

**GENDER SEGREGATION IN THE WORKPLACE AND ITS IMPACT ON WOMEN'S EQUALITY
SUBMISSION TO SENATE FINANCE AND PUBLIC ADMINISTRATION REFERENCES
COMMITTEE FEBRUARY 2017**

NFAW is a non-politically aligned feminist organisation committed to examining the potentially differential impacts of policies and their outcomes for men and for women, and whether the consequences of policies, intended or unintended, may adversely impact on women.

This submission briefly addresses the gender segregation issues identified in the first three terms of reference. The issues identified in those sections are expanded upon and addressed in detail under the last two terms of reference, which discuss approaches to gender segregation and suggested remedies.

This submission has been endorsed by Women in Adult and Vocational Education (WAVE), the Australian Federation of Graduate Women Inc (AFGW) and Business and Professional Women Australia (BPWA).

Summary

Gender segregation results in a disproportionate concentration of women and men in particular occupations and industries. In Australia, the persistence of gender segregation has been widely observed and is longstanding. This is despite substantial growth in women's labour supply, growth in educational attainment and growth in combining paid work with raising families and other unpaid care work.

Occupational and industry segregation represent a significant labour market rigidity and labour market failure.

Labour force participation rates and employment rates are commonly used to assess the state of the labour market. Differences between countries are important, as are ways of measuring segregation, however the division of work within households is also highly gendered and has an impact on women's paid workforce participation.

The consensus among jurisdictions comparable to Australia is that unequal sharing of family responsibilities between men and women continues to consolidate feminised industries and occupations and to reproduce the gender pay gap associated with them. The first means that women must remain in segregated industries/occupations, and the second that men will not enter them.

This pattern of segregation is also repeated in both training and education and exacerbates the gender segregation in the labour force, raising the numbers of women in poorer paid occupations and professions, now and into the future, and worsening the economic outcomes for women and their families.

Australia has one of the highest rates of part time work in the world. Part time work is associated with less training and together with periods out of the labour force can lead to a decrease in skills, experience and promotion opportunities.

The economy needs the labour of women: it increasingly depends upon it and future growth depends on it. The current situation results in a sub optimum allocation of resources which impacts on the efficiency of the labour market, affecting labour supply, labour turnover, productivity and economic growth.

Internationally, the gender segregation of the workforce has generally increased in jurisdictions comparable to Australia. Following the onset of the global financial crisis (GFC), measures taken to address workforce gender segregation in these countries over the preceding forty years have come up against both structural changes in the economy and national measures of fiscal consolidation.

In Europe, as in Australia, measures targeting social norms and preferences for women and men have been pursued since the 1970s through a range of equal employment opportunity measures aiming to bring young girls into male-dominated fields of work. In the 1970s this meant encouraging women into trades, but more recently the emphasis has been on encouraging women into science, technology, engineering and mathematics (STEM) studies and careers.

In Australia, these measures have tended to be favoured by governments because they are relatively inexpensive, easy to de-fund, and voluntary for employers. Such campaigns to encourage women to enter male dominated industries or occupations have proved marginal in the past and are likely to prove marginal in future.

Men are as likely as women to come up against working time arrangements that segregate the sexes and undermine initiatives that encourage them to jump the structural divide marking out unpaid and paid work as men's or women's. Men seeking or accessing parental leave or non-standard working hours from male-dominated industries are likely, for example, to confront discouragement and even discrimination in career development.

Systemic factors limiting women's employment, and most particularly time use issues, require action at the national level. Measures adopted by comparable jurisdictions include paid maternity and parental leave, provision of accessible and affordable child, early childhood and after school care, and family income support and taxation arrangements designed to support women re-entering the workforce. Comparable jurisdictions are in broad agreement on the nature of, and need for these measures and, apart from the United States, many of the necessary programs attract Government support, although in different degrees. However, since the GFC these programs have been increasingly caught up in 'fiscal consolidation' measures taken in comparable jurisdictions as well as in Australia.

The need to successfully implement such measures at the national level highlights the importance of the need to introduce gender analysis across the government decision-making, from policy development to budgeting to implementation, monitoring and review.

In addition, a range of industrial relations and workplace measures can be used to address the separation of male and female labour markets. These measures consist of:

- systemic changes—wage fixation, minimum conditions, protections against discrimination, and
- voluntary workplace measures founded on a recognised set of EEO and affirmative action strategies.

Remedies appropriate for Australia that address the barriers women experience to male dominated occupations and industries, include changes to the education and training of women and girls especially the introduction of gender aware career counselling/guidance; the provision of female role models in these occupations and industries; information for parents about the benefits of careers for women in male dominated areas and gender diversity strategies that include zero tolerance of work place discrimination against women.

Furthermore, the size and importance to the national economy of both the paid and unpaid care sectors are overlooked in key economic data with potentially serious consequences for future economic growth.

To professionalise and improve conditions in female dominated occupations and industries the crucial importance of the paid care sector (as well as the contribution of unpaid care) to the Australian economy needs to be acknowledged.

The value of workers in the care sector is not recognised in their remuneration. They earn an average of 96 cents for every dollar earned by the average Australian worker and women in the paid care sector earn on average 84 cents for every dollar earned by their male counterparts in that sector, due to the prominence of males in higher-level roles.

We also need to acknowledge that this care work is an example of a public good and creates positive externalities, such as increased productivity of the parents of children in childcare and that these benefits are not reflected in the market price.

This 'market' will fail to sustain a functioning care economy into the future. The market price of care does now and will continue to have an impact on the supply of labour and intervention in the form of public policy and funding is required to ensure appropriate levels of care are and remain available.

The economic value of the unpaid care sector suggests that, to some extent, excess demand for formal care is compensated for by the unpaid care sector. However, sustaining the existing provision of unpaid care from the household sector risks becoming problematic due to changing economic circumstances, as fewer Australians, in particular women, may be able to provide unpaid care.

Changes in the industrial system, including deregulation and decentralised bargaining, have contributed to greater gender wage inequality and made seeking redress more difficult. Gender pay equity is much higher in award-related remuneration than in remuneration under certified agreements or over-award payments. Non-award related pay systems are often lacking in transparency and frequently involve high levels of management discretion, which often involves gendered decision-making.

In recognition of the pay equity issues associated with decentralised wage fixation, legislation for enterprise bargaining included the introduction of statutory equal pay provisions. Division 2 of Part VIA of the Industrial Relations Act 1988 remained in place for

12 years until the introduction of the WorkChoices in 2005. According to a review of their operation undertaken on behalf of the Fair Work Commission, the relatively small number of applications made under them, the uncertainties and limitations associated with their interpretation and application led to a failure to make a significant contribution to achieving gender pay equity.

However, the Commission's decision in the subsequent early childhood education and children's services case in 2015 (FWCFB 8200) narrowed the scope for equal remuneration applications and reintroduced the requirement for feminised work to be compared directly to male work. The Australian workplace relations legislation needs to be clarified yet again if it is to operate effectively in a gender segregated workforce.

It would also be desirable for the minimum standards provisions of the Workplace Gender Equality (Minimum Standards) Instrument 2014 to be amended to require all reporting employers—that is, all employers of 100+ employees—to conduct an organisational review of pay equity within a fixed timeframe.

Recommendations

To address these issues NFAW proposes the following recommendations covering

- social norms and preferences,
 - systemic factors that limit women's employment opportunities
 - industrial measures to support women's employment integration
 - career development, guidance and counselling measures; and
 - measures to address women and the care sector.
1. That the ABS resume regular undertaking of the Time Use Survey.
 2. That the government support a new modern award entitlement of 10 days paid family and domestic violence leave.
 3. That the government adopt effective gender budgeting systems for their main policy initiatives, including ongoing or future recovery plans and expenditure reviews. Statutory requirements that policies be vetted ex-ante from a gender perspective may not be sufficient.
 4. That the government closely monitor the risk that fiscal consolidation may significantly erode welfare provisions as well as equality infrastructure.
 5. Social expenditure and tax expenditure should focus on women's economic security as a central concern, especially if they are aimed at lifting men and women out of poverty.
 6. That a comprehensive review be undertaken to review Fair Work Australia's (FWA) progress in implementing the 2012 equal remuneration decision for social and community service workers, and a public report provided on the review.
 7. That the Fair Work Act be amended to provide a stronger focus and clearer guidance on equal remuneration by:
 - including an equal remuneration objective consistent with Australia's commitments under international conventions

- providing for hearing equal remuneration applications based on establishing gender-related undervaluation
 - requiring that the four yearly reviews of modern awards include review of how award provisions (including definitions of ordinary hours, penalty rates, and classification structures, among others) affect equal remuneration, in each award and at a systemic level, looking across male dominated and female dominated awards and industries; and requiring that the approval process for certified agreements include consideration of the implications of the agreement for equal remuneration.
8. That the minimum standards provisions of the Workplace Gender Equality (Minimum Standards) Instrument 2014 be amended to require all reporting employers of 100+ employees – to conduct an organisational review of pay equity within a fixed timeframe.
 9. That all Australian Education and Training Ministers introduce career guidance that promotes online role models and provides gender aware career information for family members.
 10. That a National Career Guidance Strategy be developed that addresses participation of women in STEM, non-traditional careers and industries and develops models of best practice career guidance.
 11. That an integrated strategy be developed for secondary school girls aimed at increasing representation and retention of women in non-traditional roles.
 12. That measures be taken to sustain the functioning of the care economy in the future by strategies to attract workers into the care sector and to retain them and assist women in their unpaid care responsibilities.



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NFAW responses to the individual terms of reference

a) The nature and extent of industrial and occupational gender segregation in Australian workplaces relative to comparable jurisdictions, including gender segregation in tertiary education courses.

Occupational and industry segregation represent a significant labour market rigidity and labour market failure, widely recognised as in need of addressing. However, it is important to note that the issues are complex and present difficulties in measurement. Most studies tend to focus on indices of inequality using theoretical and empirical studies. However, methodological approaches and results can vary. In addition, in Australia there is no regular reporting and analysis of segregation.

Nevertheless, it is apparent that the Australian labour market is highly gender-segregated by both industry and occupation, a pattern that has persisted over the past few decades and the level of segregation has increased. In August 2016 WGEA reported the following:

- Occupational gender segregation has remained persistent over the last 20 years.
- Traditionally female-dominated industries (*Health Care and Social Assistance* and *Education and Training*) have seen the proportion of women increase further.
- Some male-dominated industries (*Construction* and *Wholesale Trade*) recorded a decline in female representation, while others (including *Electricity, Gas, Water and Waste Services* and *Transport, Postal and Warehousing*) recorded growth.
- Average remuneration in female-dominated organisations is lower than in male-dominated organisations.
- Performance pay and other additional remuneration plays a greater role in male-dominated industries, leading to higher gender pay gaps for total remuneration.
- On an occupational level, male-dominated workplaces have smaller proportions of part-time employees while full-time employees tend to work longer hours - attributes that may deter people with family and caring responsibilities.

The 1984 OECD Report *The Integration of Women into the Economy* ranked Australia the most gender-segregated country in the OECD. Despite the growth in Australia's gender segregation, by 2010 Australia was subsequently ranked eleventh.

The relative importance of occupational and industrial segregation has been found to vary from one country to another, reflecting variation in the level of occupational and industrial segregation between countries. This is discussed further under term of reference **d**.

Labour force participation rates and employment rates are commonly used to assess the state of the labour market. Differences between countries are important, as are ways of measuring segregation, however the division of work within households is also critical. This is discussed further under term of reference **e**.



The ABS Time Use Surveys consistently showed that whether parents were employed or not, mothers spent much more time caring for children than fathers. The surveys record that the largest gender differences occur in unpaid work, including childcare.

It is important to note that this survey is no longer undertaken. The survey is a vital record of women's work. It provided accurate data concerning the extent and distribution of unpaid work and its intersection with paid work.

Concentration on the labour market also excludes people not in a position to seek work. In Australia, according to the ABS Persons Not in the Labour Force 2013 survey, 60% of people not in the labour force were women. More women not in the labour force than men would like to work. For women aged 25-64 the most common reason for not seeking work was home duties (compared to health/ disability for men). Of those not in the labour force, who wanted work but not looking because of caring for children, 95% were women. Of those women who would look for work in the next 12 months, 75% of women preferred part time work.

Fifty years ago, women represented 20% of university students compared to over 50% today. While women have achieved higher shares of course completions this is not associated with a decrease in gender segregation. The tendency is for women to crowd into areas in which they were already over represented.

"Gender differences in student enrolments suggest that the divide between 'traditional' male and female fields of study is still strong in engineering, information technology, health and education. While women have made some gains in entering non-traditional fields, such as science, business, agriculture and architecture, they remain under-represented in engineering and technology related courses. At both undergraduate and graduate levels, female students remain concentrated in the social sciences, humanities, arts, education and health". (Australia Parliament House, Social Policy Group, Current Affairs Brief, June 2003.)

Australian studies have found that returns on education for women are generally lower than those for men, despite women's somewhat higher level of educational attainment. According to FWA, in 2011 evidence across 50 countries showed that by year 10 there were far fewer girls studying maths and sciences. Girls are put off male dominated careers, particularly in trades. In Australia, women studying engineering in universities represented 15% of total students compared to 5% in vocational education.

However, according to the National VET Provider Collection in 2009 women were entering VET in increasing numbers in the more poorly remunerated areas of 'Food, hospitality and personal service' (91 per cent of course enrolments in eligible pre-apprenticeship courses), 'Society and culture' (88 per cent), and 'Health' (87 per cent).

This pattern of training and education is exacerbating the gender segregation in the labour force, raising the numbers of women in poorer paid occupations and professions, now and into the future, and worsening the economic outcomes for women and their families.

b) Factors driving industrial and occupational segregation in the Australian context.

A number of competing theories attempt to explain gender segregation. Neo-classical or human capital theories focus on supply-side factors (*i.e.* heterogeneous endowments, constraints and preferences of workers) or demand-side factors (*i.e.* employers' preferences that are determined by a rational investment behaviour). These theories highlight the role played by differences in personal preferences and the human capital accumulated by men and women and, in terms of policy, stresses the need to address factors such as education, training and family-work reconciliation policies. By contrast, labour market segregation and gender theories tend to assign a prominent role to discrimination as a prime determinant of the occupational segregation of women. According to these views, policy should try to promote equal opportunity and affirmative action, as well as consciousness-raising policies to remove gender stereotypes and prejudices. In the absence of such policies, gender segmentation may result in lower pay and fewer career options for women and increase labour market rigidity.

Factors driving industry and occupational segregation are complex. An individual's characteristics-age, education, experience are important. Education affects jobs offered. A young person's education choices early in life are important. The content of work and organisation in traditional male and female occupations are very different. There is insufficient flexibility to cater to women's family responsibilities. This affects women's opportunities.

Other factors, discussed in later sections are, public versus private sector, industry sector and firm size, career guidance and counselling and the impact of segregation on the care sector in Australia.

Countries with the highest levels of employment also have the highest levels of segregation. As women enter employment in increasing numbers diversity doesn't increase, work is not reorganised because tasks traditionally performed at home are replicated in jobs in health care, social assistance and education, thus providing services that are similar to those provided at home.

The amount and content of women's unpaid work is reflected in the range of women's occupations. Parents are more gender segmented than childless women because women with children are found more often in the service sector and are more likely to work part time. Mothers may also chose less demanding work by filtering their choices. Employers may discriminate because they think that mothers are less motivated or committed.

The OECD annual *Employment Outlooks* note that Australia has one of the highest rates of part time work in the OECD, third after the Netherlands and Switzerland. In 2014/15, two fifths of employed Australian women worked part time, compared to 15% of men. This rose to 62% of employed women with children under five (while part time rates for men with children were 7.7%).

Part time work is associated with less training and together with periods out of the labour force can lead to a decrease in skills, experience and promotion opportunities.

The ABS Time Use Surveys showed consistently that whether parents were employed or not mothers spent much more time caring for children than fathers.

Women's work is often regarded as unskilled. This may affect wage levels because of "crowding" - an increase in the supply of labour competing for a limited number of jobs or alternatively employers with some degree of monopsony power may take advantage to bargain lower wages.

Stereotypical views about women and men's career choices appear to develop in the early years of schooling, as discussed later in this submission. Studies of four year olds have shown strong gender bias in views about appropriate job choices.

c) Economic consequences of gender segregation for women, including the contribution of industrial and occupational gender segregation to the gender pay gap.

The economy needs the labour of women: it increasingly depends upon it and future growth depends on it. The current situation results in a sub optimum allocation of resources which impacts on the efficiency of the labour market, affecting labour supply, labour turnover, productivity and economic growth.

Research completed by economic Security4Women (eS4W)¹ in 2012, demonstrates that there is inadequate attention being paid to supporting women into careers in emergent and non-traditional occupations and industries across Australia.

A failure to adequately attract and skill women for careers in these industries has a twofold negative economic impact:

- a loss of productivity gains available through increasing the skills and career opportunities of a large untapped sector of the local Australian labour force; and
- the creation of an increasingly segregated labour force with potential to widen the gender pay gap and reduce economic outcomes and security for women and their families.

Without participation in paid work, women will end up poor in old age. Gender segregation imposes costs on women and families that results in lower accumulated income over a lifetime. Older women feel these inequalities more acutely in retirement, as a lifetime of disrupted or part-time work impacts on their accumulated superannuation. This means women have less of a financial security net than men.

Good working conditions (backed by good care arrangements) are good for children, increasing household income and modelling pathways out of generational poverty and unemployment.

¹ <http://www.security4women.org.au/wp-content/uploads/eS4W-Position-Paper-Viable-Employment-Women-Girls.pdf>

Jobs help women deal with violence. One in three Australian women has experienced physical violence after the age of 15. (ABS, Personal Safety Survey, 2012). For many, a job is a road out of violence to independence. Workplaces and colleagues can provide some protective effect from the debilitating social and personal effects of violence.

Long working hours (especially concentrated amongst men) imposes social, personal and health costs. A greater labour market contribution from women is part of the solution to the growth of long hours in Australia.

Industrial and occupational segregation contribute to ongoing earnings inequality. However, the magnitude of the effects is not clear. The research indicates that Australian studies generally show that industrial segregation widens the gender pay gap, with one study finding industrial segregation accounted for around 45% of the explained portion of the gap.

d) Approaches to addressing gender segregation as it relates to economic inequality and the gender pay gap in comparable jurisdictions.

Gender segregation is increasing in industrialised countries.

Internationally, the gender segregation of the workforce has generally increased in jurisdictions comparable to Australia. Following the onset of the global financial crisis (GFC), measures taken to address workforce gender segregation in these countries over the preceding forty years have come up against both structural changes in the economy and national measures of fiscal consolidation.

In relation to structural change, both the ILO and the European Commission have pointed to a consolidation of men in declining manufacturing industries, and a persistence of employment in female-dominated some service sector industries and occupations, leading to an overall increase in job segregation.

- In relation to **industrial segregation**, a 2013 review of *The impact of the economic crisis on the situation of women and men and on gender equality* prepared by the European Commission² found, unsurprisingly, that during the GFC the service sector fared less badly than the manufacturing sector, with the result that both male-dominated and female-dominated sectors became increasingly segmented:
- When the recession first struck, output and employment contractions were larger where manufacturing, construction, and selected financial branches were hit the most. Since women are consistently under-represented in these sectors, their comparative vulnerability was lower. In the joblessness and uncertain recovery that followed, female employment was relatively sheltered by comparatively rigid

² European Commission (2013), *The impact of the economic crisis on the situation of women and men and on gender equality*, Luxembourg, Publications Office of the European Union.
<http://ec.europa.eu/justice/gender-equality/files/documents/130410_crisis_report_en.pdf>

demand in sectors like social and health care, or even education. (European Commission, 73).

- In relation to **occupational segregation**, a 2016 review of *Trends on women's employment* undertaken by the ILO³ found similarly that in most of the countries studied:

Men have become increasingly concentrated in the occupation of plant and machine operators and assemblers while in about half the countries, men are increasingly overrepresented in that of craft and related trades workers. In most of the countries analysed, there has been little reduction in occupational segregation during the period under review. Meanwhile, the gender gap between women's and men's employment in the occupational categories of "Clerks and service workers" and "Shop and market sales workers" has increased, with more women than men entering these jobs. In seven countries, there is a difference of more than 5 percentage points between women's and men's employment as clerks. (ILO, 2016, 26-7).

These accounts of comparable industrialised countries suggest that women have been relatively protected during the GFC in female-dominated (but not male-dominated) occupations, because demand in the service sector is relatively rigid. If that is good news for women, the bad news is twofold:

- firstly, service sector jobs (in the public service, health and education) have been targeted for strategic cuts by governments in the fiscal consolidation period following the GFC; and
- secondly, there are indications that measures that support women's labour market choices (paid parental leave, child care, family benefits) are also being targeted by governments as part of their strategy of fiscal consolidation.

This has also been the Australian experience of fiscal consolidation.

Measures to address gender segregation comparable in industrialised countries

The consensus among jurisdictions comparable to Australia is that unequal sharing of family responsibilities between men and women continues to consolidate feminised industries and occupations and to reproduce the gender pay gap associated with them.⁴ The first means that women must remain in segregated industries/occupations, and the second that men will not enter them (ILO, 2016, 49).

Further, while female-dominated service sector jobs may have been relatively protected during the first phase of the GFC, they have also remained relatively poorly paid because they are viewed as incorporating domestic skills that are 'natural' to women and therefore

³ International Labour Organisation (2016), *Women at Work: Trends 2016*, Geneva.

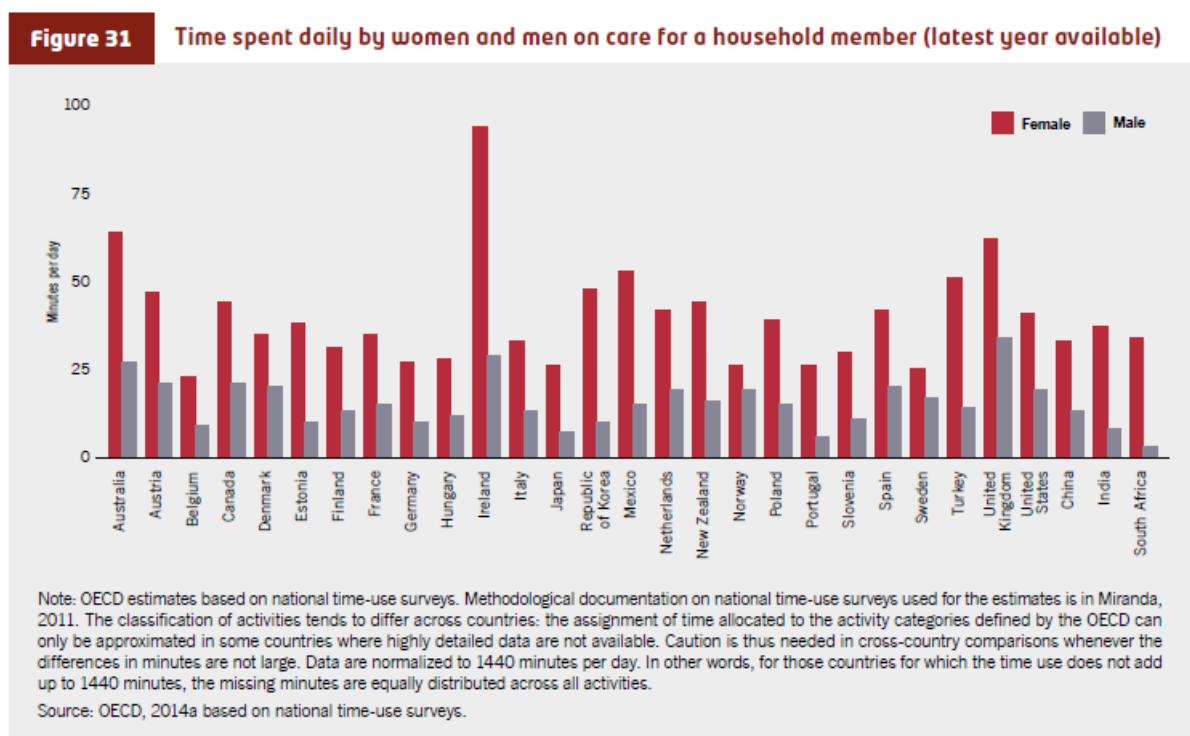
<https://www.cliclavoro.gov.it/Barometro-Del-Lavoro/Documents/2016/ILO_women_at_work_2016.pdf>

⁴ OECD (2012), *Closing the Gender Gap: Act Now*, OECD Publishing, p. 15.

<<http://dx.doi.org/10.1787/9789264179370-en>>

likely to be undervalued.⁵ Child care, aged care, teaching and nursing all fall into this basket of service industries.

These same industries are also characteristically associated with working time arrangements that enable women with family responsibilities to move between paid and unpaid work, but not between industries or even between classifications within a single workplace. Women are bound to these feminised occupations and industries because 'even...in high and middle-income countries with a relatively high participation of women in the labour force and in which women are more or less equal under the law, women are still likely to provide twice as much unpaid care work as men' (ILO, 2016, 68). (See figure 31 from ILO 2016 below.)



Recent studies prepared by the EC, the UN, the ILO and the OECD broadly agree that the situation has changed little since the 1970s, with some steps forward and some backward as a labour market contraction and fiscal consolidation following the GFC eat into earlier EEO and social welfare measures.⁶

Three types of measures have been to reduce the workforce gender segmentation among comparable jurisdictions:

⁵World Bank (2011), *World Development Report: Gender Equality and Development*, pp. 214-215. <<https://siteresources.worldbank.org/INTWDR2012/Resources/7778105-1299699968583/7786210-1315936222006/Complete-Report.pdf>> ; ILO (2016), chapter3, pp. 66ff.

⁶European Commission (2013), *The impact of the economic crisis on the situation of women and men and on gender equality*, passim; UN Women (2014), *The Global Economic Crisis and Gender Equality*, pp. 33-34. <<http://www.unwomen.org/en/digital-library/publications/2014/9/crisis-paper>>; OECD (2012) *Closing the Gender Gap: Act Now*, pp. 218-219; ILO (2016), *Women at Work: Trends*, (2016) pp. 69ff.

- Measures targeting social norms and preferences for women and men— encouragement of women to consider trades and, more recently, science, technology, engineering and mathematics (STEM) subjects studies and careers, and encouragement of men to take on increased family responsibilities
- Measures to address systemic factors that limit women's employment options— accessible child care, widely available paid parental leave, well designed income support, and, more broadly, recognition in government economic analysis and statistics of unpaid household and care work as a recognized form of work responsibilities
- Industrial measures to support women's workforce integration— support for pay equity, flexible work that is well articulated with full-time work, skills development and career progression, and supportive workplace cultures including targets and quotas to address glass ceiling issues.

Measures targeting social norms and preferences for women and men

In Europe, as in Australia, measures targeting social norms and preferences for women and men have been pursued since the 1970s through a range of equal employment opportunity measures aiming to bring young girls into male-dominated fields of work.⁷ In the 1970s this meant encouraging women into trades, but more recently the emphasis has been on encouraging women into science, technology, engineering and mathematics (STEM) studies and careers.

A cynic would argue that, in Australia at least, these measures have been favoured by governments because they are relatively inexpensive, easy to de-fund, and voluntary for employers. In some cases they are little more than a sequence of announceable pilots. Such campaigns to encourage women to enter male dominated industries or occupations have proved marginal in the past and are likely to prove marginal in future as they expect individual women to simply leap all the structural hurdles that keep women and men separate at work.

Recent research⁸ has shown, for example, that women, having been encouraged into STEM careers, are now leaving them in greater numbers than men because of inflexible work arrangements and care responsibilities (Mavriplis et al., 2010). The absence of flexible work arrangements in this field means that women take career breaks but cannot return to work. Not only is there a stigma against non-linear careers and workplace flexibility, there is commonly also age discrimination against women who return to their careers after a longer break (Tanenbaum and Upton, 2014; Herman, 2015; Mavriplis et al., 2010; Ceci et al., 2009). Women in science careers who take a few years off work may find that their careers have ended entirely. Some women reported that employment placement agencies would not take clients that had taken a year or two off (Williams et al., 2013).

⁷ Bettio, Francesca and Verashchagina, Alina (2009), *Gender segregation in the labour market: Root causes, implications and policy responses in the EU*, Luxembourg: Publications Office of the European Union.

⁸See ILO (2016), *Women at Work: Trends*, (2016) p. 92.

In Germany and the United Kingdom measures encouraging young women into STEM careers are now being supplemented by measures enabling older women with family responsibilities to re-enter them.

Box 1: Strategies for re-entry into science⁹

To facilitate the transition from career break to re-entry into science, technology, engineering and mathematics careers, in 2011 the Ministry of Finance and Economics in Germany established a pilot project called “WING”, which seeks to assist women engineers and scientists who have taken a family-related career break through a programme involving training, networking and certification. WING offers various courses to women to enhance their competence for future job applications, including courses on project management. Alongside courses, the programme sets up round tables with companies to enable women to interact with practitioners in the field and to network. The women participating in WING have an opportunity to meet with representatives in the German Association of Women Engineers. Upon completing the programme, the German Aerospace Academy presents the participants with a certificate which, for instance, certifies them as project managers in the field of engineering. The Government bears the bulk of the €260,000 fee for the re-entry program, while the participants each pay €750 (German Aerospace Academy, 2013).

Similarly, in the United Kingdom, the Daphne Jackson Trust offers fellowships to science, technology, engineering and mathematics professionals who have taken a break of two years or more to return to a career in research. The fellowship combines mentoring and retraining to enable women and men to obtain the skills and confidence that they need to return to their careers or to compete for positions. The retraining entails lectures in undergraduate and postgraduate courses, participation in training workshops, attending research meetings and conferences and learning new analytical techniques. In addition, the fellowship offers training courses in work-life balance, presentation skills, media and public relations and professional skills. The fellowship offers part-time options for returning scientists who may have family responsibilities, through a two-year part-time fellowship. The fellowship has made it possible for many women and men who have taken career breaks to return to work, as seven out of ten fellows remained in research for at least two years after their fellowship (Daphne Jackson Trust, 2015).

Another relatively recent development has been the recognition that the restrictions imposed by gender stereotyping on labour allocation work both ways, and that the stereotyping of women’s roles can only be successfully moderated by addressing the stereotyping of men’s roles. Denmark, Finland, Germany, Iceland, the Netherlands, and Sweden have adopted initiatives to address male as well as female gender stereotypes.

⁹ Taken from ILO (2016), *Women at Work: Trends*, (2016) p. 93.

Box 2: Initiatives to address male as well as female gender stereotypes¹⁰

A review of 263 policies on early childhood care and education shows that only 40 recognize the breadwinning role of women and take into account the gender-based division of unpaid care responsibilities at home. Early childhood care and education programmes often rely heavily on mothers to ensure that children attend pre-school and health centres, which, in addition to regular family duties, might challenge women's participation in the labour force. Some programmes, however, have integrated the reduction of women's unpaid care into their mandate and try to promote women's economic empowerment and children's welfare at the same time. In Albania, the "Gardens of Mothers and Children" is an affordable community-based centre that provides children with pre-school education, offers training to mothers and encourages men to take on more care responsibilities. The centre hosts fathers' gatherings, at which men can get together and discuss child health and development, children's rights, nutrition and play. Similarly, in Chile, the "Chile Crece Contigo" ("Chile Grows With You") programme combines childcare with support for fathers' roles in care and promoting women's access to paid work.

Some programmes, which are tied to early childhood policies, offer ways for fathers to be involved with childcare. In Jordan, fathers help with childcare by preparing meals and spending time in play. In Ukraine, fathers attend special courses and receive training which combats gender stereotypes and promotes men's involvement in early childhood development.

Box 3: Initiatives to address male as well as female gender stereotypes¹¹

In Austria, the Ministry of Social Affairs sponsors "Boys' Days", in which boys between the ages 14 and 18 spend a day participating in work in schools and hospitals. The event aims to encourage boys to enter into social and educational professions, as only three in ten workers in this sector are men (Council of Europe, 2015).

Box 4: Initiatives to address male as well as female gender stereotypes¹²

Since 2001, the Men in Childcare Scotland Group has successfully trained 1,200 men and has increased men's employment in early childhood care and education by offering at least a one-year funded training course exclusively to men (Cameron, 2013; Cameron and Moss, 2007). Such schemes have the additional benefit of exposing children – and their parents –

¹⁰ Taken from ILO (2016), *Women at Work: Trends*, (2016) p. 88.

¹¹ Taken from ILO (2016), *Women at Work: Trends*, (2016) p. 43.

¹² Taken from ILO (2016), *Women at Work: Trends*, (2016) p. 43.

to male caregiver role models, thus further eroding gender stereotypes (Peeters, 2007).

However, men are as likely as women to come up against working time arrangements that segregate the sexes and undermine initiatives that encourage them to jump the structural divide marking out unpaid and paid work as men's or women's. Men seeking or accessing parental leave or non-standard working hours from male-dominated industries are likely, for example, to confront discouragement and even discrimination in career development. In this case measures adopted in comparable jurisdictions tend to take the form of re-designed government programs (such as paid parental leave and child care—see Box 5 below) and, in individual workplaces, cultural change initiatives.

Measures to address systemic factors that limit women's employment options

Systemic factors limiting women's employment, and most particularly time use issues, require action at the national level. Measures adopted by comparable jurisdictions include paid maternity and parental leave, provision of accessible and affordable child, early childhood and after school care, and family income support and taxation arrangements designed to support women re-entering the workforce. Comparable jurisdictions are in broad agreement on the nature of, and need for these measures and, apart from the United States, many of the necessary programs attract Government support, although in different degrees. However, since the GFC these programs have been increasingly caught up in 'fiscal consolidation' measures taken in comparable jurisdictions as well as in Australia.

The OECD defines fiscal consolidation as "concrete policies aimed at reducing government deficits and debt accumulation".¹³ The European Commission, the OECD and the UN have all expressed concern that in many of their member countries these measures have been designed and adopted without policy consideration of the differential impact they are likely to have on women's employment.¹⁴

In the first place, service sector jobs (in the public service, health and education) have been targeted for strategic cuts by governments. The European Commission, in its review of *The impact of the economic crisis on the situation of women and men and on gender equality policies* (2012, 123) cited 'a recent OECD study on future employment plans, in which 'over three quarters of OECD countries indicate that they are planning reforms that will decrease [the public sector], while none are planning an increase'. The Commission expresses concern that these cuts are likely to undermine measures to increase the overall gender balance of national workforces for a number of reasons:

- Women tend to be over-represented in public sector employment.

¹³ OECD (2011), *Restoring Public Finances*, OECD Working Party of Senior Budget Officials, Public Governance and Territorial Development Directorate, Paris, p. 17. <<https://www.oecd.org/gov/budgeting/47558957.pdf>>

¹⁴ European Commission (2013), *The impact of the economic crisis on the situation of women and men and on gender equality*, pp. 18ff; UN Women (2014), *The Global Economic Crisis and Gender Equality*, Chapter 3; OECD (2012) *Closing the Gender Gap: Act Now*, pp. 219-20.

- Gender equality policies often start in the public sector and are always implemented much more strictly in the public sphere due to visibility, employment stability, the strength of the unions and--very often in the past-- soft budget constraints.
- In principle, high employment in the public sector is associated with the supply of abundant social services. (European Commission, 2013, 121)

In relation to the final point, both the OECD and the ILO also express concern that, as in Australia, measures supporting women's labour market choices (paid parental leave, child care, family benefits) are being injured by governments as an unintended consequence of poorly designed strategies of fiscal consolidation. According to the EC,

We have carried out a quantification exercise, exploiting the fact that the OECD has expressed the most important consolidation provisions as a share of GDP in the respective countries. In half the countries that we were able to include in our quantification exercise, we found that the provisions deemed to entail 'risks' that gender equality will be rolled back represent no less than one percentage point of GDP in one or more years within the announced consolidation period. This is not a negligible amount. (European Commission, 2013, 141).

The issue here is not fiscal consolidation itself, but badly designed consolidation. In all European countries, with only Austria, Finland and (possibly) the UK as partial exceptions, 'gender mainstreaming has been largely disregarded at the policy design and implementation stages' (European Commission, 2013, 143). Within obvious limits, program cuts can be designed to support an increase in gender equality. In Germany and France, for instance changes to paid parental leave were reduced, but redesigned to encourage men's take-up of leave to and better integrated with childcare arrangements.

Box 5: Men and paid parental leave¹⁵

Since 2007, Germany has moved away from a leave policy that supported mothers wishing to remain at home for three years after the birth of a child. Parental leave has now been reduced to 12 months. Its overall duration increases to 14 months, however, if both parents take at least two months of the paid parental leave (Geisler and Kreyenfeld, 2012). The benefit shifted from a means-tested flat rate to an income replacement modality at 67 per cent of previous earnings. The proportion of fathers taking leave increased from 3 per cent in 2006 to 28 per cent in 2012, with 83 per cent of these using their individual two-month entitlement. As Bünning (2015) shows, fathers who took up parental leave reduced their number of working hours per week while increasing the time that they spent on childcare and housework. The reform also resulted in the reduction of the overall number of parents taking more than one year of paid leave, which was a stated objective of the reform. In fact, just 11 per cent opted to prolong their paid leave to two years, paid at 33.5 per cent of prior earnings (Blum and Erler, 2013). In addition, Germany has invested heavily in the provision of childcare facilities (see figure 35) and since August 2013, every child between the age of 1 and school entry age has the legal right to early childhood support in a day-care centre or

¹⁵ Taken from ILO (2016), *Women at Work: Trends*, (2016) p. 86.

day nursery.

In France, the parental leave scheme was reformed under the 2014 act on equality between women and men, which was intended to promote men's uptake of parental leave from 18,000 to 100,000 by 2017. Parents with one child, who were previously entitled to six months of parental leave, are now allowed to take another six months, only if the co-parent is the beneficiary of leave as well. The leave remains available to parents even after the birth of their second child for the duration of three years, under the same condition that the co-parent is the beneficiary, or, failing that condition, for two and a half years. In addition, and on an experimental basis, the act introduced a shorter period of better paid parental leave (18 months) for parents with at least two children (ILO, 2014d).

One of the reasons why, in general, European policies of fiscal consolidation appeared set to consolidate the gender segregation of national workforces is that cuts to the public service have eaten into national gender equality infrastructure. By 2013, the EC was arguing that such cuts were seriously affecting the functioning of gender equality infrastructures in Austria, Belgium, the Czech Republic, Ireland, Latvia, Romania, the Slovak Republic, Spain and the United Kingdom (European Commission, 2013, 136).

Conversely, the EC analysis identified Portugal, Slovenia and Sweden as offering examples of good practice, since these countries had deliberately decided not to reduce the resources devoted to gender equality institutions and/or projects, and even to increase them. Iceland presented a best practice case.

Box 6: Iceland and Gender Equality Machinery¹⁶

The case of Iceland is worth recalling as a best practice example of using the economic crisis as an opportunity for radical change in the organization of the gender equality machinery. In the government, which took office in Iceland in May 2007, gender equality policies acquired priority as a policy issue in the hands of a female Minister of Social Affairs. When this Minister later became Prime Minister in February 2009, a gender equality policy was further prioritized in central government. Gender mainstreaming became the mode of policy implementation, and coordination of gender equality policies was moved from the Ministry of Social Affairs to the Prime Minister's office. One out of four ministerial committees is now a ministerial committee on gender equality, a further indication of the political willingness to give gender equality a prominent place in the policy agenda. . . . The gender equality agenda is independent of government responses to the economic crisis, but the fact that gender equality policy had been prominent on the agenda prior to the financial collapse did indeed affect the response, in the sense that decision-makers gave gender

¹⁶ Taken from European Commission (2013), *The impact of the economic crisis on the situation of women and men and on gender equality policies*, p. 38-39.

issues more prominence and attention than before. Academic experts on gender equality were, for instance, asked to contribute to the Special Investigation Committee's report to Parliament on the causes of the 2008-banking crisis. In the follow up, the Minister of Social Affairs and Social Security appointed a specific task force on gender equality, the Gender Equality Watch, to monitor the impact of the crisis on the situation of men and women. This task force delivered its first report in March 2009. When the Welfare Watch task force was established, the two task forces were merged so as to systematically mainstream the approach to gender equality into policy formulation and policy implementation.

One of the many important features of the Iceland example is the integration of gender analysis across the government decision-making, from policy development to budgeting to implementation, monitoring and review.

As an outcome of its review of *The impact of the economic crisis on the situation of women and men and on gender equality policies*, the European Commission made a number of recommendations. Many of these are of value, but those with special relevance to Australia include:

- Encourage Member States to adopt effective gender budgeting systems for their main policy initiatives, including ongoing or future recovery plans and expenditure reviews. Statutory requirements that policies be vetted ex-ante from a gender perspective may not be sufficient, as the experience in Austria and the UK indicates.
- Closely monitor the risk that fiscal consolidation may significantly erode welfare provisions as well as equality infrastructure.
- Gender mainstream income support schemes. Social expenditure and tax expenditure should focus on women's financial independence as a central concern, especially if they are aimed at lifting men and women out of poverty. (European Commission, 2013, pp. 22-23)

Systemic changes—wage fixation, minimum conditions, protections against discrimination

So long as women's work is undervalued, the job market will remain segregated and the gender wage gap will continue to reproduce itself. Drawing on a comparative review of 30 European countries, the European Commission's Group of Experts on Gender, Social Inclusion and Employment identified three broad approaches to addressing undervaluation. These were:

- equal pay policy aiming at tackling direct or indirect gender discrimination [e.g. anti-discrimination laws];
- equal opportunity policy aimed at encouraging women to have continuous employment patterns, and de-segregating employment by gender [e.g. childcare, parental leave, education, vocational and career guidance, work-life balance].
- wage policies aimed at reducing wage inequality and improving the remuneration of low-paid and female-dominated jobs [e.g. introduction of a mandatory minimum wage to set a floor to the wage structure, centralisation of wage bargaining to decrease inter-industry and inter-firm wage differentials, re-evaluation of low-paid

and/or female dominated jobs and application of gender neutral systems of job evaluation].¹⁷

Most of these strategies are already well known, as are the relevance of overseas practice to Australian practice.¹⁸ The Australian government was certainly aware that centralised wage fixation tended to minimise inter-industry and inter-firm wage differentials when it introduced first enterprise and then individualised bargaining under WorkChoices. It has also made repeated attempts at implementing equal pay legislation, which, with one notable exception, has proved too poorly drafted to be useful when actual cases have been brought before the industrial commission.

The Government is also aware of the limitations of policies 'aimed at encouraging women to have continuous employment patterns'—namely, the ongoing unwillingness of legislators to treat short time work as they treat full time work. According to the OECD, there remains a clear negative association in member countries between the increase in part-time work and the strength of employment protection legislation—an association echoed in Australia by the exclusion of casuals from a range of employment opportunities and even protections including:

- long service leave;
- the right to request flexible work arrangements and to take unpaid parental leave; and
- protection under unfair dismissal laws. (OECD, 2012, 247).

Addressing these issues is not a question of understanding but of political will. NFAW has made submissions addressing these matters to the recent review of Workplace Relations legislation conducted by the Productivity Commission.

Voluntary workplace measures

Voluntary workplace measures to address gender segregation are broadly agreed at international level to be most effective when they receive government support in the form of quotas, targets or minimum standards. Measures taken in comparable jurisdictions include:

The implementation of workplace policies for recruitment, leadership training, fast-track career measures, including sponsorship, mentoring and pairing within existing networks, with governments providing the financial incentives to do so; and information and awareness-raising campaigns to encourage employers to recruit and promote women, in particular in the sectors and categories mentioned. The government should play a leading role in implementing such programmes for public sector employment. Affirmative action measures will be more effective when they

¹⁷ Plantenga, J. & Remery, C. (2006), *The gender pay gap—origins and policy responses: A comparative review of 30 European countries*, Directorate General for Employment, Social Affairs and Equal Opportunities, European Commission, Office for Official Publications of the European Communities, Luxembourg, p. 35.

¹⁸ Layton, Robyn, Smith, Meg and Stewart, Andrew (2013), *Equal Remuneration under the Fair Work Act 2009: A report for the Equal Pay Unit of the fair Work Commission*, section 2.4.1 p. 28.
<<https://www.fwc.gov.au/documents/documents/payequity/er-report-6-dec-2013.pdf>>

are developed and applied through consultation and cooperation between the government and the employers' and workers' organizations concerned; when they suit the needs and possibilities of the employees and employers; and when they are effectively and periodically monitored and followed up (ILO, 2012c). (ILO, 2016, 47)

The WGEA takes the facilitative role in Australia, except in respect to public service employment.

e) Remedies appropriate for Australia, including but not limited to:

(i) measures to encourage women's participation in male-dominated occupations and industries (MDOI)

Remedies appropriate for Australia include measures identified in Australian research that address the barriers women experience to MDOI.

These measures include changes to the education and training of women and girls especially the introduction of gender aware career counselling/guidance; the provision of female role models in these occupations and industries; information for parents about the benefits of careers for women in MDOI and gender diversity strategies that include zero tolerance of work place discrimination against women.

Address the current barriers for women

Feedback to the Australian Human Rights Commission from interviews and roundtables with employees in the mining, construction and utilities industries highlighted that a number of barriers, some of which are historical and cumulative, must be addressed to increase women's representation in these male dominated industries¹⁹.

These barriers include:

- **Lack of family role models:** From the very start, women are not exposed to career paths in the mining, construction and utilities industries as early or as often as men. Many men learn about potential roles in these industries from their fathers or other male relatives. However, women are not likely to come across these opportunities until later in life if they do not have access to male role models in these industries. In addition, this exposure is more likely to occur in formal settings (i.e. recruitment information sessions) than from the more in-depth, personal connections that may be made among men.
- **Stereotypes and bias starting at school:** Career decisions are reinforced with the educational choices made during school and post-secondary education. Given this role stereotyping, there is gender segregation in education subjects, with girls more likely to consider education and careers in the humanities or social sciences rather than engineering or technical fields. The Harvard Implicit Association Test (IAT), which has

¹⁹ <https://www.humanrights.gov.au/publications/women-male-dominated-industries-toolkit-strategies-2013/chapter-1-summary-strategies>

tested more than a half million people globally, has shown that more than 70 per cent of test takers associated 'male' with science and 'female' with arts.^[13] Such implicit beliefs directly influence parents' (and other family members and friends) decisions to encourage or discourage young girls from pursuing science and engineering subjects and careers. Teachers may then reinforce these beliefs.

- **Negative perception and lack of awareness:** Even with the 'right' education, relatively few women are choosing to consider and apply for roles within male-dominated industries. Part of the reason is a negative perception of the industries or anecdotal feedback from others about a negative experience. Another factor is a lack of awareness of the opportunities and the career paths that are available within these industries.
- **Stereotypes and myths about women in the workplace:** Organisations within these industries are not addressing the stereotypes and assumptions about the sort of work women can do, have the skills to do, their potential performance and their commitment to their careers. These stereotypes and myths about women's lack of ability and aspiration, and the roles women should do (such as caring and motherhood) are then used to justify the activities of organisations that exclude women from recruitment and development activities.
- **Workplace culture:** Male-dominated industries are perceived to have a masculine or 'blokey' culture that is non-inclusive and has a higher tolerance of behaviours that could be viewed as sexual harassment, bullying and discrimination. This leads to a perception that jobs within these organisations would be a challenge at every stage of a career, not just at senior leadership.
- **Perception of (and actual) gender specific bias:** These industries are perceived to have a bias against women in relation to recruitment, development and career advancement, particularly in roles that are non-traditional and at the senior leadership level. This perception is then reinforced by the low percentages of women that work in these industries.
- **Structural issues:** These industries, particularly mining, have a culture of long hours and many don't offer flexibility and work-life balance. This is particularly true for roles where workers need to fly in to remote locations. There is also a perception that organisations in these industries fail to offer workplace facilities and uniforms that are inclusive of women.

Measures to address these barriers

Provision of role models

Female role models and mentors are the single most important enabler of effective careers' exploration for young women. Respondents described providing access to successful women in non-traditional occupations²⁰ as a simple yet highly effective approach to breaking down gender stereotypes in career decision-making.

To this end and based on findings of that research, eS4W successfully developed and piloted the distribution to secondary school career guidance teachers, materials that promoted

²⁰ <https://www.security4women.org.au/wp-content/uploads/eS4W-Career-Exploration-Project-Report-20140615.pdf>

online role models²¹. Many of these teachers claimed they had been unsuccessfully looking for similar resources for this purpose²². As eS4W is not a provider of career guidance resources, we shared this information with Education and Training Ministers at State, Territory and Federal levels, urging them to duplicate this work. NFAW is unsure if these resources have since been made available across jurisdictions.

Gender aware career information for family members

Parents and families have enormous influence on the career choices of young women. Consequently, families must be included in careers' exploration programs and advised about how best to support girls who are interested in non-traditional career pathways.

There is a need for career exploration that provides support for parents and families of young women, particularly in exploring non-traditional employment opportunities. The role that parents/guardians play in enabling and/or constraining career development for their daughters is a complex one.

Parents with entrenched views about the suitability of various occupations for their daughters hinder school-based strategies to broaden the interests and pathways of young women. Alternatively, where parents are supportive of potential pathways in STEM and non-traditional fields of employment, they are described as enabling effective strategies for broadening the career choices of girls and young women.

Gender aware career counselling during secondary education

Research for eS4W published in 2014²³ identified best-practice career guidance that can lead to expanded opportunities for the participation of women in the workforce and increased participation of women in high-income, in-demand Science, Technology, Engineering and Mathematics (STEM) careers. The recommendations were based on research that explored current models of careers' exploration available to young Australian women, particularly in relation to study and career choices in STEM and other non-traditional occupations and industries.

While such measures appear to fit within state and territory jurisdictions, a National Careers' Guidance Strategy that addresses the participation of women in STEM and non-traditional jobs, careers and industries would align nicely with current national commitments to gender equality, women's economic empowerment, their skills development and workforce productivity.

To advance the ideal of gender equity in the Australian workforce - as well as the long-term economic well-being of Australian women individually and the national economy generally - in 2014, eS4W recommended that the Federal LNP Government commission the development of models for best practice careers' guidance for secondary school girls, and

²¹ https://www.security4women.org.au/rolemodels/resource-material/?doing_wp_cron=1484894019.1388781070709228515625

²² https://www.security4women.org.au/rolemodels/?doing_wp_cron=1484892006.8466041088104248046875

²³ <http://www.security4women.org.au/wp-content/uploads/eS4W-Career-Exploration-Project-Report-20140615.pdf>

that this advice build on elements of successful programs from Australia and around the world.

Best practice guidelines to encourage women to enter non-traditional occupations

Career self-efficacy was a major factor identified by US Clute Institute, in a 2004 preliminary exploration of the literature to establish best practice guidelines to encourage women to enter non-traditional occupations (NTO)²⁴.

Career self-efficacy can be increased through: performance accomplishments, vicarious learning, verbal persuasion, and emotional arousal.

The results of this study revealed that women have perceived challenges to non-traditional occupations, which are rather easily overcome but have been a hindrance to their pursuing non-traditional employment.

Challenges include sex-role socialization, discrimination and harassment, transportation and childcare issues, the non-traditional workplace may be hazardous which requires special equipment or gear, extreme weather conditions, and the potential job related injuries.

This study indicated and established a positive correlation for the use of best practice guidelines in career counselling and development in regard to career decision-making. Career development and career counselling for NTO's requires a set of guidelines. The guidelines for NTO's should include best practice within the industry or field. Best practice guidelines ensure a common, consistent approach to successfully achieve the highest and best possible outcome.

The best practices guidelines for career counselling and career development programs for women entering NTO's include:

- (1) focusing on performance accomplishments,
- (2) participating in observational learning,
- (3) attending to emotional arousal, and
- (4) receiving verbal persuasion and encouragement.

Industry strategies to increase the representation and retention of women in non-traditional roles

Leading organisations in male-dominated industries recognise the need to develop an integrated strategy to increase the representation and retention of women in non-traditional roles. Within the strategy, these organisations also recognise the benefits of having unique mechanisms to attract, recruit, retain and develop women at all levels of the organisation.

In AHRC consultation with employers into WIMDOI, some organisations reported to AHRC²⁵ multiple principles and practices to ensure their strategy was successfully designed and

²⁴ <http://www.cluteinstitute.com/ojs/index.php/JDM/article/viewFile/8619/8616>

²⁵ <https://www.humanrights.gov.au/publications/women-male-dominated-industries-toolkit-strategies-2013/chapter-1-summary-strategies>

implemented. AHRC then proposed an integrated gender diversity strategy would include the following:

- **Lead from the top** with the CEO and senior leaders supporting the clearly articulated vision for gender diversity across the organisation, with a specific focus on increasing the representation of women in non-traditional roles.
- Establish a **Diversity Council** with the CEO and Executive leaders tasked to endorse the gender diversity strategy and to monitor delivery against action plans.
- Establish **accountability, targets and Key Performance Indicators (KPIs)** and link gender diversity, with a particular focus on increasing women in non-traditional roles, to the performance and remuneration outcomes of leaders.
- Implement a **transparent monitoring and reporting system** which tracks female-specific data and is reported against regularly. Use this data to assess the impact of policies, practices and strategies.
- Conduct **employee surveys** to find out what is working and what is not working with existing workplace culture and policies. Disaggregate responses based on the gender of respondents and the type of role, including those that are non-traditional.
- Invite **men to co-develop the strategy** and get their perspectives and participation for buy-in, co-ownership and lasting success for increasing women in non-traditional roles.
- Ensure **pay equity** (both fixed and variable pay) at all levels of the organisation and ensure this is regularly monitored through a transparent audit process.
- Monitor **turnover by gender** and undertake exit interviews (on departure and one year after departure) to understand reasons for resignation.
- Implement **policies to change workplace culture** to be more inclusive. Change behaviours and attitudes about roles women can do by challenging assumptions and stereotypes about male-dominated roles and workplaces.
- Embed the **gender diversity strategy** within all key Human Resources processes including the end-to-end talent process. Inject scrutiny at all critical decision making points within the talent process.
- Develop a **communication plan** to share the vision, strategy and action plan to achieve gender diversity with all employees and with all key external stakeholders.
- Publically **promote the benefits of gender diversity** and aim to be a recognised leader in having a sustainable and inclusive culture.

(ii) measures to professionalise and improve conditions in female-dominated occupations and industries

As stated earlier in our submission, occupational gender segregation in Australia has remained persistent over the last 20 years and traditionally female-dominated industries (Health Care and Social Assistance and Education and Training) have seen the proportion of women increase further²⁶.

²⁶ https://www.wgea.gov.au/sites/default/files/20160801_Industry_occupational_segregation_factsheet.pdf

Also, on an occupational level, male-dominated workplaces have smaller proportions of part-time employees while full-time employees tend to work longer hours - attributes that may deter people (primarily women) with family and caring responsibilities.

And it is no surprise that average remuneration in female-dominated organisations is lower than in male-dominated organisations.

Research into 'the Australian care economy' commissioned by economic Security4Women²⁷ focused very much on these female dominated industries of Health Care and Social Assistance and Education and Training and found the size and importance to the national economy of both the paid and unpaid care sectors were overlooked in key economic data with potentially serious consequences for future economic growth.

The first measure to professionalise and improve conditions in female dominated occupations and industries would be to acknowledge the crucial importance of the paid care sector as well as the contribution of unpaid care to the Australian economy.

In 2009-2010, the paid care sector employed 1.8 million people, forming 18.5 per cent of the Australian workforce. Income earned by care sector workers in 2009-10 was \$112.4 billion, equating to 8.8% of total GDP and \$5,033 per capita.

However, the value of workers in the care sector is not recognised in their remuneration. They earn an average of 96 cents for every dollar earned by the average Australian worker and women in the paid care sector earn on average 84 cents for every dollar earned by their male counterparts, due to the prominence of males in higher-level roles.

The second measure would be to acknowledge that this care work is an example of a public good and creates positive externalities, such as increased productivity of the parents of children in childcare and that these benefits are not reflected in the market price.

The third measure would be to acknowledge that this 'market' will fail to sustain a functioning care economy into the future. The market price of care does now and will continue to have an impact on the supply of labour and intervention in the form of public policy and funding is required to ensure appropriate levels of care are and remain available.

Detailed considerations based on the findings of the eS4W research into the care economy were:

Firstly, as social, political and economic factors change the way in which society operates, in particular, the increased participation of women in the paid workforce and the increase in cost of living expenses, without intervention, the sustainability of the current Australian care sector is questionable.

According to 2010 Department of Education, Employment and Workplace Relations data, skills shortages already exist across several occupations in the care sector, suggesting there is already excess demand for paid care services. This demand is expected to grow over the coming decades, particularly in healthcare services, as a result of an ageing population.

²⁷ <http://www.security4women.org.au/wp-content/uploads/eS4W-Counting-on-Care-Work-in-Australia-Final-Report.pdf>

According to ABS projections, a quarter of the Australian population will be aged over 65 years by 2101.

The economic value of the unpaid care sector suggests that, to some extent, excess demand for formal care is compensated for by the unpaid care sector.

Fortunately for our understanding of the unpaid sector, in 2011, OECD published a statistical working paper incorporating Estimates of Household Production of Non-Market Services and comparing estimates of unpaid work for 26 OECD countries and China. Drawing on estimates produced in this paper, together with ABS estimates based on the Time Use Survey, the Survey of Employee Earnings and Hours, the Labour Force Survey, and the Australian System of National Accounts, the ABS has graphed the value of unpaid work conducted in Australia relative to GDP as second highest among these 27 countries, using either of the valuation methods applied.²⁸

Sustaining this existing significant provision of unpaid care from the household sector risks becoming problematic due to changing economic circumstances, as fewer Australians, in particular women, may be able to provide unpaid care.

So, more needs to be done to attract workers into the care sectors and to assist Australians in their unpaid care responsibilities. But employers in the aged care sector have reported increased difficulty recruiting qualified staff, and high staff turnover. They attributed this to relatively low remuneration and difficult working conditions.²⁹

Increased investment in paid and unpaid care is likely to be required to ensure adequate future provision.

However, Australia continues to record low rankings in international comparisons of government investment as a percentage of total investment in formal care (i.e. primary and secondary education and health and social assistance).

The nations with higher government investment in the formal care sectors (notably Norway, Sweden and Ireland) tended (though not uniformly) to rank lower in terms of value of the unpaid care sector (particularly using the replacement cost method).

Economies that spent more on formal care are less reliant on the unpaid care sector. These nations also tend to have greater equity in terms of performance of unpaid work. Men and women perform similar proportions of unpaid domestic work, in the less than 15 hours of per week category, but contributions from women rise significantly above 15 hours per week. This suggests that nations requiring lower levels of unpaid care are likely to reduce the care responsibility for women.

²⁸ ABS (2014), Spotlight on National Accounts May 2014, Cat. No. 5202.0, Graph 1.
<http://www.abs.gov.au/ausstats/abs@.nsf/PrimaryMainFeatures/5202.0?OpenDocument>

²⁹ <http://www.security4women.org.au/wp-content/uploads/eS4W-Counting-on-Care-Work-in-Australia-Final-Report.pdf>

Measures to professionalise and improve the conditions in these sectors already in place include:

- Formal training incentives for care sector occupations. The General Skilled Migration Program supports training of skilled migrants in areas demonstrating skills shortages. For example, childcare centre managers, medical administrators, nursing clinical directors, primary health organisation managers, and early childhood teachers.
- Unpaid care provision is increasingly recognised by employers and the government. For example, the Paid Parental Leave Scheme began in January 2011, providing 18 weeks of paid parental leave to eligible parents. Many employers also provide programs to assist employees perform their care duties.

However, the importance to the national economy of these female dominated occupations and industries needs to be acknowledged with better rates of pay and improved working conditions to retain existing experienced workers and to attract new people, men and women, into the industry.

Much of the care economy is publicly funded so while the skills shortages and value of care work could be reflected in higher pay and attractive conditions if supply and demand were functioning as per market theory, limits to and insecurity of government spending keeps a downward pressure on pay and for an increasingly casualised workforce.

In short, measures required are for the remuneration for people working in female dominated occupations and industries to better reflect the value they contribute to the national economy and for these workers to have access to quality training and certification that also reflects the importance of their work.

(iii) measures to promote pay equity³⁰

As indicated above, changes in the industrial system, including deregulation and decentralised bargaining, have contributed to greater gender wage inequality and made seeking redress more difficult. Gender pay equity is much higher in award-related remuneration than in remuneration under certified agreements or over-award payments. Non-award related pay systems are often lacking in transparency and frequently involve high levels of management discretion, which often involves gendered decision-making.

In recognition of the pay equity issues associated with decentralised wage fixation, legislation for enterprise bargaining included the introduction of statutory equal pay provisions. Division 2 of Part VIA of the Industrial Relations Act 1988 remained in place for 12 years until the introduction of the WorkChoices in 2005. According to a review of their operation undertaken on behalf of the Fair Work Commission, 'a notable feature of the 1993 equal remuneration provisions was the relatively small number of applications made

³⁰ This section draws substantially on research commissioned for Fair Work Australia by the Equal Pay Unit cited below and work of the Women's Electoral Lobby.

under them, the uncertainties and limitations associated with their interpretation and application and, as a result, their failure to make a significant contribution to achieving gender pay equity' (Layton et. al. 2013, 142).

Perhaps the key limitation of the 1993 equal pay provisions was that the drafting of the legislation led the Commission to the view that in order to win equal pay an applicant had to demonstrate sex discrimination and in order to demonstrate sex discrimination an applicant had to identify a male comparator. Comparator classifications of men undertaking the same work as women were limited in a highly gender segregated workforce, and demonstrating equivalent work value between different classifications of women and men gave rise to arguments about how work value was to be determined. At one point during the HPM case a number of proposed male comparators even lost their jobs.

WorkChoices entrenched the problem of finding a male comparator in a gender segregated workforce by (inter alia³¹) amending the equal pay legislation to make the need for a comparator classification explicit, and no cases were brought under that legislation.

Part 2-7 of the Fair Work Act (FWA) attempted to address the problem of finding a male comparator in a gender segregated workforce by referring to the need for equal pay for work of equal or comparable value, and making no mention of any need to establish discrimination, and with discrimination, a particular comparator. In this it had an eye to more successfully operating equal pay legislation at the state level, in which pay equity had been won by women by demonstrating undervaluation on the basis of sex without the need to cite particular male comparator classifications.

The first major case conducted under the FWA was instituted by the Australian Services Union and four other unions, to extend the benefit of an equal pay case that had already been successfully run in the Queensland Industrial Relations Commission in relation to the social and community services (SACS) sector. During the case various employer groups and State governments asked the Commission to interpret the FWA as calling, like previous iterations of Commonwealth equal pay legislation, for a male comparator group. The Full Bench rejected this approach, arguing that in its view the applicants had established that (at [253]):

- (a) much of the work in the industry is 'caring' work
- (b) the characterisation of work as caring work can disguise the level of skill and experience required and contribute, in a general sense, to a devaluing of the work
- (c) the evidence of workers, managers and union officials suggests that the work, in the SACS industry, again in a general sense, is undervalued to some extent, and
- (d) because caring work in this context has a female characterisation, to the extent that work in the industry is undervalued because it is caring work, the undervaluation is gender-based. (at [254]).

³¹ For other limitations see Layton et. al. (2013) *Equal Remuneration under the Fair Work Act 2009: A report for the Equal Pay Unit of the Fair Work Commission*, p. 144.



However, the Commission's decision in the subsequent early childhood education and children's services case in 2015 (FWCFB 8200) narrowed the scope for equal remuneration applications and reintroduced the requirement for feminised work to be compared directly to male work.

It appears that Australian workplace relations legislation needs to be clarified yet again if the legislation is to operate effectively in a gender segregated workforce.

It would also be desirable for the minimum standards provisions of the Workplace Gender Equality (Minimum Standards) Instrument 2014 to be amended to require all reporting employers—that is, all employers of 100+ employees—to conduct an organisational review of pay equity within a fixed timeframe.