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The Director  
Senate Finance and Public Administration Committees  
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### **Gender segregation in the workplace and its impact on women's economic equality**

Carers NSW would like to thank the Finance and Public Administration References Committee for the opportunity to respond to this inquiry. Our submission focuses on caring for a family member or friend with a disability, mental illness or health condition as a factor impacting on the occupational and industrial segregation of women in the workforce and its associated economic impacts.

This submission refers to carers as individuals who provide informal care and support to a family member or friend who has a disability, mental illness, drug or alcohol dependency, chronic condition, terminal illness or who is frail aged. Carers NSW is the peak non-government organisation for carers in NSW and a member of the National Network of Carers Associations. Our vision is an Australia that values and supports all carers, and our goals are to work with carers to improve their health, wellbeing, resilience and financial security; and to have caring recognised as a shared responsibility of family, community, and government.

Thank you for accepting our submission.

Yours sincerely

Elena Katrakis  
CEO  
Carers NSW



**Carers NSW submission: Gender equality in  
the workplace and women's economic  
equality**

10 February 2017

**AN AUSTRALIA THAT VALUES AND SUPPORTS ALL CARERS**

## Background

In NSW there are approximately 904,400 unpaid carers providing support and assistance to a family member or friend.<sup>i</sup> This is equivalent to nearly one in ten NSW residents. Most carers in NSW are of working age and 56 percent are female.<sup>ii</sup> Nearly one in three (31 percent) carers is a primary carer, defined as the person who provides the most care.

Due to the difficulties of balancing work and care, nearly half of carers in NSW (45 percent) are outside of the labour force compared to one third (31 percent) of non-carers.<sup>iii</sup> Of those carers that are employed, at least one in five (21 percent) works part-time.<sup>iv</sup> Female carers are more than twice as likely to work part-time than male carers.<sup>v</sup> Considerably fewer primary carers are in the labour force, and those that are employed are even more likely to work part-time.

National data shows that unpaid carers are more likely than non-carers to work in occupations and industries that are gender segregated.<sup>vi</sup> This is particularly the case in NSW. For example, 25 percent of primary carers and 16 percent of all carers work in the health care or social assistance industry, whereas only 12 percent of non-carers work in this industry.<sup>vii</sup> In terms of occupation, approximately 20 percent of primary carers and 12 percent of all carers work as community or personal service workers.<sup>viii</sup> By comparison, only 10 percent of non-carers work in this occupation.

While for many carers employment in such industries and occupations is based on their personal interests and preferences, the relative flexibility and required skillset sometimes make such roles the only option. Carers NSW 2014 Carer Survey found that 25 percent of carer respondents had changed job to better accommodate their caring role, while 35 percent reported that changing work arrangements had resulted in a lower level job or interrupted their career progression.<sup>ix</sup> Carers who re-enter the workforce may also have few employment options other than to work as community or personal service workers, as a result of their extensive time out of the workforce in their chosen industry.

Carers NSW is concerned that limited flexible employment options restrict the choices of unpaid carers, concentrating them in gender segregated and generally less secure, lower paid industries, reducing their overall economic security. Strategies are required that assist carers to upskill, retrain and maintain their skills to enable them to work in their industry of preference.

## Occupational and industrial segregation

The social assistance industry is well known to be a gender segregated industry. Leuze and Strauß argue that this industry is characterised by 'female-typical' work-time arrangements such as part-time and casual, as well as the 'female-typical' work tasks of caring for others.<sup>x</sup> Together such factors contribute to the ongoing gender-pay gap.

Fifty percent of staff employed in the health and social services industry work part-time and 23 percent are casual, with only 26 percent working on a full-time basis.<sup>xi</sup> As a result, workers in this industry have lower weekly hours and ultimately lower overall pay compared to other male dominated industries of mining, construction, electricity/gas/water/ waste services.<sup>xii</sup> For many women, it is an undoubtedly a conscious career and/or lifestyle choice to work in this

industry; however for others, especially those with demanding caring roles, there is not much choice.

Currently, low pay characterises the health and social services industry, especially for those working in community and personal service roles. Various scholars have argued that 'female-typical' work tasks such as caring for others incur an occupational and financial penalty because such work has traditionally been largely unpaid, provided by women as part of their 'domestic duties'.<sup>xiii-xiv</sup> In addition to the relatively low pay, many workers in this industry have limited opportunities for career progression,<sup>xv-xvi</sup> as appointment to key positions is often dependent on a person's ability to work full time. Even when carers are offered career advancement opportunities, research suggests that they are less likely to take them.<sup>xvii</sup>

It should also be noted that the added costs of caring when combined with a low income can make a carer's financial position even more precarious. There is substantial evidence to suggest that carers often have significant out-of-pocket expenses as a result of their caring role.<sup>xviii</sup> Many carers have higher than average household expenses for electricity, vehicle and home modifications, medications and transport. The economic impacts of insecure or low paid work may therefore place carers in a more precarious financial position than non-carers.

The Senate Economics Reference Committee has recently reported that occupational and industrial segregation is a significant factor in the superannuation savings gap between men and women.<sup>xix</sup> Time out of the workforce to attend to caring responsibilities makes female carers particularly vulnerable to accruing inadequate superannuation.

For example, economic modelling has shown that if a woman leaves the workforce to care for a child with disability when she is 30 years old, her retirement income will be inadequate during her old age.<sup>xx</sup> For many female carers, fewer lifetime assets as a result of a low wage and high household expenses amidst limited employment can also contribute to financial insecurity in retirement.<sup>xxi</sup>

## Flexible workplace arrangements

In industries other than health and social services, obtaining flexible workplace arrangements can be especially difficult. Under the *Fair Work Act 2009* a carer that is employed on a full-time or part-time basis has the right to request flexible workplace arrangements.<sup>xxii</sup> However, this request can only be made after a year of continuous employment. Furthermore, making such a request does not guarantee that the request will be granted as the employer has the right to deny the request on 'reasonable business grounds'.<sup>xxiii</sup>

Skinner and Pocock argue that Australia "lacks an effective enforcement or appeal mechanism providing little protection or support to the most vulnerable in the workforce such as precarious, unskilled, low paid or un-unionised workers" when requesting flexible workplace arrangements.<sup>xxiv</sup> Thus if carers experience difficulties obtaining flexible workplace arrangements they may instead seek employment in female segregated industries or occupations due to their inherently more flexible design.

Recently, some workplaces have begun to implement a 'flexibility by design' approach, whereby flexibility is a priority in determining the set up of individual positions and whole teams. Proponents of this measure suggest that it prevents the need to accommodate individual scenarios and instead recognises that all employees are likely to have some form of caring commitment outside of work at some stage.<sup>xxv</sup>

**Recommendation 1:** Carers NSW recommends that the Committee consider 'flexibility by design' as a measure to reduce occupational and industrial segregation and the associated financial penalties for women with caring roles.

**Recommendation 2:** Carers NSW recommends that the Committee consider the impact of the current methods by which an employer can request flexible workplace arrangements.

### Impact of income support

Another potential barrier to carers being employed outside of female segregated industries is the working hour constraints associated with the Carer Payment. The Carer Payment is a means-tested pension provided by Centrelink to individuals assessed as providing constant care. Carers receiving this payment cannot work, study, train or volunteer for more than 25 hours a week (including travel time) without compromising their payment. Carers that wish to retrain in another industry are often forced to sacrifice their financial security to study.

Leslie\* is a single mother and cares for her daughter Penny,\* who has complex support needs. Leslie receives the Carer Payment and is employed as a paid care worker, which is the only job that is flexible enough for her to fit within the 25 hour rule. Sometimes Leslie struggles to make ends meet as a result of her low income. She wants to study so she can get a better paying job, but realised that she could not study and work without breaking the 25 hour rule.

*\*Names changed*

**Recommendation 3:** Carers NSW recommends that the Committee consider the impact of the 25 hour rule in perpetuating the occupational and industrial segregation of female carers.

### Government Policies

Governments are expressing increasing interest in creating pathways for carers on income support payments into the paid care sector. For example, a discussion paper on the proposed Integrated Carer Support Service put forward the idea of supporting carers to complete certificates in community care.<sup>xxvi</sup> While Carers NSW believes that this is an excellent opportunity for unpaid carers to acquire employment that makes use of the skills developed in the caring role, we wish to highlight that carers should be supported to pursue qualifications and employment in the industry and occupation of their choosing, especially if they have pre-existing skills and work experience. Although this may take longer to achieve, it may also

provide long term financial benefits to carers, who may achieve higher incomes and greater job security in another industry.

Furthermore, for many carers it may not be appropriate to be employed as a paid care worker. Caring can be physically and emotionally draining, and caring at home and then at work may be unsustainable. In some cases, injuries acquired during their caring role may in fact prevent them being employed as a paid carer.

**Recommendation 4:** Carers NSW recommends that the Committee consider the importance of allowing unpaid carers to pursue employment industries and occupations of their choosing.

### Male segregated industries

While this inquiry focuses on the impact of occupational and industrial segregation for women, Carers NSW would also like to point out that male carers can also be disadvantaged by industrial and occupational segregation. Male segregated industries are typically characterised by full-time employment<sup>xxvii</sup> with cultures less accommodating of family responsibilities. As a result, male carers can find it difficult to balance work and care without facing discrimination in the workplace, such as being overlooked for promotions.<sup>xxviii</sup> Requests for flexible working arrangements, such as coming back to work on a part time basis, may not be granted.<sup>xxix</sup> As a result, some male carers may be required to retrain.

Lachlan\* is a young carer of his stepson, daughter and his mother. Lachlan has recently been accepted to study a social services degree. He decided to retrain after being unemployed for 15 months. He was previously working as a labourer, however he found it difficult to balance this work with his caring role. Lachlan believes a key barrier to young carers getting and keeping a job is a lack of understanding from managers and owners about why carers need time off and flexible hours.

*\*Name changed*

**Recommendation 5:** Carers NSW recommends that the Committee consider the challenges of balancing work and care in male segregated industries and occupations.

**Recommendation 6:** Carers NSW recommends that the Committee raise awareness of the need for traditionally male dominated industries to promote flexible working arrangements for both women and men.

### Conclusion

Carers NSW thanks the Finance and Public Administration References Committee for the opportunity to comment on this inquiry. We believe that this inquiry presents a valuable opportunity to enhance the economic equality between men and women with a direct impact on the economic situation of many carers.

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- <sup>i</sup> Australian Bureau of Statistics (2017), *Disability, Ageing and Carers, Australia: New South Wales, 2015*, Canberra, available online at: <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/4430.02015?OpenDocument>, viewed 13 January 2017.
- <sup>ii</sup> ABS (2017)
- <sup>iii</sup> Ibid.
- <sup>iv</sup> Ibid.
- <sup>v</sup> Ibid.
- <sup>vi</sup> Australian Bureau of Statistics (2016) *Disability, Ageing and Carers, Australia: Summary of findings, 2015*, Carer tables, Canberra, available online at: <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/4430.02015?OpenDocument>, viewed 6 February 2017.
- <sup>vii</sup> ABS (2017)
- <sup>viii</sup> Ibid.
- <sup>ix</sup> Carers NSW (2014) *Carers Survey: Main Report*, Sydney.
- <sup>x</sup> Leuze, K. and Strauß, S. 2016, 'Why do occupations dominated by women pay less? How 'female-typical', work tasks and working time arrangements affect the gender wage gap among higher education graduates', *Work, employment and society*, vol. 30, no. 5, pp. 802-820.
- <sup>xi</sup> WGEA Data Explorer (2016), *Health Care and Social Assistance summary for 2015*, Available online at: <http://data.wgea.gov.au/industries/7>, viewed 14 October 2016.
- <sup>xii</sup> Leuze and Strauß (2016).
- <sup>xiii</sup> Ibid.
- <sup>xiv</sup> Daly, M. (2002), 'Care as a Good for Social Policy', *Journal of Social Policy*, vol. 31, no. 2, pp. 251-270; Fine, M. (2007), *A Caring Society? Care and the Dilemmas of Human Service in the 21<sup>st</sup> Century*, Palgrave MacMillan, New York, p.177.
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- <sup>xvii</sup> Heitmueller, A., Inglis, K. (2007), 'The earnings of informal carers: Wage differentials and opportunity costs', *Journal of Health Economics*, vol. 26, pp. 821-841; Carers NSW (2014) *Carers Survey: Main Report*, Sydney.
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- <sup>xix</sup> Senate Economics References Committee (2016) 'A husband is not a retirement plan' *Achieving economic security for women in retirement*, The Senate, Parliament of Australia.
- <sup>xx</sup> Nepal, B., Brown, L., Ranmuthugala, G., Percival, R. (2008), Lifetime health and economic consequences of caring: modelling health and economic prospects of female carers in Australia, National Centre for Social and Economic Modelling.
- <sup>xxi</sup> Sharam, A., Ralston, L. and Parkinson, S. (2016), 'Security in retirement: The impact of housing and key critical life events', Swinburne University of Technology: Melbourne; Stone, W., Sharam, A., Wiesel, I., Ralston, L., Markkanen, S. and James, A. (2015), 'Accessing and sustaining private rental tenancies: critical life events, housing shocks and insurances', AHURI Final Report No. 259, Australian Housing and Urban Research Institute; Swinburne University of Technology, The University of New South Wales and Curtin University; McFerran, L. (2010), *It could be you: single, older and homeless*, Homelessness NSW, Woolloomooloo, New South Wales.



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<sup>xxii</sup> Fair Work Ombudsman (2017), *The right to request flexible working arrangements*, Australian Government, available online at: <https://www.fairwork.gov.au/how-we-will-help/templates-and-guides/best-practice-guides/the-right-to-request-flexible-working-arrangements>, viewed 2 February 2017.

<sup>xxiii</sup> Ibid.

<sup>xxiv</sup> Skinner, N., Pocock, B. (2014), *The Persistent Challenge: Living, Working and Caring in Australia in 2014. The Australian Work and Life Index 2014*. Centre for Work and Life, University of South Australia: Adelaide, p. 38.

<sup>xxv</sup> Russell, G., O'Leary, J., Tilly, J., Brown, C. (2016), *Future-Flex: Mainstreaming Flexibility by Design: Redesigning work to make flexibility standard business practice in Australian retail workplaces*, Synopsis Report, Diversity Council Australia, available online at: <https://www.dca.org.au/files/file/Research/DCA%20Future%20Flex%20Synopsis%20Online%20Accessible.pdf>; viewed 17 October 2016.

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<sup>xxvii</sup> WGEA Data Explorer (2016), *All industries summary for 2016*, available online at: <http://data.wgea.gov.au/industries/1>, viewed 6 February 2016.

<sup>xxviii</sup> Wright, A., Crettenden, A., Skinner, N. (2016), 'Dads care too! Participation in paid employment and experiences of workplace flexibility for Australian fathers caring for children and young adults with disabilities', *Community, Work and Family*, vol. 19, no. 3, pp. 340-361.

<sup>xxix</sup> Ibid.