

Submission to the Senate Inquiry into the Fair Work Amendment (Right to Work from Home) Bill 2025

1. Introduction

This submission responds to the Senate Inquiry into the *Fair Work Amendment (Right to Work from Home) Bill 2025*.

It draws on findings from **The Geographical Work Revolution: Navigating the future of working from home in Australia**, a three-year Australian Research Council Discovery Project conducted by researchers at the University of Melbourne and Western Sydney University between 2022-2025.

Our evidence shows that:

- working from home (WFH) and broader geographical flexibility are now a mainstream and enduring feature of Australian work;
- workers overwhelmingly value and expect such flexibility; and
- the benefits and risks of WFH are real and nuanced, affecting workplace culture, productivity and wellbeing in complex ways.

On the basis of this research, we support the Bill's overall intent and structure, particularly:

- the broadening of the right to request flexible working arrangements;
- the creation of a protected category of 'work from home up to 2 days' requests, subject to an 'inherent requirements' test and consideration of reasonable adjustments; and
- the strengthening of employer obligations to engage with requests and the Fair Work Commission's (FWC) oversight role.

We also propose several refinements and implementation suggestions that are grounded in our empirical findings.

2. About the research informing this submission

Project

The Geographical Work Revolution: Navigating the future of working from home in Australia (see attached summary report)

Authors

Prof David Bissell (University of Melbourne), Prof Andrew Gorman-Murray (Western Sydney University), Dr Elizabeth Straughan (University of Melbourne), Dr Elisabetta Crovara (University of Melbourne)

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Methods

A national survey of over 500 workers across Australia, covering:

- diverse sectors and occupations;
- metropolitan, regional and rural locations;
- varied household and caring situations; and
- a range of ages and demographic variables.

60+ in-depth qualitative interviews with workers and organisational representatives in diverse industries.

Analysis focused on three core challenges:

- Culture:** connection, loyalty, informal learning and workplace dynamics;
 - Productivity:** individual vs collaborative work, innovation and task allocation;
 - Wellbeing:** mental health, loneliness, burnout, work-life boundaries and health conditions.
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3. Overview of the Bill and our general position

Key elements of the Bill include:

1. A broadened right to request flexible working arrangements

- Item 2 replaces subsections 65(1)–(1B) of the *Fair Work Act 2009* so that *any* employee may request a change in working arrangements, not just in specified personal circumstances.
- The note makes clear this includes changes in location of work.

2. A specific category of ‘work from home up to 2 days’ requests

Item 1 inserts a definition of *work from home up to 2 days request* (cross-referencing new subsection 65A(4A)).

- Item 7 inserts: subsection 65A(4A), defining such requests (up to 2 days per week from home or otherwise remotely); and subsection 65A(4B), requiring employers to consider reasonable adjustments before refusing such a request on ‘inherent requirements’ grounds.

3. A tailored refusal test and FWC oversight

- Item 5 revises paragraph 65A(3)(d), so that:
 - work from home up to 2 days* requests can only be refused if WFH would make performance of the inherent requirements of the employee’s duties ‘impractical or impossible’; and
 - other flexible work requests remain subject to the existing ‘reasonable business grounds’ test.
- Items 13–16 amend section 65C to allow the FWC to make orders about whether the inherent requirements ground is, or is not, made out in relation to a refused WFH request.

Our research strongly supports:

- broadening access** to flexible work requests;
 - providing a **clear, minimum baseline right** to request up to 2 days’ WFH, subject to genuine role-based limits; and
 - ensuring decisions are **transparent, reviewable and grounded in the realities** of work rather than assumptions or preference.
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4. Evidence that supports a statutory right to work from home

4.1. Workers overwhelmingly expect geographical flexibility

Our project finds that:

- Geographical flexibility is now ‘**expected**’ by most workers, rather than a special concession.
- WFH and hybrid options are a **dealbreaker** for some when considering employment opportunities.

This expectation is tied to:

- better **work-life balance**;
- being **more present** in caring and family roles; and
- the ability to **integrate exercise, community involvement and life administration** into the week.

This aligns with ABS data showing a 158% increase in Australians working from home in 2020. Our data show these patterns and expectations have persisted.

Support for the Bill

- Item 2's removal of the previous restriction (that requests had to 'relate to circumstances that apply to the employee') reflects the reality that WFH and flexibility are now core features of contemporary work, relevant to a wide range of workers and roles.
- The explicit recognition of work location in the note to new subsection 65(1) is consistent with workers' own prioritisation of *where* work is done.

4.2 WFH is not just 'home vs office': the importance of 'third spaces'

Our research highlights that workers commonly use a variety of '**third spaces**':

- libraries, coworking hubs and local business centres;
- cafes and community facilities; and
- even commute or travel spaces, where appropriate.

These locations:

- allow workers to **match tasks to environments**; and
- spread **economic and social benefits** into local neighbourhoods, especially where more people now live and work in regional areas.

Support for the Bill

- New subsection 65A(4A) refers to working 'from the employee's home, or otherwise remotely'.
- This flexible drafting is strongly supported because it is consistent with our finding that effective WFH policy must recognise a **spectrum of remote work locations**, rather than just the home address.

We recommend that the Explanatory Memorandum clarify that 'otherwise remotely' can include **third spaces** such as coworking hubs, provided work health and safety and confidentiality obligations can be met.

5. Culture: why a structured WFH right is preferable to ad hoc policies

5.1 Culture concerns are real but not solved by blanket office mandates

Our participants, both workers and managers, expressed concern about:

- weakening workplace culture** as remote work becomes more common;
- new employees and junior staff not fully **absorbing organisational norms** or 'learning how to adult' in professional settings; and
- multi-speed workplaces**, where some staff feel connected and others feel peripheral.

At the same time, many report that:

- offices often feel '**dull**' with less buzz and lower attendance, undermining the supposed cultural benefits of being there;
- relationships can feel **more awkward and transactional**, especially with heavy reliance on text-based tools; and
- some workers, particularly **neurodiverse employees**, experience **relief** from office politics, noise, and sensory overload when working at home.

The evidence is that culture now requires **conscious organisational effort**, not simply co-location.

5.2 Why a legislated baseline right helps workplace culture

The Bill’s approach, particularly:

- giving all employees a right to request changes to working arrangements (item 2); and
- setting a clear, reviewable test for WFH up to 2 days (items 5, 7, 13–16)

is more conducive to healthy culture than unregulated, ad hoc or blanket ‘return to office’ mandates because it:

- encourages **structured, evidence-based conversations** between employers and employees about what work is best done where;
- requires employers to **‘genuinely engage’** with requests, rather than dismiss them on vague grounds; and
- provides a pathway to the FWC when disputes arise about whether WFH is genuinely incompatible with a role.

Our research indicates that workers are far more accepting of office attendance when:

- the **purpose** of being in the office is clear (collaboration, learning, relationship-building); and
- their WFH options are **secure and predictable**, rather than discretionary and revocable at short notice.

By supporting a minimum WFH baseline, the Bill can help organisations move away from blunt mandates towards **deliberate, culture-building design** of in-office time.

6. Productivity: evidence for the ‘up to 2 days’ WFH baseline

6.1 WFH enhances focused productivity for many workers

Our study finds that:

- Many workers report being **more productive** when working remotely, largely because they experience:
 - fewer distractions than in open-plan offices;
 - no commute; and
 - more control over their schedule, exercise and breaks.
- Others do struggle with home-based distractions, but overall there is a **substantial perceived productivity gain** associated with WFH for individual, focused tasks.

Conversely, workers often report that when required to attend the office:

- they are frequently performing **work that is inherently remote** (e.g. individual online meetings and computer-based tasks);
- they experience more interruptions and noise; and
- they question the point of commuting if the tasks could be done equally or more effectively at home.

6.2 Collaboration and innovation still benefit from in-person work

Employers interviewed in our project emphasised that:

- certain activities e.g. innovation, creative problem-solving, complex team projects are **better achieved through in-person collaboration**; and
- attending the office only one day a week, especially with teams on different days, can:
 - compress all collaboration into a single, frenetic day; and
 - generate frustration rather than creativity.

We therefore emphasise that **hybrid work**, not universal full-time WFH, is often the most productive model.

6.3 Alignment with the Bill's model

The Bill's creation of a '**work from home up to 2 days**' category is consistent with this evidence:

- It establishes a default presumption that up to 2 days' remote work per week is reasonable unless genuinely incompatible with the role.
- It still leaves scope to negotiate:
 - more extensive WFH where appropriate (under the general flexible work provisions); or
 - fewer or different arrangements where this is necessary for the inherent requirements of the job.

Importantly, item 5 distinguishes between:

- WFH up to 2 days, where refusal must be justified on **inherent requirements** grounds; and
- other flexible work requests, where **reasonable business grounds** remain applicable.

This is proportionate and well-calibrated. It reflects that WFH, in moderation, has become a standard feature of many roles and should not be refused lightly.

Our evidence supports the view that **up to 2 days' WFH** will typically:

- deliver important productivity and wellbeing benefits; while
- still allowing sufficient in-person time for collaboration and cultural cohesion, where properly structured.

7. Wellbeing and equity: supporting the Bill's reasonable adjustment and review provisions

7.1 WFH and wellbeing: benefits and risks

Our research shows that WFH has mixed but significant wellbeing impacts:

Benefits

- Many workers, particularly those with **long commutes** such as those who live regional areas but work in urban centres, report:
 - improved work-life balance;
 - more time and energy for family and caring roles; and
 - better opportunities to support local communities and businesses.
- WFH is especially valuable for workers with:
 - **chronic health conditions**;
 - **neurodiversity**; and
 - **immunodeficiency** or other vulnerabilities, because it allows better pacing of work; easier access to medical appointments; and reduced exposure to infection and sensory overload.

Risks

- Some workers experience **loneliness, isolation and 'cabin fever'**, particularly in fully-remote roles or where neighbourhood social connections are limited.
- WFH can blur boundaries between work and home:
 - work intrudes into domestic spaces, especially in smaller dwellings;
 - workers report feelings of **guilt** when not constantly at their desk; and
 - an 'always-on' culture can contribute to burnout.

7.2 Reasonable adjustments: supporting subsection 65A(4B)

Item 7 inserts subsection 65A(4B), requiring employers, when considering refusal of a WFH up to 2 days request on inherent requirements grounds, to consider **reasonable adjustments** they could make to accommodate the request.

Our evidence strongly supports this provision.

- Many participants whose health conditions **significantly benefit** from WFH reported feeling **insufficiently accommodated** by managers, despite WFH being a relatively low-cost adjustment.
- In many cases, modest adjustments to role design, technology or team practices would allow WFH without compromising core job requirements.

We therefore endorse subsection 65A(4B) as an important safeguard to ensure:

- WFH is treated as a **legitimate form of reasonable adjustment**, consistent with anti-discrimination principles; and
- refusal of WFH requests is anchored in the **inherent requirements of the job**, not in specific workplace culture or managerial preference.

We recommend that the Explanatory Memorandum:

- explicitly reference **workers with disabilities, chronic illness, neurodiversity and caring responsibilities** as groups for whom WFH can be a critical adjustment; and
- provide examples of the kinds of **reasonable adjustments** (for example, modest task reallocation, flexible scheduling of meetings, secure remote access) that may allow WFH without undermining the inherent requirements of a role.

7.3 The importance of FWC oversight (items 13–16)

Items 13–16 amend section 65C to allow the FWC to:

- make an order that it is appropriate for the inherent requirements ground to be taken to have been made out; or
- make an order that it is appropriate for that ground to be taken **not** to have been made out, with consequential effect through new subsection 65C(5A).

Given the complexity and sometimes contested nature of ‘inherent requirements’, this independent oversight is vital.

Our evidence shows that:

- some WFH refusals are driven by **cultural assumptions** (e.g. ‘we work best in the office’) or convenience rather than concrete incompatibility with job duties; and
- workers **often feel disempowered** in challenging such decisions, particularly where there is a power imbalance or job insecurity.

The ability to seek an FWC determination about whether the inherent requirements ground is, or is not, made out provides:

- a **practical enforcement mechanism** for the new WFH right; and
- an incentive for employers to **engage genuinely**, gather evidence and consider reasonable adjustments before refusing a request.

We support these provisions as essential to the Bill’s effectiveness.

8. Generational dynamics and equity: implementation considerations

Our research highlights significant **generational differences** in WFH preferences:

- Senior workers** more often prefer WFH, supported by:
 - larger homes better suited to remote work; and
 - greater caring responsibilities.
- Junior workers** are more likely to seek time in the office for:
 - social connection;
 - learning and mentoring; and
 - visibility for career development.

This can:

- shift the mentoring and culture-building load** onto those who are physically present (often junior staff); and
- risk **career detriment** for workers who rely more heavily on WFH (for example, carers, people with disabilities, regional workers).

In this context, we suggest that:

- the Explanatory Memorandum encourage employers to ensure that employees who exercise their WFH rights are not **disadvantaged in promotion, development opportunities or performance assessment** solely because they work remotely for part of the week; and
- guidance be provided on **monitoring and addressing inequities** arising from differential use of WFH, including across age, gender, caring status, income and housing.

This is consistent with our project's recommendations to:

- address inequalities arising from different cohorts' tendencies to work mainly remotely or in the office; and
- foster **intergenerational empathy** and shared responsibility for in-office mentoring.

9. Summary of recommendations

We support the passage of the *Fair Work Amendment (Right to Work from Home) Bill 2025* and recommend that:

1. The broadened right to request flexible working arrangements (item 2) be retained, recognising that all employees may have legitimate reasons to seek changes in location, hours or patterns of work.

2. The 'work from home up to 2 days' framework (items 1, 5, 7) be retained and clearly explained as:

- a minimum baseline right; and
- subject to a focused, role-based inherent requirements test and consideration of reasonable adjustments.

3. The requirement to genuinely engage (item 4) and the FWC oversight mechanisms (items 13–16) be retained, as they are essential to making the new right effective in practice.

4. The Explanatory Memorandum be strengthened to:

- clarify that 'otherwise remotely' in subsection 65A(4A) includes appropriate **third spaces** (such as coworking hubs), subject to work health and safety and confidentiality requirements;
- provide examples of **reasonable adjustments** for WFH in the context of subsection 65A(4B), with specific mention of workers with disabilities, chronic illness, neurodiversity and caring responsibilities;
- emphasise that WFH should not, in itself, be a basis for **career detriment** or exclusion from opportunities; and

- acknowledge the **generational and equity dimensions** of WFH and encourage employers to monitor and address emerging inequalities.

5. Future complementary reforms (for example, a right to disconnect) should be considered, in light of our evidence that WFH can blur work-life boundaries and contribute to burnout without clear protections.

10. Conclusion

The geographical work revolution triggered by Covid-19 has permanently altered where and how Australians work. Our ARC-funded research demonstrates that:

- workers now strongly expect and value WFH and geographical flexibility;
- hybrid work models can enhance productivity, culture and wellbeing when thoughtfully structured; and
- unmanaged WFH also brings risks (of disconnection, loneliness, burnout and inequality) that demand careful governance.

Our position is that the *Fair Work Amendment (Right to Work from Home) Bill 2025* is a timely and well-targeted response. It modernises the Fair Work Act to reflect contemporary work realities, providing a modest but meaningful baseline right to work from home, subject to genuine role-based limits and independent review.

We commend the Bill to the Committee and would welcome the opportunity to provide further evidence or appear at a public hearing to elaborate on the findings summarised in this submission.

Contact

Professor David Bissell
School of Geography, Earth and Atmospheric Sciences
The University of Melbourne
Grattan Street
Parkville, Victoria 3010
Australia

<https://www.workingaway.net>