

Submission Number: 74
Date Received: 28/8/08

Submission to the House of Representatives Standing Committee on Employment and Workplace Relations inquiry into pay equity and associated issues related to increasing female participation in the workforce by the Australian Maritime Officers Union.

Introduction

The Australian Maritime Officers Union is pleased to participate in the House of Representatives Standing Committee on Employment and Workplace Relations inquiry into pay equity and associated issues related to increasing female participation in the workforce.

The Australian Maritime Officers Union (AMOU) was formed in 1993 when the Merchant Service Guild and the Australian Stevedoring Supervisors Association amalgamated. With a proud history extending back to the 1880s the AMOU is uniquely placed to represent mariners as well as professional, administrative, supervisory and technical employees in the port and marine authorities, tug boat industry, stevedoring / terminals, pilotage services, port operations, ferry services, charter and tourist vessel, coastal trade, offshore oil and gas industry and floating production vessels.

The AMOU is registered by the Australian Industrial Relations Commission and in accordance with the employment laws of Queensland, New South Wales and Western Australia. This enables the AMOU to represent members in the Federal and State legal jurisdictions. The AMOU is also a federated member of the International Transport workers Federation and a member of the International Maritime Organisation.

The AMOU consists of 3248 members, of which 99 are female. Our Members belong in two distinct groups those who go to sea and those who do not go to sea. Members working on vessels typically commence their employment in the maritime industry as cadets, through a process of educational training and seetime on board vessels, members gain navigational Certificates of Competency resulting ultimately in holding a Class 1 Certificate of Competency enabling them to hold the position of Master of a vessel or with further training the position of Pilot. A Pilot is the person who instructs Masters (without local knowledge) on how to navigate entrance / exit into a port. Our female members working on vessels are paid the same as our male members, and the anecdotal evidence would suggest that they are well represented in the position of Master and Pilots indicative that the opportunity to training and promotion are equivalent to our male members. Seagoing members earn above average weekly earnings.

Our female members not at sea, but involved in port and marine authorities and stevedoring / terminals are typically confined to the lesser paid administrative support roles and earn much less than our seagoing members. For example the Port of Melbourne Corporation(MPC) employs 185 employees of which 50 are female. The majority of our female members work in the data entry, administrative and personnel assistant roles with apparently very limited opportunity to progress within the corporation. Only one woman holds an executive position out of the five possible positions. If the MPC is an indicative example of women in the workforce then it is timely that the government hold a review of pay equity and associated issues related to increasing female participation in the workforce

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Equal pay for equal work is the concept that individuals doing the same work should receive the same remuneration regardless of their sex, race, sexuality, nationality or anything else. We respectfully submit that equal pay does not simply relate to basic salary but this review should consider the entire gamut of benefits including, non salary payments, bonuses and allowances and not least income in retirement.

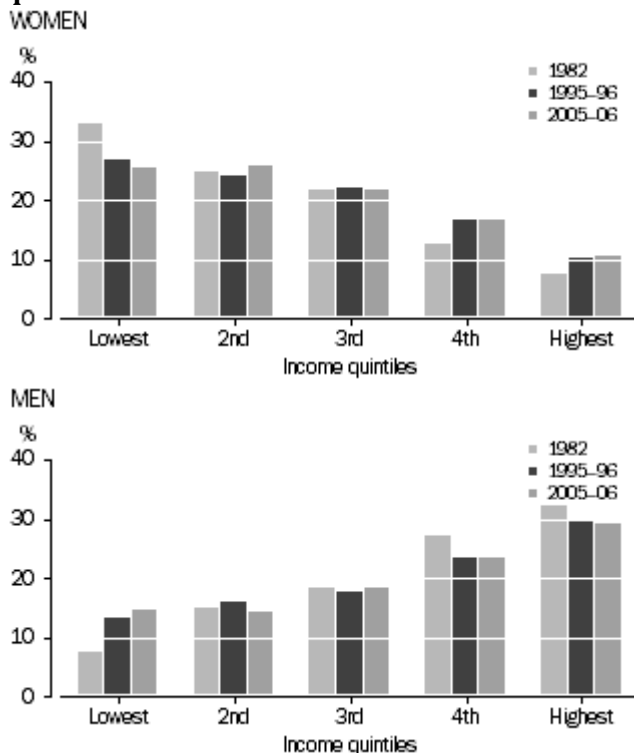
The Majority of Australia Women Do Not Enjoy Pay Equity

Despite the push for equal pay for the past forty years, the following statistics from the Australian Bureau of Statistics confirm that the majority of Australian women do not enjoy equality at the workplace.

- **Women only earn 84% of average weekly earnings of male employees**
 ‘Australian women who work full-time still earn an average of 17% less than men who work full-time. According to figures from the Australian Bureau of Statistics’ most recent Average Weekly Earnings Survey, in November 2007 women working full-time earned an average of about 84% of average full-time male earnings, or \$991 compared to \$1176.

‘The gender pay ratio in Australia widened across all industries by 2.1 per cent between May 2004 and May 2006 from 87.1 per cent to 85.0 per cent based on ordinary time average weekly earnings. If overtime is accounted for, the gender pay ratio across all industries in Australia increased by 1.9 per cent between May 2004 and May 2006 from 82 per cent to 80.1 per cent.’

- **Proportion of women and men aged 18-64 years in gross personal income quintiles**



Source: ABS 1982, 1995-96 and 2005-06 Surveys of Income and Housing.

- **Women Participation Rate Increasing**
 ‘Changes in women’s and men’s sources of income over the 1980s and 1990s largely reflect changes in their labour force participation. In 1982, 45% of women were either

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working or looking for work. By 2000 this had increased to 55%. For men, the pattern was one of reduced labour force participation, with rates falling from 77% to 73%.¹ These labour force changes are reflected in changes in the main source of income received over this time period.

In both 1982 and 1999–2000, a small proportion of women and men had no income. These were mainly young people in post-secondary education who were dependent on their parents' income, and married women who were dependent on their husband's income. However, the proportion of women for whom earnings from employment was the main income source, increased from 43% in 1982 to 50% in 1999–2000, in line with the increase in the proportion of women in paid employment (from 43% to 54%) over this period. In contrast, the proportion of men whose main source of income was employment earnings fell, from 72% of all men in 1982, to 66% in 1999–2000. This was associated with a decrease in the proportion of men in employment, from 75% to 71%, over the same period'. (source: 4102.0 - Australian Social Trends, 2001)

- **Children**

The average Australian woman had given birth to 2 children (average number of children ever born, 1.7) so far in her life. However, older women (aged 65 years or older) had given birth to an average of 3 children (2.8). Women who had only recently given birth to their first child (that is, their first child ever born was less than 1 year of age and was counted with them at home) had a median age of 29. (source 2914.0.55.002 - 2006 Census of Population and Housing: Media Releases and Fact Sheets, 2006)

- **Domestic Work**

Reflecting the persistence of traditional gender roles in 2006 Australian society, the average Australian woman (aged 15 years and over) spent more of her time doing domestic work (a median of 5–14 hours) than an average man (less than 5 hours, but more than none). Perhaps because of higher levels of participation in the labour force, men of traditional working age (aged 15–64 years) were the main contributors to this difference – the median hours for men aged 65 years and over was the same as for women (5–14 hours). (2914.0.55.002 - 2006 Census of Population and Housing: Media Releases and Fact Sheets, 2006)

- **Sources of income during retirement**

The main source of income at retirement varied quite markedly between men and women. For men, the most commonly reported main source of income at retirement was a 'Government pension or allowance' (52%), followed by 'superannuation or annuity' (22%). In contrast, almost half (47%) of women at retirement relied on their partner's income as their main source of income, followed by a 'Government pension or allowance' (33%) and 'superannuation or annuity' (7%). (source: 6238.0 - Retirement and Retirement Intentions, Australia, Jul 2006 to Jun 2007)

- **Superannuation scheme membership**

Of the 3.1 million people aged 45 years or over who were retired from the labour force, 1.6 million (52%) had made contributions to a superannuation scheme. Men were more likely to have made contributions to a superannuation scheme than women. More than two-thirds (67%) of retired men aged 45 years and over had contributed compared to 41% of women. Of those who had made contributions, 63% had received all or part of their superannuation funds as a lump sum payment (64% of men and 61% of women). Many of those who received a lump sum payment used it to pay off or improve their existing home or purchase a new home (36% of men and 31% of women), to buy or pay

off a motor vehicle (17% of men and 11% of women), or clear other outstanding debts (12% of men and 13% of women). Some reinvested their lump sum payment into an approved deposit fund, deferred annuity or other superannuation scheme (22% of men and 14% of women), or a bank account, personal savings or other investment (26% of men and 18% of women).

- **Superannuation Contribution Period of Time**

Of the 1.6 million retired people aged 45 years and over who had contributed to a superannuation scheme, men were more likely to have contributed for a longer period of time than women. Just over half of the men in this group (51%) had contributed for 20 years or more, compared to 22% of women in the same group. (source: 6238.0 – Retirement and Retirement Intentions, Australia, Jul 2006 to 2007)

- **Superannuation Benefits – Double for Men**

In 2000, the median total superannuation balance for employees aged 15-64 years with superannuation was \$10,200. The median balance for male employees was more than double that of female employees (\$14,800 compared with \$7,000). The difference between the superannuation balances of male and female employees increased with age to the point where male employees of retirement age (55-64 years) had more than twice the amount of superannuation of female employees (\$44,700 compared with \$19,800). Women leaving work, or working part-time, to care for children are likely to be a contributing factor to this pattern. (Source: 4102.0 - Australian Social Trends, 2002)

- **Women live longer than Men**

Australians have a life expectancy at birth which compares well with that experienced in other developed nations. Life expectancy at birth of males in Australia (78 years) was exceeded only by Hong Kong (SAR of China) and Iceland (both at 79 years). Israel, Japan, Macao (SAR of China), Sweden and Switzerland all shared with Australia a male life expectancy at birth of 78 years. Life expectancy at birth of Australian females (83 years) was exceeded only by Hong Kong (SAR of China) and Japan (both at 85 years). France, Iceland, Italy, Spain and Switzerland all shared with Australia a female life expectancy at birth of 83 years. The life expectancy of new-born babies in Australia was higher than in New Zealand, the United Kingdom, Canada and the United States of America. Map 5.37 shows the combined male and female life expectancy at birth for the global population. (Source: 1301.0 - Year Book Australia, 2006)

The above statistics paint a grim picture for the future of Australian women. Despite all the rhetoric about equal pay, women still fare worse than men overall by virtually every economic measure, from wages to workload to retirement income. Young women of today face an uncertain future. Women will grow old in poverty without the proper tools for strategic life planning. We hope that the review of the current pay equity provisions will make strategic recommendations for improving pay equity implementation and use multiple lenses in addressing the unequal economic scenario for women in Australia.

Our Members Experience

Our seagoing membership is far more highly organised with a membership as high as 100% unionised in some worksites. Our experience supports the clear message from NSW Pay Equity Inquiry, held by the NSW Industrial Relations Commission that the gender equity pay for women is most effectively achieved within the union movement and the industrial

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relations system: the only two female-dominated industries to have gender equity are nursing and teaching. Having said that the biggest factor working against pay equity and participation in the workforce is the desire to have children and accommodating those parenting responsibilities.

This is Sarah's story (name changed).

I worked at sea on both Australian and foreign flagged vessels from 1988 – 2004. I am currently working as Harbour Master / Marine Pilot. I have not encountered any serious equity issues during this time – but that being said, the reason that I discontinued working at sea in 2004 was due to the birth of my daughter.

At the time I was working as Master on a foreign flagged vessel. I remained at sea until I was 5 ½ months pregnant and then made the decision to sit out the remainder of my pregnancy at home. Once my accrued annual leave expired, the remainder of my time at home was on unpaid leave. Since my employment contract was via a foreign based crewing company, there were no entitlements to maternity leave.

The company were very helpful and offered to transfer me to one of their Australian flagged, short-sea trading vessels, once I was ready to return to work. However as one of these vessels was based in Karumba and the other in Adelaide, neither really suited my circumstances. Therefore during my time at home I applied for alternative work as a marine pilot and was fortunate to gain a position. I returned to work in a new job with a new employer when my daughter was 10 months old.

It must be noted that the favourable job market at the time was of great advantage to me. Many pilotage service providers were seeking pilots at the time and there were several opportunities to pursue. If the job market had not been so favourable, it is likely that I may have had to consider work outside of the industry.

Despite giving some thought to the matter, I do not know how to reconcile work in the blue water shipping industry with parental responsibilities as a mother. I think shifting to marine work within the ports sector (tugs/pilots/port services etc), rather than in deep sea shipping is the only workable solution. I was fortunate that the job market has been very favourable in recent years and so I was able to make this shift relatively easily. Should the job market deteriorate in the future, then women may have some trouble making this transition without some kind of assistance.

This is Beth's story

"Are we there yet?" my personal experience sadly indicate we have a long way to go. I am also of the opinion, that due to our maternal instincts, if women want to have children, we will never have the same equal opportunities as men in the workforce. Briefly, my maritime career started on small vessels. I gain the Coxswains certificate working as a deckhand. From there I worked on Sydney Water Taxi's and on small vessels involved in the construction of Sydney Harbour tunnel to obtain the Master 5 certificate. I then worked for Stannards Tug company and obtain the Master 4 and MED 2 certificates. I worked off shore on environmental and research vessels. In 1999 I was studying for the second mates certificate when I became pregnant. After completing the course I obtain a Master Class 3 certificate. I took a year off work when my son was born, and returned to work for 5 years as a casual Tafe Maritime Teacher combining the occasional charter vessel employment. This went well as the hours working as a Tafe Teacher were good. Allot of work could be done from home and I could manage my working hours to support my family commitments.

In 2006 I went to work full time as a master on an island transfer vessel in Queensland. I worked there for 20 months to obtain commercial time for the MED 1 certificate and it was the most difficult time in my workplace history. I am not sure why this was so. Because I had a child?, because I was a mature women?, or it may have been that I was just a women. I was the first women to master a vessel of this size in this work place and I found a lot of antagonistic behavior towards me. One senior master I particularly did not get on with. I reprimanded him for telling a female work colleague to go back to her kennel. This was start of my workplace to hell. When I started the job we had four masters operating the vessels we worked on. At one stage we only had two masters. I was working 13 hours days averaging a 50 hr week. We were only getting paid for 40hrs. The long hours were both emotionally and financially draining. I felt it was unfair to get my son out of bed a four thirty in the morning so I would pay someone to come and look after him. I was victimize for not signing a workplace agreement and felt uncomfortable taking carer"s leave when my child was sick. I was grateful though that the roster allowed me to have most weekends off, and I did have some great work colleagues and friends to help me out.

In 1992 I worked for Stannards Bros Tugs and Launches. I was the only female in a company of 40 men. I thought it was difficult then for women in the maritime industry. After my recent Queensland experience it was just a walk in the park. So are we there yet?, No. We are not clear of the leads, yet.

See also Carmen Blanco's submission for her story along with Helen's, Wendy's and Jenny's story

Paternity Leave / Family Responsibilities

There is currently a push to expand paid maternity leave provision in Australia, in comparison to most western countries, **Australia is lagging behind.** ["Sweden](#) is one country which provides generous parental leave: all working parents are entitled to 18 months paid leave per child, the cost being shared between employer and State. To encourage greater paternal involvement in child-rearing, a minimum of 3 months out of the 18 is required to be used by the "minority" parent, in practice usually the father, and some Swedish [political parties](#) on the [Left](#) argue for legislation to oblige families to divide the 18 months equally between both parents. [Norway](#) also has similarly generous leave. In Estonia mothers are entitled to 18 months of paid leave, starting up to 70 days before due date. Fathers are entitled to paid leave starting from the third month after birth (paid leave is however available to only one parent at a time). The amount paid depends on wages earned during previous calendar year - most will receive 100% or full wage but there is an upper limit of three times national average.

The maternal-leave only system in [Bulgaria](#) is even more generous, providing mothers with 45 days 100% paid [sick leave](#) prior the due date, 2 years paid leave, and 1 additional year of unpaid leave. The employer is obliged to restore the mother to the same position upon return to work. In addition, pregnant women and single mothers cannot be fired.

In 2000, parental leave was greatly expanded in [Canada](#) from 10 weeks to 35 weeks divided as desired between two parents. This is in addition to 15 weeks maternity leave, giving a total possible period of 50 weeks paid leave for a mother. There is still no paid leave for new fathers, however. In Canada maternity and parental leave is paid for by the [Employment Insurance](#) system.

In the [UK](#), all female employees are entitled to 52 weeks of maternity leave, 39 weeks of which is paid, with the first six weeks paid at 90% of full pay and the remainder at a fixed rate". [Source: en.wikipedia.org/wiki/Parental_leave]

From the stories told by our seagoing members, highly trained and competent female seagoing members are working approximately 10 years at sea and achieving pay equity to their male counterparts and progressing up the career path. The problem arises, if and when they wish to have children, the maritime industry is a particular difficult industry to balance parenting responsibilities and work. Ironically our seagoing female members who enjoy pay equity with their male counterparts compared to our non seagoing female members are much worse off with respect to paternity leave and accommodating family responsibilities than our non seagoing members; this is in part because of the nature of the seagoing work involves working a typical shift of 28 days at a time at sea.

Although we have in some sections of the maritime seagoing industry, ie the offshore oil and gas industry, and P&O Maritime Services for example been able to negotiate "6 weeks paid maternity leave" and "upto 46 weeks unpaid leave" for the primary carer and "one weeks unpaid leave will be granted to the parent at the time of the birth who is not the primary caregiver". The problem for our seagoing members is that unlike ashore members they do not have access to childcare facilities; so even if we could achieve the Bulgaria scenario of "45 days 100% paid sick leave prior the due date, 2 years paid leave, and 1 additional year of unpaid leave", what happens to the care of the children post 3 years? Ideally the industry should have a "mother ship", for instance the Spirit of Tasmania I had a crèche service for the passengers, this area was subsequently converted into a gaming venue, but in maritime utopia we could have crewed the vessel with seafarers who had primary carer responsibility for their children. At least we could have keep seafarers at sea until their children reached school age.

Although the Bulgaria scenario may initially be rejected as too expensive to implement, if the average woman is having on average 1.7 children and this is falling with time, therefore an average paid entitlement of 3.6 years (ie 2 years 45 days x 1.7) could be easily offset over the anticipated 40 years working life of the woman. It is incongruous that the government pays women a baby bonus of \$5000 to have babies but then expects them to return to work shortly thereafter the birth. As the World Health Organisation (WHO 2008) is recommending that babies should be breast fed for at least first 6 months, we as a society are failing the health of our next generation by not allowing at least 6 months paid paternity leave. If a country like Bulgaria, which does not enjoy the wealth and standard of living that Australia enjoys can afford to 2 years and 45 days then Australia which is rich in natural resources, currently in budget surplus should be able to afford at least the same.

Equal Advancement

The statistic on **gross personal income quintiles**, clearly indicates that women in the paid workforce today still face barriers to equal advancement. Men outnumber women in a selection of the highest paying occupations in Australia. Women are still minority in positions on boards, and very few are listed in the top 200 rich list. This suggests that the pay equity policy currently in place does not begin to narrow the gap between male and female wages and more needs to be done to encourage women to work in industries that are high paid, high skilled sectors of the labour market. It is encouraging that the participation rate for women has increased, this can only continue to increase if the social structures such as childcare; flexible working arrangements to accommodate parenting and caring responsibilities are encouraged and supported by government.

The maritime industry is a male dominated industry, and the issue of sexual harassment and bullying has significantly improved since the introduction of the Australian Maritime Industries Sexual Harassment Code in 1995, however we must be vigilant in ensuring we continually improve in this area. If we are to encourage female participation, in traditional male dominated industries, we must ensure it is free of sexual harassment.

Unpaid Work

In addition to working in the paid labour force, women continue to fulfill the majority of domestic and family responsibilities, including the care for children, the sick and the elderly. These are unpaid, and largely unacknowledged contributions that women make.

Cuts to social services are especially damaging to the standard of living of the women who make these huge contributions all the time and this is particularly evident when cuts to social services increases the feminization of poverty. Due to the demands of the unpaid workload, women may be prevented from establishing long-term economic security, such as superannuation and the accumulation of wealth.

Retirement Income

The clear message from all the research is that the 84% wage disparity factor is symptomatic of the reality and constraints that women face, particularly with respect to the amount of unpaid work they perform. Not only are women giving up full time jobs so as to enable them to have children but there is also evidence emerging that older women are working less so that they can look after their elderly parents or assist in the raising of grandchildren. Furthermore the 84% factor is compounded further because women are concentrated in low paid, low skilled sectors of the labour market, often under non unionised part time or casual arrangements.

AMOU members are concerned that women who are currently in or entering the paid workforce will not have sufficient savings to ensure a standard of living above the poverty line when they are older. Factors working against a sufficient and secure retirement are:

- Women have half the amount of superannuation (\$44,700 compared to \$19,800) than men because of less earning capacity than male employees ie the 84% factor compounded with the lesser contribution time ie 51% men have contributed for more than 20 years into superannuation compared to 22% for women.
- women typically spend less time in the workforce due to parental responsibilities and other family responsibilities ie the caring of aging parents.
- Women live longer than men, if both work to age 65, women need 38% more superannuation than men because women typically live on average five years longer than men ie 18 years in retirement compared to 13.

CONCLUSIONS

Women are still an economically disadvantaged population, earning only 84% of men's income. Addressing this inequality will require a multi-faceted approach. Women's financial security throughout their working life and retirement will not happen if women's economic status is examined with too narrow a focus. If women are to enjoy retirement equivalent to their male counterparts then all variables need to be considered, such as occupation, participation rate, accommodating parenting and caring responsibilities, child care facilities, taxation, and superannuation benefits. The AMOU respectfully submit that the following recommendations should be considered by the Standing Committee of the House of Representative in addressing the pay, participation and retirement income inequity between Australian men and women:

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Gender analysis of the tax system,

- Develop a national system that provides 2 years paid parental leave, 45 days sick leave prior to the birth and the right to return to previous position, this can be either paid by the employer or the government or a combination of the two.
- Acknowledge that women live longer and therefore need 38% more superannuation in retirement, to assist in accommodating this, the 15% superannuation contribution tax should be removed for women. Also put in place additional incentives to make voluntary contributions to rectify the current imbalance in superannuation amounts currently held by women compared to men.

Educational / Work Opportunities

- Develop a national campaign to encourage women to participate in high paid, high skilled labour markets. And reduce the barriers to participating in those positions.
- Support women's efforts to return to work full time by legislating flexible working arrangements ie working from home etc.

Gender Analysis of Social Policy

- There is an urgent need to acknowledge the value of unpaid work such as caring for relatives in the home and volunteer work;
- There is an urgent need to ensure that those caring for their children / elders at home receive financial compensation; including superannuation contributions.

National Child Care Strategy

- There is a need for a childcare strategy that integrates programs for children at all levels.
- Additional resources should be provided to assist unique industries such as the maritime industry to accommodate child care facilities and educational needs of seafarer's children; to enable seafarers to continue working in the maritime industry.

Live Longer on Less

- Develop programs to teach financial skills for older women;
- Develop social mechanisms for support and resource sharing for older women.

If you require further information please do not hesitate to contact Jan Thompson, Industrial Officer.