it's urgent work or not."*

People Advisor, Insurance Industry, Western Australia

Some participants expressed initial anxiety about the requirements across their organisation, including among HR professionals, leaders and managers. However, those initial fears and concerns have largely been negated over time as organisations developed clearer frameworks, policies and expectations. In some cases, employers reported that these have led to improvements in organisational performance despite the heavy workload involved.

While focus group participants responded positively overall, some HR professionals continue to face challenges. For instance, one participant noted there had been challenges in managing unreasonable employee expectations and implementing the policy consistently across the organisation:

*“Some employees have had unrealistic expectations about what it means in the context of flexible working.”*

Small Business Owner, Queensland

In addition, one Western Australian employer reported that the policy was problematic due to the challenges managing communication between employees on social media, especially WhatsApp, as well as the resources required to monitor and interpret the policy.

*“Rolling out the right to disconnect really created more of a negative impact because we now had to start monitoring... you can’t make exhaustive lists around decision-making frameworks ... From our perspective, it’s really hard when you have 35 to 40 blue-collar workers ... They’re doing a lot of these meetings on WhatsApp, and then I get a workplace bullying and harassment complaint. There’s no way we can risk-manage or safely deal with those elements.”*

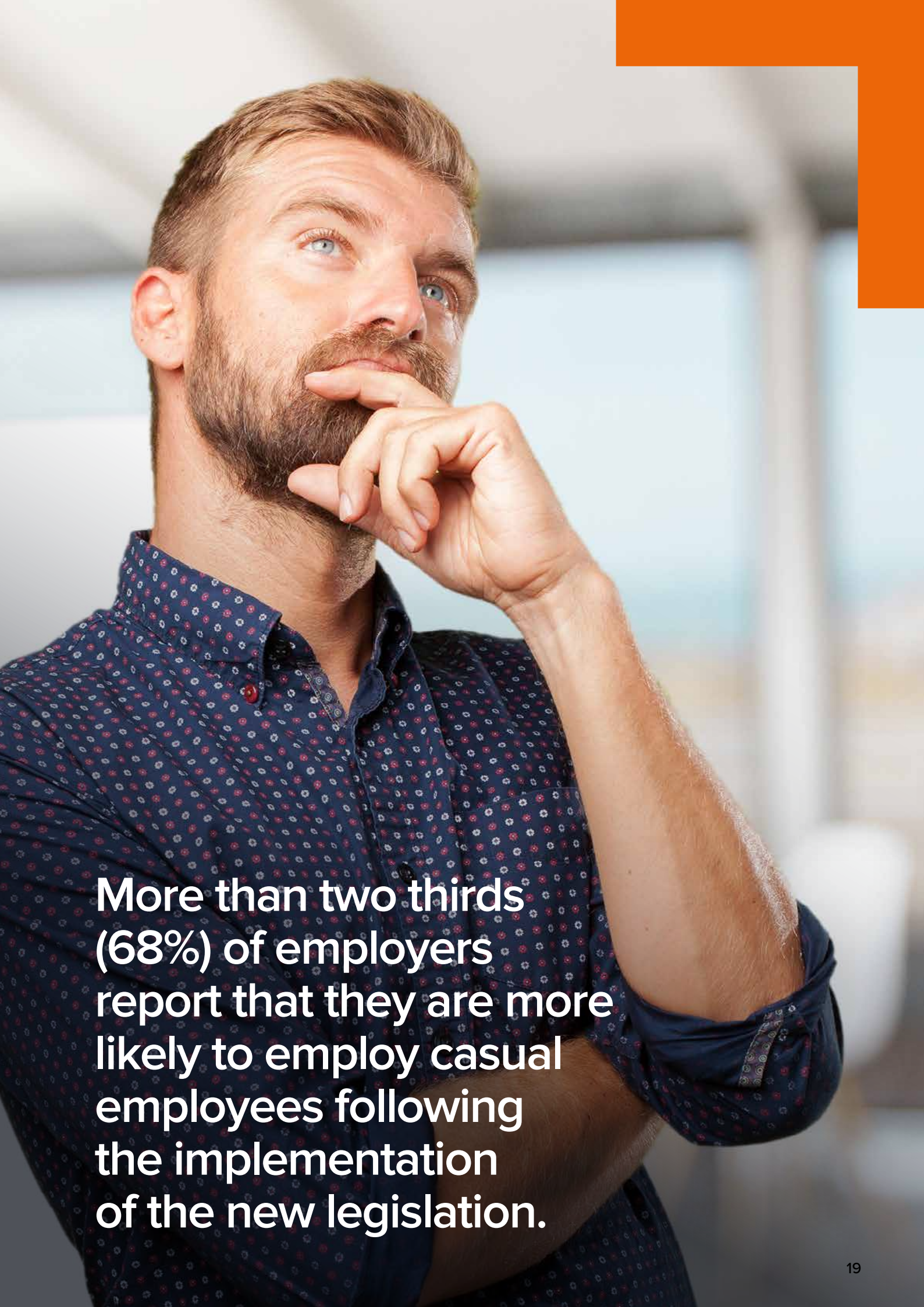
HR Manager, Manufacturing Industry, Western Australia

Meanwhile, some employers claimed that the right to disconnect policy had had little or no impact on their organisation. Consistent with previous AHRI research<sup>1</sup>, some employers reported that policies around after-hours contact already existed. This response was typical of those reporting such sentiment:

*“We’ve found that the right to disconnect hasn’t really impacted us at all. The only change is the occasional line in an email signature... because we’re a Monday to Friday, 8 to 5 organisation. It hasn’t been an issue.”*

Director, Education Provider, Western Australia

<sup>1</sup> [AHRI\\_Quarterly-Australian-Work-Outlook-Report\\_December.pdf](#)



**More than two thirds  
(68%) of employers  
report that they are more  
likely to employ casual  
employees following  
the implementation  
of the new legislation.**

# Casual Employment

Some of the key changes to casual-employment laws include:

- A new requirement to provide a Casual Employment Information Statement
- A new pathway for eligible employees to change to full-time or part-time (permanent) employment
- A new definition of ‘casual employee’

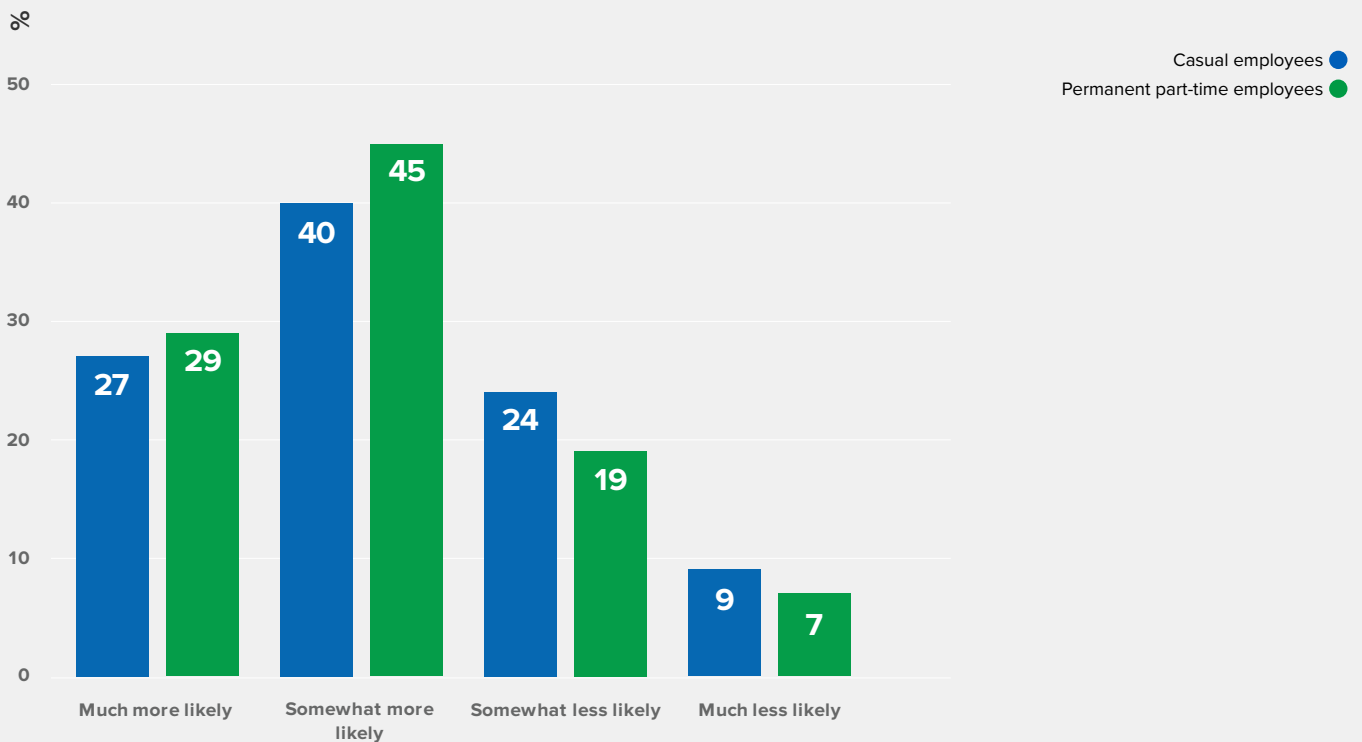
By international standards, Australia’s workforce has a large proportion of casual employees.

Against the background of recent changes to casual-employment legislation which came into force in August 2024, the survey asked employers what proportion of the workforce is typically made up of casual employees across each quarter of the year.

Underlining Australian employers’ reliance on casual employees, 77 per cent of employers say that they make use of casual staff. During the course of the year, employers reported that the proportion of casual employees in all Australian workplaces (including organisations that don’t employ casual employees) was at its lowest point (23.6 per cent) in Q3 2024 and at its highest (26.4 per cent) in Q1 2025. The survey data is broadly consistent with the latest official data, which shows that around 22 per cent of employees are engaged without paid holiday or sick leave<sup>2</sup>.

More than two thirds (68 per cent) of employers report that they are more likely to employ casual employees following the implementation of the new legislation. By comparison, a third (32 per cent) of employers say that they are either ‘somewhat less likely’ or ‘much less likely’ to employ casuals. The share of small organisations who say that they are less likely to hire casual employees is higher at 41 per cent than the all-survey average of 33 per cent.

**Figure 8: How much more or less likely, if at all, is your organisation to employ the following types of employees now compared to before the changes to casual employment laws were introduced: a) casual employees and b) permanent part-time employees?**

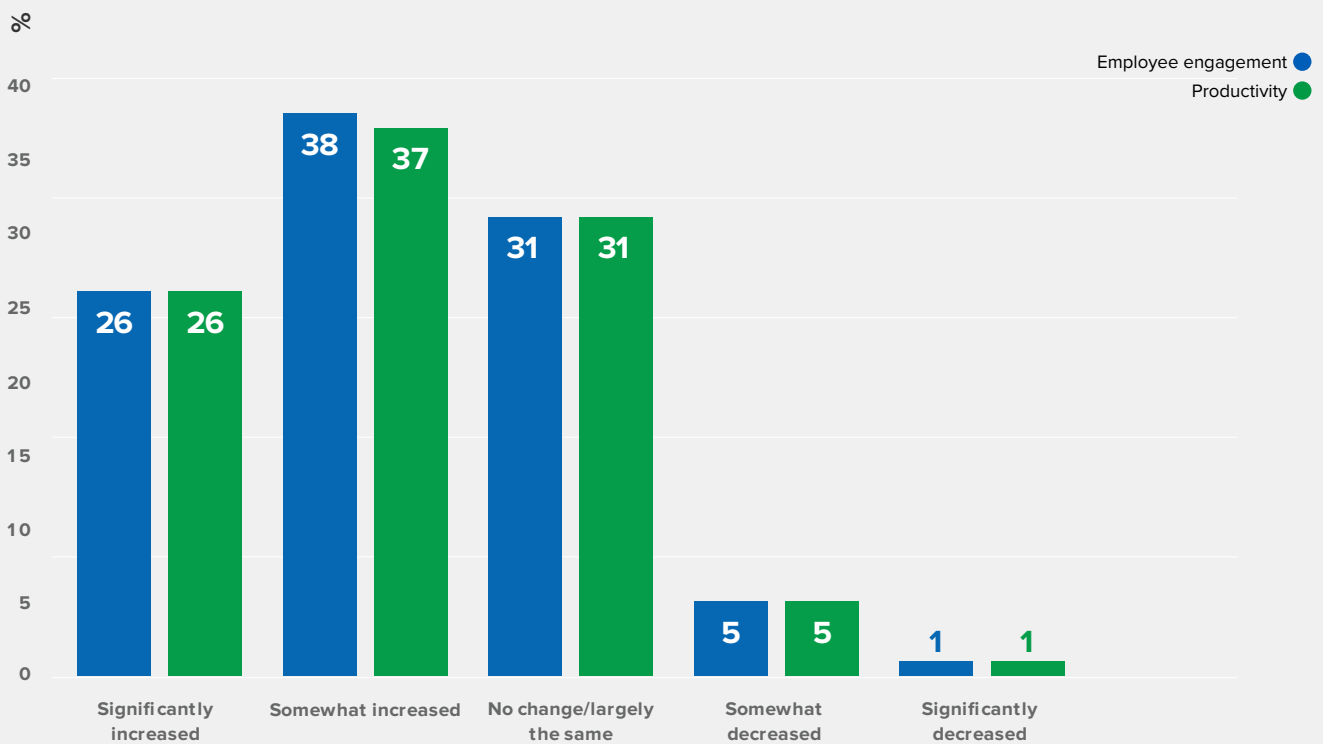


Base: June quarter 2025, all employers n=619 (private: n=498; public: n=101; not-for-profit: n=20)

To better understand both negative and positive attitudes towards the new casual-employee legislation, the survey asked employers to assess the impact of the new casual-employment provisions on employee engagement and productivity.

The survey data suggests that both employee engagement and productivity levels have received a boost since the new rules were implemented (Figure 8). Almost two thirds (64 per cent) of employers attribute the new rules to higher levels of employee engagement in their organisation, and a similar proportion (62 per cent) say the same of productivity growth in their organisation.

**Figure 9: To what extent, if at all, has the new legislation (i.e., the definition of casual work, the pathway to full/part-time employment, employee and employer responsibilities, etc.) and/or any changes made by your organisation in responding to these legislations influenced the following aspects of your organisation: employee engagement and productivity?**



Base: June quarter 2025, all employers n=485 (private: n=377; public: n=95; not-for-profit: n=13)

The data also suggests that the legislative changes have been well-received by casual employees. More than two thirds (69 per cent) of employers say the rules have been viewed positively by casual employees, compared with just over a fifth (21 per cent) who say it has had a neutral impact.

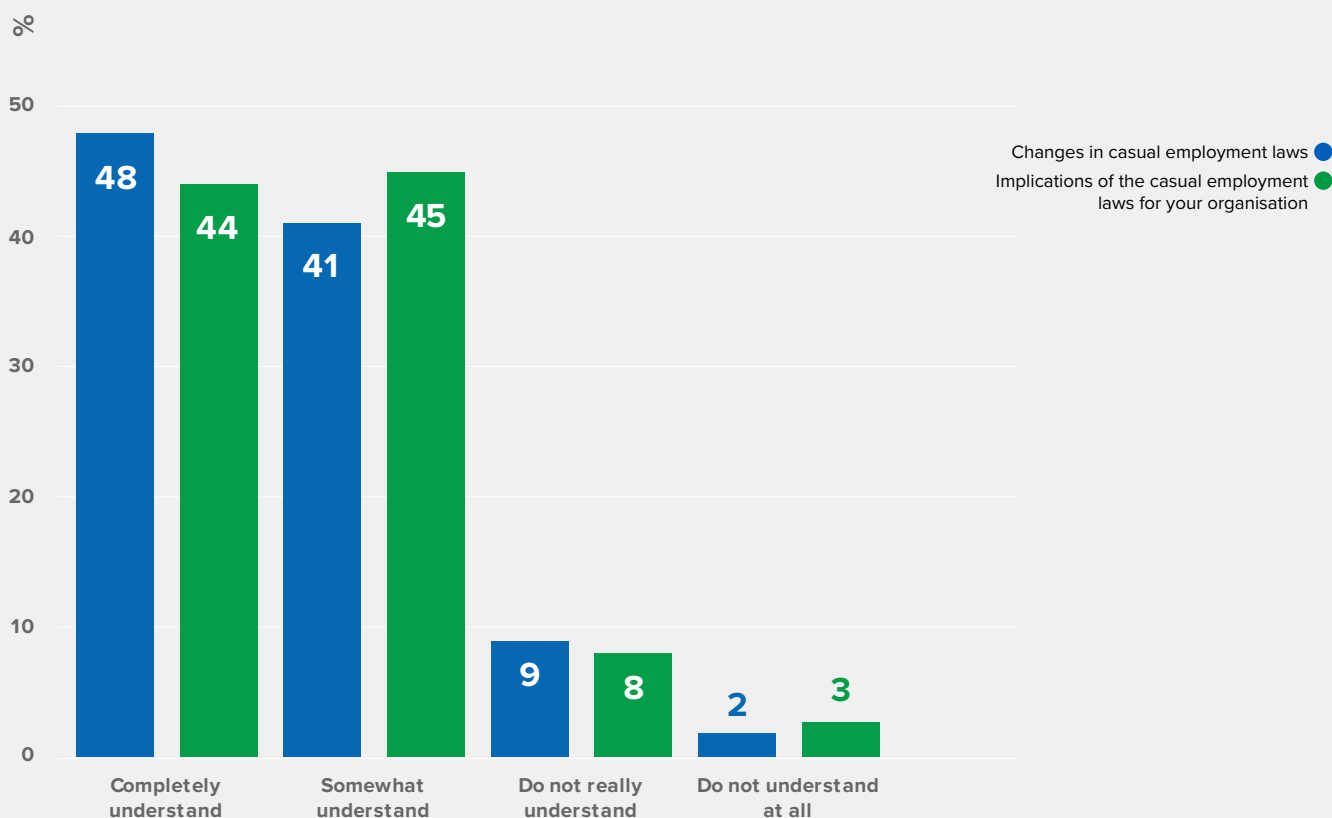
Just 6 per cent say that the changes have been viewed negatively by casual employees and 4 per cent were unsure.

Employers were also asked a question relating to their understanding of the new casual-employment laws. While some employers say they understand the laws completely, the survey data suggests that many employers lack a deep understanding of the new

casual-employment laws. Around half (48 per cent) say that they completely understand the laws compared with 41 per cent who say they partially understand them. Just over one in ten (11 per cent) say that they either do not really understand the laws or do not understand them at all.

These findings are echoed in employers' understanding of what the new laws mean for their organisation. Only 44 per cent of employers say that they completely understand the implications of the casual-employment laws for their organisation while a similar share of organisations (45 per cent) report that they somewhat understand the laws. Just over one in ten (11 per cent) claim 'not to either really understand the laws' or 'not understand them at all'.

**Figure 10: To what extent, if at all, do you understand these legislative changes [*casual employment*] and their implications for your organisations? Please select the option that best applies per row**



Base: June quarter 2025, all employers n=619 (private: n=498; public: n=101; not-for-profit: n=20)

The findings overall suggest that the legislative changes benefit casual employees. There also appears to be a modest shift in the structure of employment in favour of both casual employment and part-time permanent employment, possibly at the expense of full-time employment.

Focus-group discussions provided further insight into employer perspectives on the new legislation. Participants highlighted both positive and negative

experiences, with some reporting clearer expectations and understanding between the employer and casual employees, and improved job security for employees.

Interestingly, a minority of employers also reported that the administrative burden was less onerous compared with the previous policy because the onus to initiate a conversion pathway to permanent status now rests with the employee.

The following comments reflect common themes:

*“The opportunity to request permanency keeps unethical employers in check because casual employees are wrongfully being treated as casuals in some cases. It’s been educational for casual workers too, many of whom didn’t realise what opportunities lay there for them.”*

HR Manager, Agricultural Industry, South Australia

*“Our HR team was happy with the casual employee changes, because it was less work for them as now the onus is now back on to the casuals [to request permanent status].”*

Head of HR, Community Services Provider, Victoria

*“The changes give casuals that are being treated as a permanent workforce, but are not being given that permanent job security, the chance to request permanency. It’s brought clarity for both sides... The legislation has actually made things easier to manage. It’s now up to the employee to request conversion, which reduces our administrative burden while still giving people choice.”*

HR Advisor, Utility Company, South Australia

However, not all employers agreed with this view, with some reporting that the administrative burden involved in complying with or implementing regulations was substantial:

*“Converting casuals to permanent staff has created real challenges in timetabling and availability. You solve one problem, but it creates another, especially in terms of resourcing gaps. So, there are many hidden costs.”*

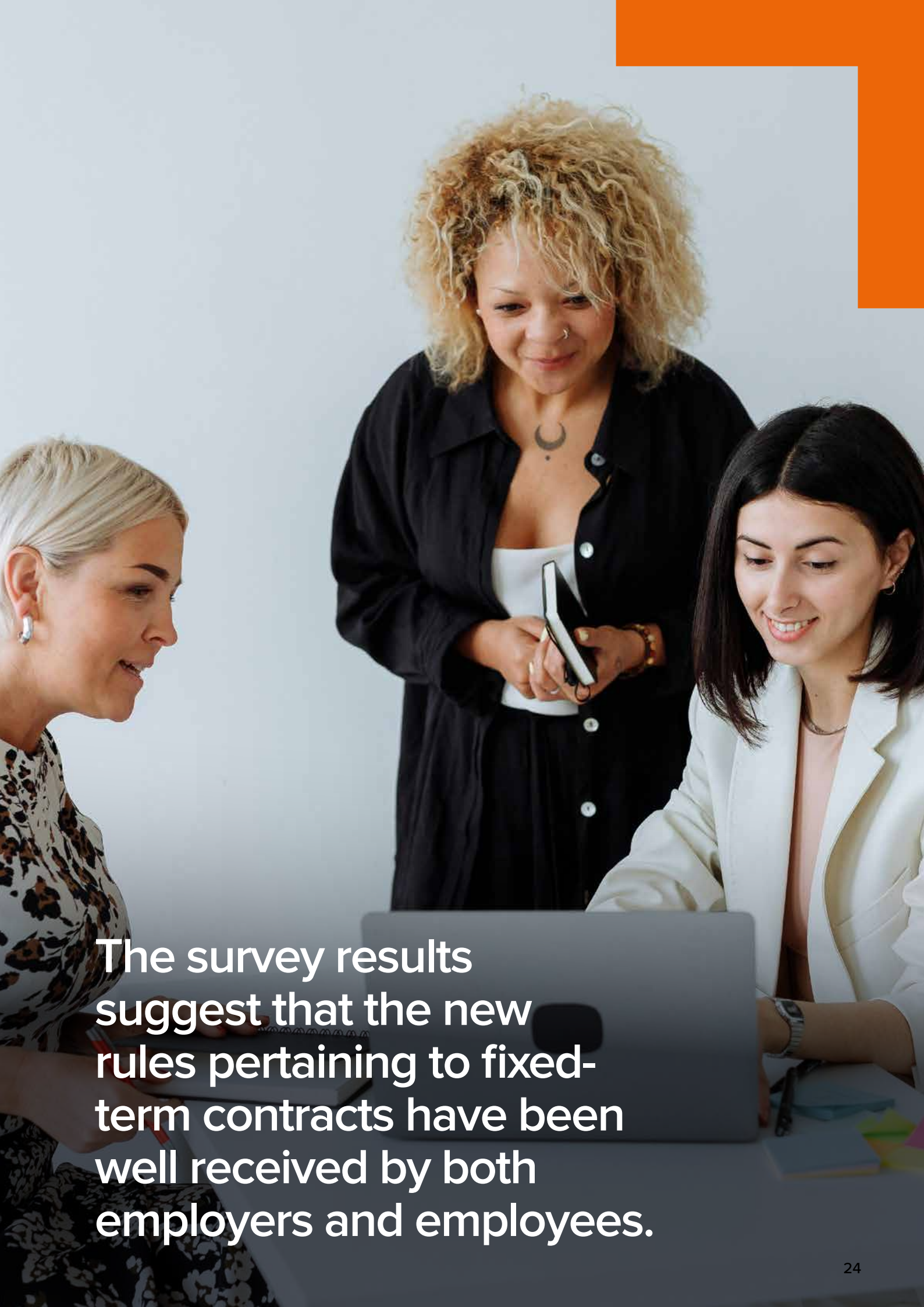
Director HR Projects, Education Provider, Victoria

*“For community services, where funding is participant driven, the reforms have reduced our flexibility. It’s had a massive impact on our ability to manage hours and fill gaps, despite the good intent behind the changes.”*

Director, Education Provider, Western Australia

*“From an employee perspective, these are really positive reforms, giving greater security for employees. But for employers the administrative workload has been substantial, making sure we stay compliant, communicate with staff and embed the changes.”*

People and Culture Manager, Healthcare Provider, Queensland

A photograph of three women in a professional setting. One woman with blonde hair is on the left, looking towards a laptop. A woman with curly blonde hair stands in the center, holding a smartphone. A woman with dark hair is on the right, smiling and looking at the laptop. The background is a plain light color with an orange decorative shape in the top right corner.

**The survey results suggest that the new rules pertaining to fixed-term contracts have been well received by both employers and employees.**

# Fixed-Term Contracts

Some of the key changes to fixed-term contract laws include:

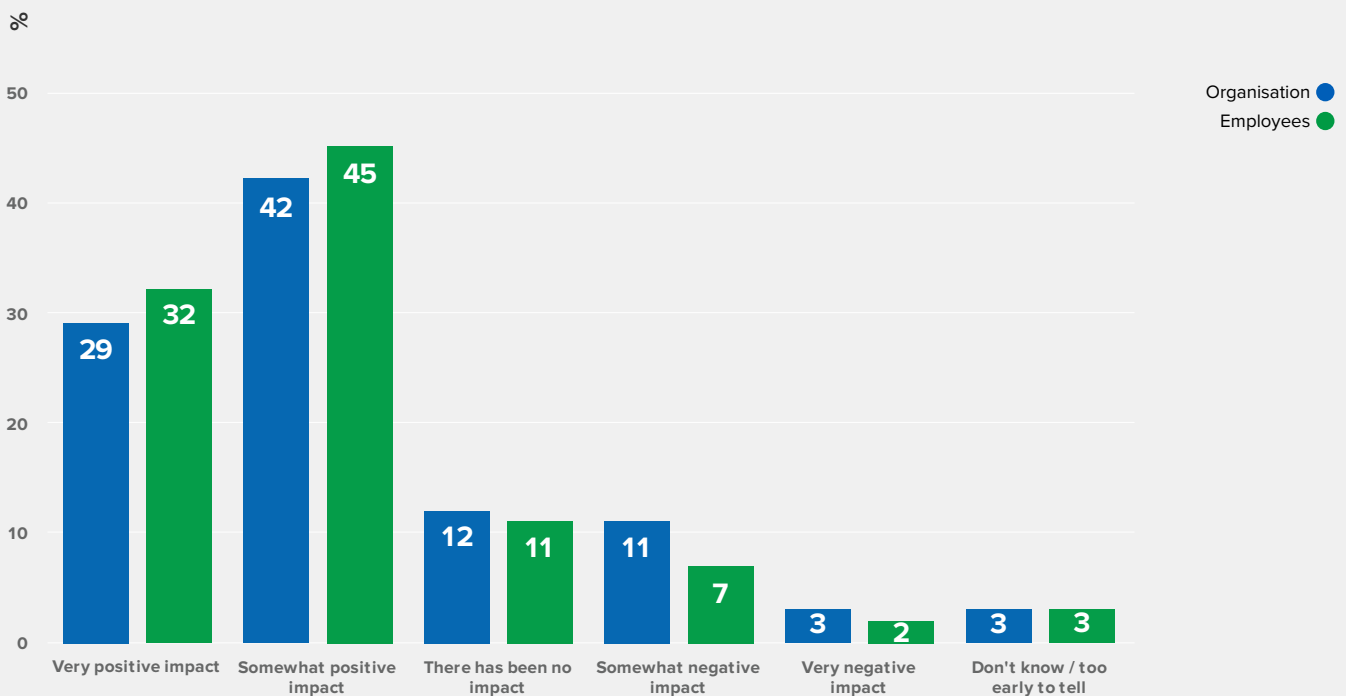
- Fixed-term contracts are now limited to a maximum of two years, including any extensions or renewals (although there are exemptions)
- A requirement for employers to give any employees they're engaging on a new fixed term contract a Fixed Term Contract Information Statement (FTCIS)
- An employee can't have more than two consecutive contracts for the same or similar work, except in certain circumstances.
- Given the legislative changes to fixed-term contracts, which began in December 2023, the survey also asked about employers' use and experience of fixed-term contracts.

Consistent with the data relating to the right to disconnect and casual employment, the survey results suggest that the new rules pertaining to fixed-term contracts have been well received by both employers and employees.

Seventy-one per cent say the rules have had either a 'very positive impact' or 'somewhat positive impact' on their organisation, compared with just over one in 10 (12 per cent) who say it has had a neutral impact. Just 14 per cent reported that it has had a negative impact on them and 3 per cent were unsure. There are no significant differences between the sectors. However, there is some variation in terms of size of organisation, with 78 per cent of organisations reporting that the new rules have had either a 'very positive impact' or 'somewhat positive impact' on their organisation compared with 56 per cent of organisations that employ between two and 19 employees.

The figures are marginally more positive for employees. More than three quarters (78 per cent) of employees say that the new rules have had either a 'very positive impact' or 'somewhat positive impact' on their organisation, compared with just over one in 10 (11 per cent) who say they have had a neutral impact. Just 10 per cent reported that the new rules have had a negative impact on employees and 3 per cent were unsure.

**Figure 11: What impact, if any, have the changes (e.g. introduction of new legislation relating to the use of fixed-term contracts affecting fixed-term, seasonal, or task-based contracts) had on your organisation and fixed-term contract employees?**



Base: June quarter 2025, all employers n=356 (private: n=282; public: n=61; not-for-profit: n=13)

The focus groups revealed a balance of positive and negative experiences, depending on sector, size of organisation, and type of work.

# Positive Impacts

Many employers felt the reforms had prompted better workforce planning and improved job stability. Several reported that the changes encouraged them to make roles permanent rather than repeatedly renew fixed-term contracts, which, they report, has led to better outcomes:

*“It forced us to have harder conversations with leaders about whether a role is genuinely ongoing. This has led to better outcomes, with some roles now being made permanent rather than defaulting to fixed term.”*

Head of People Operations and Advisory,  
Telecommunications, Victoria

*“The limitations on fixed-term contracts stand out the most. It’s been challenging when staff reach the end of two years, but in one case we converted them to permanent, which has been positive overall.”*

HR Advisor, Utility Provider, South Australia

Some saw the legislation as a way of reducing over-reliance on labour hire or temporary staffing. Reinforcing the importance of workforce planning, a few employers see the advantages of building internal talent in terms of supporting retention, especially for roles that are deemed to be critical to the organisation’s success.

*“We previously relied heavily on labour hire as a stopgap. Now, with the reforms, we’re focusing on reducing that reliance and creating more ongoing roles, which supports knowledge retention and stability ... And it’s a cost saving measure.”*

People and Culture Manager, Hospitality Company, Queensland

In particular, public-sector employers in the ACT acknowledged that the reforms strengthened the case for switching to ongoing roles and reduced the risk of “rolling” staff on endless temporary contracts.



# Negative Impacts

However, this was not a unanimous view, with one smaller employer highlighting concerns that the loss of flexibility had made it harder to manage workforce needs. Conversely, his organisation has shifted to labour hire and outsourcing as a result:

*“Because of the way the government has regulated fixed-term contracts, we could no longer offer continuous employment. Ultimately, we terminated as many ongoing fixed-term contracts as possible and moved to labour hire ... Our workforce halved because of closing the loopholes. The lack of flexibility for SMEs was a massive negative impact.”*

HR Manager, Manufacturer, Western Australia

In addition, a small number of not-for-profit organisations highlighted that the reforms did not align with government funding cycles:

*“For us, being forced to move staff to permanent contracts when funding is uncertain created costs not factored in. While some relaxation has since occurred, it has had a massive impact on our sector.”*

Senior Manager, People Services, Community Services Provider, Western Australia

Employers managing project-based work also said that contract limits were difficult to reconcile with unpredictable timelines. As one focus group participant put it:

*“Project timelines always blow out. Now we’re stuck: do we hire someone permanently and make them redundant later, or overload existing staff? That creates psychosocial risks like burnout.”*

Former HR Director, NSW

Some participants also pointed to uncertainty around the rules, including whether secondments are covered and how “specialist skills” exemptions apply.

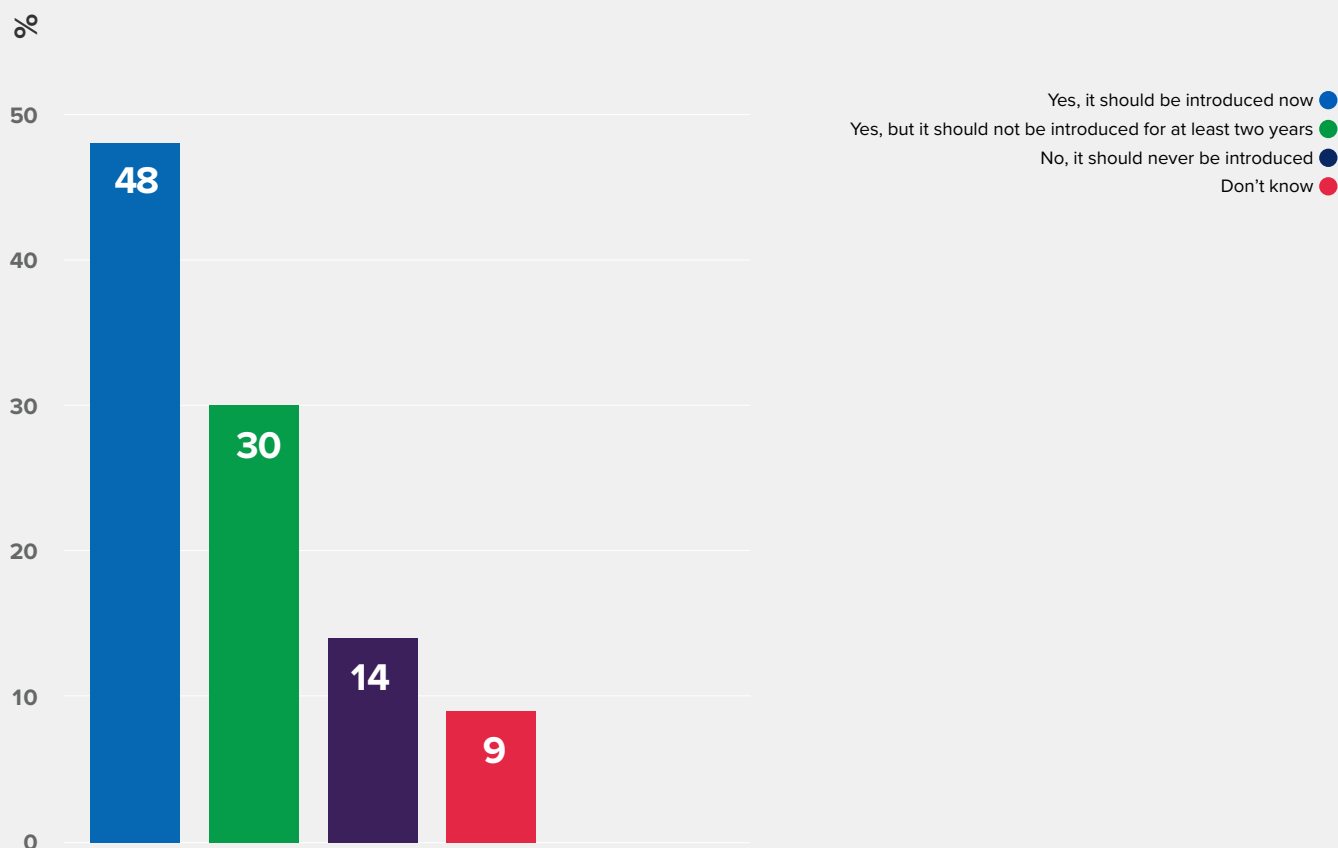
Additionally, a small number of focus-group participants reported that workforce planning had improved at their organisations due to both the fixed-term contract and casual employment legislative changes.

# Looking Ahead to This Parliamentary Term

Despite the large volume of workplace legislation introduced in the last three years, survey data suggests that employers are interested in new initiatives and policies in the new parliamentary term. There is broad appeal for the government to extend the right to request flexible working to all employees. The right to request flexible working is currently restricted to certain workforce groups, such as parents with school-age children, older workers and people with a disability, although many workplaces extend that right to a much broader group of employees as a matter of policy, so such a legislative change would be catching up with widespread practice.

Almost half (48%) of employers say they would like to see the right to request flexible working extended to all employees now. In addition, just under a third (30 per cent) support the policy, but not before 2027. Only 14 per cent of employers surveyed oppose extending the right to request flexible working to all employees. Reflecting the broad-based support, there are no significant differences across sectors or size of organisation. However, support for the immediate introduction of the extension is stronger among large employers (54 per cent) than small employers (42 per cent).

**Figure 12: Thinking about your organisation, would you support a proposal to extend the right to request flexible working to all employees?**



Base: June quarter 2025, all employers n=619 (private: n=498; public: n=101; not-for-profit: n=20)

Focus-group discussions revealed broad support for extending the right to request flexible working beyond the currently eligible groups to all employees, noting that many organisations already apply flexible working to their entire workforce. Several described such a policy as essential to recruitment and retention while being fairer and simpler to understand:

*“We already have support in place for flexible working for all employees ... it’s part of how we retain and support staff.”*

HR Manager, South Australia

*“I think most modern employers are approaching flexible work as open to all employees post-COVID. There’s an expectation now that this is part of modern work life ... It would be simpler to standardise policies across the workforce rather than checking if someone fits a certain category. That’s really a management and leadership challenge.”*

Director of HR Projects, Education Provider, Victoria

Consistent with the survey data, a small number of participants raised concerns about the potential downsides. They noted that extending the right to request flexible working could increase costs, complicate operations or generate unrealistic expectations:

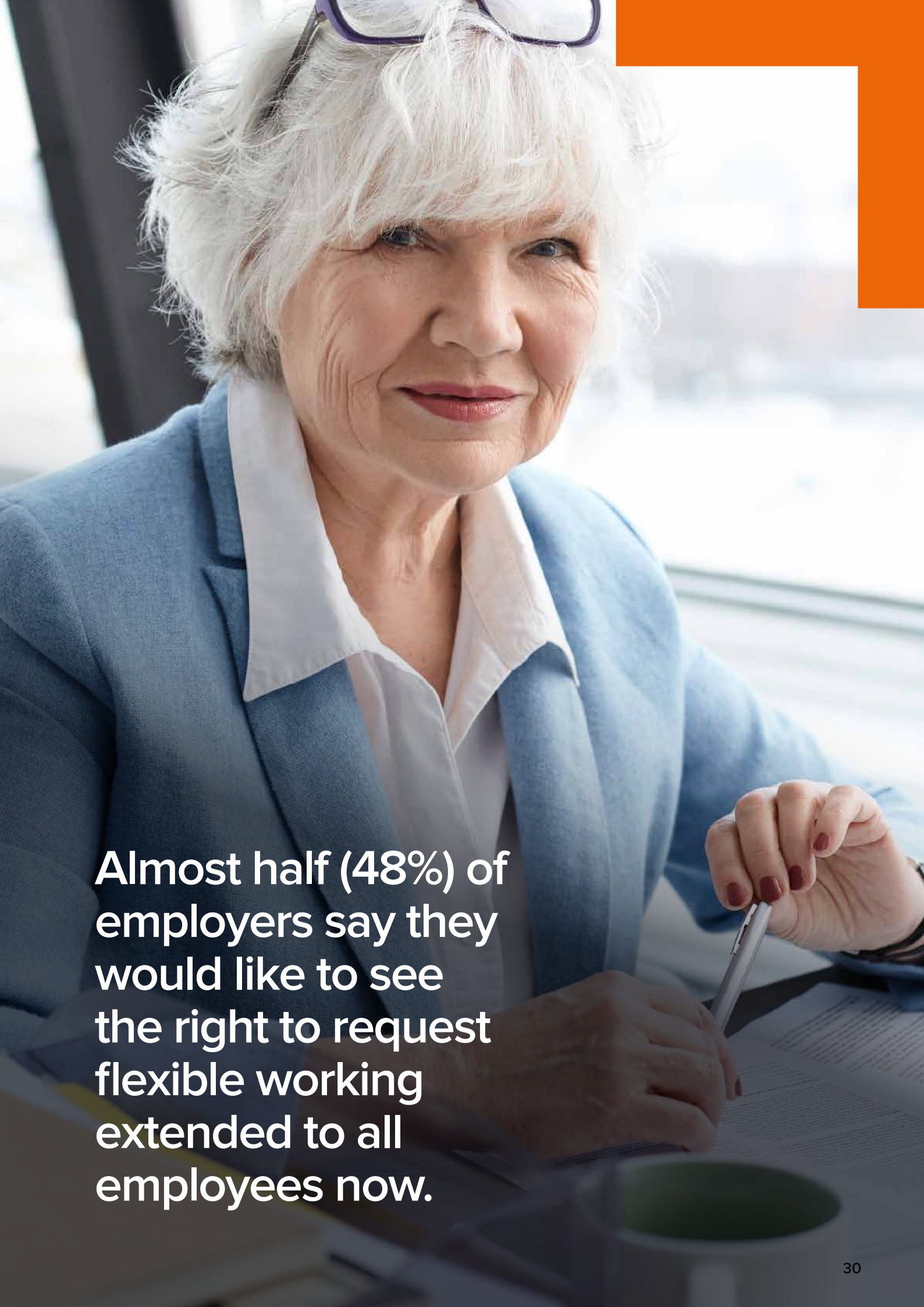
*“It can create resentment when one employee’s request is granted, but others are left covering the workload. That becomes a real management challenge.”*

Strategic HR Adviser, Education Provider, Victoria

*“In my experience, one person’s flexible work is another person’s inflexible work ... if the right comes with a set of expectations, that creates challenges for managers.”*

Employment Lawyer, NSW

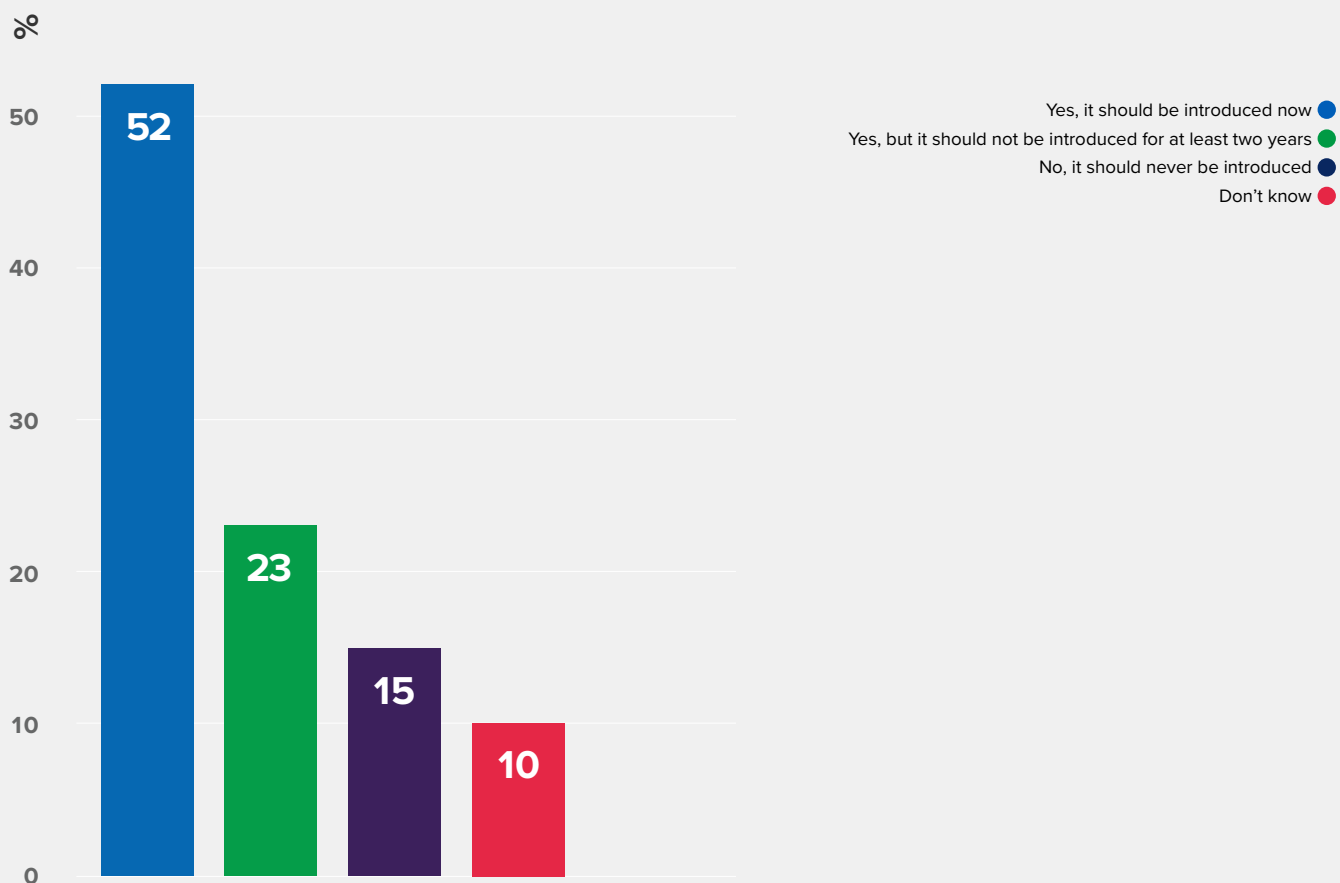
Some participants commented that the biggest difficulty was not the principle of flexible working, but the capability of managers to manage requests fairly and transparently.

A woman with short, wavy white hair and glasses perched on her head is looking towards the camera with a slight smile. She is wearing a light blue blazer over a white collared shirt. She is seated at a desk, holding a silver pen in her right hand and writing on a document. The background is a bright, out-of-focus window. An orange graphic element is visible in the top right corner.

**Almost half (48%) of employers say they would like to see the right to request flexible working extended to all employees now.**

There is also broad appeal to adding 'reproductive' health as a protected attribute in anti-discrimination laws, including the Fair Work Act. Just over half of employers (52 per cent) support the immediate introduction of such a provision. Almost a quarter (23 per cent) of employers support the policy, but not before 2027 at the earliest. Despite the broad support, appeal for the immediate introduction of the policy is lower among small employers. Just under half (46 per cent) of small employers say the policy should be introduced now, compared with 57 per cent of large employers. There are no significant differences between the sectors.

**Figure 13: Thinking about your organisation, would you support the proposal to extend the protected attributes in the Fair Work Act to cover perimenopause and menopause, as well as other reproductive health issues?**



Base: June quarter 2025, all employers n=619 (private: n=498; public: n=101; not-for-profit: n=20)

# Reproductive Health

Survey results also show strong support for extending protections to reproductive health. Just over half (52 per cent) of employers support immediate introduction, while a further 23 per cent support implementation after 2027. Support is higher among large employers (57 per cent) than small employers (46 per cent).

Participants in the focus groups viewed this change as a logical evolution in modern workplace practice, emphasising its potential to normalise discussions on reproductive health and provide employers with clearer instruction:

*“For me, this would be a step in the right direction – supporting women during those times in their lives is a beneficial outcome.”*

People and Culture Manager, Professional Services, South Australia

*“Adding reproductive health would give us a proper framework – at the moment it’s ad hoc and depends on the manager.”*

HR Director, Food Manufacturer, South Australia

Some participants questioned whether the policy might introduce unnecessary complications suggesting that broader leave entitlements might be a simpler and more equitable way to address diverse health needs.



# Overarching Themes in Employer Experience

While the preceding sections examine specific reforms in detail, the survey and focus group discussions also revealed several overarching themes. These themes highlight broader organisational implications of the reform program and provide important context for understanding employer responses.

## Policies, Frameworks and Collaboration

Several employers noted that the reforms prompted them to introduce new policies or refresh existing frameworks. In many cases, legislation gave employers the mandate to pursue changes that may have previously been difficult to secure agreement on.

*“We had a conversation with a not-for-profit employer about whether we would introduce a right to disconnect policy. They decided they would put that in place and reference it back to flexibility and balance in the workplace ... but pretty much used a template on that basis, so it wasn’t a big job per se.”*

Employment Lawyer, Queensland

Employers also observed that reforms increasingly demand collaboration across functions, rather than being contained within the HR or legal functions.

*“There potentially are positive things to come out of having a framework to make the changes where you wouldn’t have been able to do it before because you may not have had agreement in the workplace. Now employers can point to legislation as the reason for making those ... Typically it was legal or it was HR, or it was the workplace health and safety team. The majority of these changes actually require collaboration between teams and senior managers ... to think about it from an organisational perspective as opposed to ‘what’s my patch?’*

Director, Community Services Provider, Queensland

## Workforce Education

The pace of legislative change has made workforce education a critical issue. HR leaders highlighted concern about whether employees and managers fully understood the reforms and their implications.

*“What perhaps keeps me awake at night ... is have we educated our staff enough? Are they aware about those changes and how it impacts them, given the pace we need to work at to implement government reform?”*

Executive Manager, Healthcare Provider, ACT

## Management and HR Capability

Management capability particularly at the line manager and team leader levels, emerged as a consistent concern, with employers questioning whether managers possessed the skills to apply complex legislative requirements fairly and effectively. Some employers also highlighted the need to strengthen HR capability.

*“Particularly manager capability is where we get a bit nervous. The pace of change and the extent to which we can bring line managers and supervisors along the change has not been straightforward. A few years ago, we did not have employee-relations specialists in our HR team ... so one of the things we’ve had to focus on pretty rapidly was building a higher-order employee relations capability.”*

HR Executive, Public Sector Organisation, ACT

*“We’ve had quite a significant change in our workforce ... and some of the challenges are around manager capability, people’s understanding of legislative requirements and particularly at the APS6 level where we have a big service-delivery focus.”*

HR Manager, Public-Sector Organisation, ACT

## Fair Work and Work, Health & Safety Obligations

Focus group participants frequently pointed to the growing interplay between employment legislation and work health and safety obligations, particularly around psychosocial hazards, and especially among ACT public-sector participants.

*“It’s interesting that theme coming up about that connection between industrial relations and workplace health and safety and psychosocial hazards.”*

Former HR Director, ACT

*“From the perspective of how the Fair Work Act and work health and safety laws are starting to interplay more closely, especially around psychosocial hazards, this is now part of the work we do as HR professionals and managers.”*

HR Director, Public-Sector Organisation, ACT

*“The right to disconnect versus remote working and the complexities of the Work Health and Safety Act ... you may have someone working in an uncontrolled environment, and case law shows the risks that arise. These become things outside your control, but you’re still held accountable.”*

HR Manager, Public-Sector Organisation, ACT

## Legal Risks and Employee Expectations

The reforms have created more potential avenues for legal challenge and increased the complexity of case management, according to one or two participants.

As one lawyer put it:

*“Employees now have increasingly more avenues for perhaps the same complaint ... that creates an increasing level of legal risk, particularly in the case-management space.”*

Employment lawyer, NSW

At the same time, employers reported rising employee expectations of rights and entitlements, sometimes clashing with operational needs.

*“Employee expectations of what an employer will do for them have shifted significantly ... at the same time, productivity is at an all-time low in Australia.”*

Director of HR Projects, Education Provider, Victoria

## Administrative Workload

A common theme across all reforms was the increased compliance and administrative workload caused by the legislation overall. Employers highlighted the practical effort required to update contracts, issue information statements, and communicate changes.

*“It’s just caused work for us, to be perfectly honest, in having to send out all of the notices and the letters and things.”*

HR Manager, Public-Sector Organisation, ACT

*“The breadth and scope of the changes mean resources have to be diverted to understanding their impact and how the business might respond. This massively increases the compliance burden.”*

Employment Lawyer, NSW

Several participants also linked the volume of administrative work to HR burnout.

*“I actually experienced burnout ... because I was the only one with knowledge of employment relations, and so all of the changes fell to me.”*

Former HR Director, NSW

Despite this, some employers stressed that the legislation had also prompted positive reflection on employment models and frameworks.

*“It has given our business the opportunity to pause and reflect ... really testing what is the nature of the relationship and how can we get to a better outcome for our business in terms of the employment model.”*

Head of People Services and Advisory,  
Telecommunications, Victoria

Employers repeatedly emphasised the scale and speed of reform as a challenge. This comment was very typical of all six focus groups:

*“It’s probably one of the busiest periods in which people have had to get to grips with it. It’s not just HR, but also managers and leaders being able to navigate through the issues in the workplace because they are very often at the coalface.”*

People and Culture Director, Professional Services,  
NSW

# Summary of Key Legislative Changes

Legislation	Overview	Date of Commencement
Right to disconnect	The <b>right to disconnect</b> gives employees the right to refuse to monitor, read or respond to contact (or attempted contact) outside their working hours unless that refusal is unreasonable.	26 August 2024 for employees of non-small business employers 26 August 2025 for employees of small business employers
Casual employment	Some of the key changes to casual employment laws include: <ul style="list-style-type: none"> <li>• A requirement to provide a Casual Employment Information Statement</li> <li>• A pathway for eligible employees to change to full-time or permanent part-time employment</li> <li>• A definition of 'casual employee'.</li> </ul>	26 August 2024 for employees of non-small business employers 26 August 2025 for employees of small business employers
Fixed-term contracts	Some of the key changes to fixed-term contract laws include: <ul style="list-style-type: none"> <li>• Fixed-term contracts are now limited to a maximum of two years, including any extensions or renewals, with some exemptions</li> <li>• An employee cannot have more than two consecutive contracts for the same or similar work, except in certain circumstances</li> <li>• A requirement for employers to give any employees engaged for a new fixed term contract a Fixed Term Contract Information Statement (FTCIS).</li> </ul>	6 December 2023
Respect@Work	Employers now have a legal obligation to take proactive and reasonable measures to eliminate workplace sex discrimination, sexual harassment, and victimisation. The changes also include a new, broadened definition of sexual harassment.	12 December 2023
Flexible working	Employers are now under stricter obligations to consider and negotiate the right to request flexible-working requests. In addition, there are new powers for employees to challenge refusals through the Fair Work Commission.	6 June 2023
Wage theft	Employers that deliberately underpay employees now face criminal charges. Penalties include fines and imprisonment. In addition, the Fair Work Ombudsman (FWO) now has enhanced authority to investigate suspected criminal underpayments and refer cases for prosecution. Employers are encouraged to self-disclose underpayments and cooperate with the FWO to mitigate potential penalties.	1 January 2025
Prohibition of pay secrecy clauses	Employers are <b>prohibited from including pay secrecy clauses</b> in new employment contracts or agreements. Employees also now have the right to disclose (or not disclose) their own pay and terms/conditions of employment that determine pay outcomes. They can also ask colleagues about their pay and conditions.	7 June 2023



## Research Methodology

All data, unless otherwise stated, is from YouGov Plc.

The total sample size for this survey was 619 senior business decision makers, including HR, from organisations with two or more employees. Fieldwork was undertaken online between 5 April and 8 April 2025. The figures have been weighted by employee size, state and industry to reflect the latest ABS Industry Employment estimates.

### Respondent Profile

Breakdown of the sample, by number of employees per organisation

Employer size band	2-19	20-199	200+	Total
Count	173	188	258	619

Breakdown of the sample, by sector

Sector	Private	Public	Not-for-profit	Total
Count	498	101	20	619

In addition, AHRI conducted six online focus groups that took place between May and August. Five groups comprised AHRI members drawn from South Australia, Western Australia, Victoria, New South Wales, the Australian Capital Territory and Queensland. The sixth focus group comprised members of the Institute's Industrial Relations and Employee Relations (IR/ER) Panel.

When citing this report, please use the following citation:  
Australian HR Institute. *Recent Employment Legislation:  
What Do Employers Think?*  
Melbourne Australia: Australian HR Institute.

For media enquiries, please contact:

**Roxy Sinclair**

Media Relations Specialist, Mahlab

[roxy@mahlab.co](mailto:roxy@mahlab.co)

0403 727 107



**[ahri.com.au](http://ahri.com.au)**  
1300 811 880  
[enquiries@ahri.com.au](mailto:enquiries@ahri.com.au)

ABN 44 120 687 149