

COMMONWEALTH OF AUSTRALIA

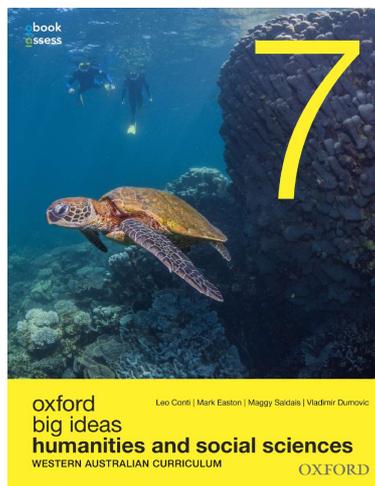
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14.5 Why we work

Have you ever wondered why most adults get up every morning and rush off to work? If you haven't, it's probably because the answer seemed so obvious – they do it to earn money, right? While this is true, in reality nobody works for money alone. There are many other important reasons that motivate people to get out of bed each morning and head off to work. In this unit, we will be exploring a number of these reasons.

Material and non-material reasons for working

One of the best ways of understanding the many reasons why people work is to organise these reasons into different categories. Economists often group the different reasons for working according to whether they are material or non-material.

- Material reasons for working include anything related to financial gain (e.g. money or financial benefits). It might help you to think about material reasons in terms of physical things that you can touch (like food and clothes).
- Non-material reasons for working include anything related to non-financial gain (e.g. job satisfaction, self-esteem, happiness, sense of community). It might help you to think about non-material reasons in terms of things that you cannot touch (like ideas, thoughts and feelings).

Source 1 lists some of the most common material and non-material reasons why people work.

In reality, both material and non-material reasons for working affect how we feel about our place in society and how happy we are generally. We will now look more closely at a range of these different reasons.

Understanding material reasons for working

As shown in Source 1, there are many different material reasons why people choose to work, but earning an income is probably the most important among them.

Earning an income

One of the most important material reasons why people work is to receive an income. Depending on the type of work people do, their income can be paid in different ways:

- People who work for companies or organisations that they do not own (i.e. employees) earn their income in the form of a wage. A wage is a fixed amount that is paid regularly (e.g. weekly, fortnightly or monthly) to an employee in return for goods or services provided to the company. For example, an employee who works at a local supermarket might earn their wage by working on the checkout or stacking shelves for 25 hours a week. They will be paid in return for the hours they work.

Material reasons for working	Non-material reasons for working
<ul style="list-style-type: none">• Income (i.e. money earned by a person in exchange for goods or services that can be used to buy things such as food, clothing, cars, houses)• Superannuation (i.e. money paid into a fund that can be accessed when a person retires)• Other financial benefits (such as cash bonuses, car allowances, meal allowances, staff discounts)	<ul style="list-style-type: none">• Ability to learn new skills and improve existing skills• Offers a sense of pride, value, respect, identity and personal achievement (and is therefore generally better for people's physical and mental health)• Opportunities to contribute to the success of an organisation/ company• Ability to help people and/or make a difference for an important cause (such as animal welfare, the environment, refugees)• Opportunities to express creativity and try new things• Opportunities to build strong relationships with work colleagues (and make new friendships)• The ability to achieve a good 'work-life balance'

Source 1 A range of material and non-material reasons for working

- People who own their own company or organisation (i.e. business owners) earn their income in the form of profits taken from the business. Unlike employees, business owners might not earn a regular amount or be paid regularly. Instead, they may earn large amounts when their business performs well, or small amounts when the business is not performing well. For example, the owner of an ice cream shop at the beach may earn a lot during the busy summer months, and only a small amount during the winter months when business is slow.

The amount of income that people earn will depend on a wide range of factors including:

- how many hours they work and the days on which they work (e.g. employees may be paid more for working late at night or over the weekend)
- the difficulty and specialised nature of the work they do (e.g. surgeons who specialise in a certain type of medicine can demand higher wages for their services)
- the qualifications and experience that they have (e.g. lawyers who have excellent qualifications and a lot of experience winning cases will generally be paid more)
- how many other people are able and willing to do the same job (e.g. teachers who work in remote locations can often receive additional payments)
- laws regulating the minimum amount that workers must be paid.

Other financial benefits

In addition to money earned as income, people also receive a number of other material benefits. The most common is called superannuation (or 'super' for short). Superannuation is money paid regularly into a fund that cannot be accessed until retirement. In Australia, superannuation payments are compulsory for employers, meaning that every Australian employee is required to have a superannuation account that they pay money into over their lifetime so that they can access this money to live on once they stop working.

Other material benefits include things like:

- bonuses – money paid to employees/business owners if they perform well in their jobs or if the company performs very well



Source 2 According to a 2016 study by the Australian Taxation Office, surgeons are the highest paid professionals in every state and territory of Australia. They can demand such high wages because of the difficult and specialised nature of the work they do.

- staff discounts – reductions in the standard price of goods for staff (particularly those who work for retail companies such as clothing stores, supermarkets, airlines)
- allowances – money provided to employees in addition to their wage to pay for things like car expenses and meals (particularly if they travel a lot as part of their job).

Understanding non-material reasons for working

As shown in Source 1, there are many different non-material reasons why people work. Unlike material reasons, non-material reasons can vary widely depending on each person and what they value. For some, the feeling they get supporting an important cause (such as protecting endangered animals) or caring for others (such as nursing or social work) is the most rewarding part of their job. For others, the ability to learn new skills and make new friends at work is more important. Some of the main non-material reasons why people work are explored below.

Source 3 Some companies pay bonuses to their employees if they perform well or if their work contributes to the strong performance of the company. Bonuses are a material benefit paid on top of a person's wage.



The ability to gain new skills and experience

Most people get a great deal of enjoyment and satisfaction from learning new things. For some, the ability to learn new skills on the job is the most important aspect of their job. The opportunity to learn keeps many employees interested and helps them to avoid becoming bored with their jobs. The opportunity to practise new skills and become an expert at performing them at work also makes them feel valued and respected. New skills and experience also often bring new opportunities for promotion and higher wages (although this is often a nice side effect of learning new things rather than the main motivator).

Purpose, self-esteem, health and happiness

Another reason why people work is because it provides them with a sense of purpose and boosts their self-esteem. Although we all sometimes dream

about being free to do whatever we choose, in reality having a purpose in life is something that's important to everyone – regardless of what they do. Most people in society today tend to define themselves (in some way) by the work they do.

For instance, most teachers enjoy their jobs because they can see that they are making a difference in the lives of their students by teaching them new skills and giving them the best possible start in life. This often gives teachers a sense of purpose knowing they are contributing to society in a positive way.

Similarly, nurses generally feel a sense of satisfaction knowing their work and care is helping to improve the lives of people who are unwell. Nurses make many positive contributions to the lives of the people they care for (as well as their families), which in turn gives them a sense of self-worth and happiness.

Despite the fact that governments often provide some financial assistance to those who are out of work, in most cases adults feel the need to earn their income through work (rather than receiving government support). Many studies have proved that low self-esteem is a common problem for people who lose their job or are unable to find work. Unemployment has also been proven to result in negative effects on people's health and well-being. This is one of several reasons why governments all around the world aim to build strong economies that provide their citizens with opportunities to find meaningful work, rather than just giving people money.

Helping others and 'giving back'

The chance to help others and give back to the community is another non-material reason why people choose to work. For some people, this might mean working for a registered charity or community event (such as the Cancer Council, Lifeline, RSPCA, beyondblue or Clean Up Australia) because they feel the work being carried out by these organisations helps others and builds a better society for everyone.

Source 4 Each year, hundreds of thousands of Australians, volunteer their time to take part in Clean Up Australia events around the country. Since the event started in 1990, volunteers have donated 31 million hours of their time to clean up rubbish from their streets, bushland, parks and waterways.



Many people who work for charity organisations are paid for their work, but many are not paid at all. These people are known as volunteers. Volunteers share their time and skills for many different reasons. Some volunteer because they are retired and have the time, others do it to meet new people and learn new skills and others do it to improve their local community. Whatever the reason, most volunteers also gain a sense of pride in helping others and giving back to society through their work.

Work–life balance

The concept of ‘work–life balance’ has become very important for many people over recent years. It refers to the amount of time we spend at work compared to the amount of time we spend outside work (e.g. playing sport, watching movies or relaxing with friends and family).

With the introduction of new communication technologies (such as smartphones and social media) and the trend towards 24/7 business operations, many companies now expect their employees to be available by phone and email after work hours and on weekends (even though they may not be paying their workers for this time). As a result, employees feel that the line between their work lives and private lives is becoming very blurred. While most

employees expect to work overtime now and then, too much of this can result in a poor work–life balance. For many employees, the ability to ‘switch off’ from work is an important reason why they choose to work where they do.



Source 5 Finding the right work–life balance is very important for our wellbeing but is becoming increasingly difficult in Australia's highly competitive market for jobs. It is suggested that eight hours of work, eight hours of rest, and eight hours of leisure time per day provide a rough guide for achieving this balance.

Check your learning 14.5

Remember and understand

- 1 What is the difference between material and non-material reasons for working?
- 2 List three material reasons why people work.
- 3 List three non-material reasons why people work.
- 4 What is work–life balance and why is it important?

Apply and analyse

- 5 Why do surgeons earn so much money?
- 6 Look at Source 4. Why do you think these people are volunteering their time for the Clean Up Australia campaign?
- 7 Why do you think work–life balance is more difficult to achieve today than it was 20 years ago?

Evaluate and create

- 8 Think about a job you'd like to do once you leave school and begin working. List at least five reasons why you want to do this job. Now read over each reason and decide whether it is material or non-material.
- 9 Work in pairs or small groups to conduct a survey of 5–10 of your teachers, family friends, parents or guardians. Find out:
 - what jobs they do
 - why they do the jobs they do
 - whether they like their jobs
 - whether they think they have a good work–life balance.

Compile the results in a PowerPoint presentation and deliver it to your class.