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Parliament of Australia – House of Representatives

Pay equity and associated issues related to increasing female participation in the workforce

The adequacy of current data to reliably monitor employment changes that may impact on pay equity issues.

The only mechanism that I am currently aware of which monitors pay equity issues is where organisations of 100 employees or more are required to submit an Equal Opportunity Compliance Report to the Equal Opportunity Commission. However, in effect, it is very easy for organisations to “adjust” what is included within the report to make this look more favourable for the organisation in terms of pay equity.

Accordingly, I do not consider that there are sufficient systems in place to formally monitor and rectify pay equity within individual organisations.

The need for education and information among employers, employees and trade unions in relation to pay equity issues.

The need for education and awareness is important to educate all businesses on the importance of pay equity. Whilst organisations may espouse that pay equity exists, there will be some businesses where comparable remuneration for similar roles is not provided.

Education and awareness at all levels eg, the CEO and Human Resources in conjunction with an underlying reporting mechanism (as outlined above) would support fairer equity.

Current structural arrangements in the negotiation of wages that may impact disproportionately on women.

Increasingly, in a tight labour market with a skills shortage, organisations are choosing to pay wages which are well above any Award or legislated minimum to attract and retain quality employees. Whilst remuneration is set on the basis of the best person for the job, there can sometimes be inequality in the marketplace towards employees with child care responsibilities. This may have an impact on the remuneration range for that employee.

The adequacy of recent and current equal remuneration provisions in State and Federal workplace relations legislation.

Whilst all organisations would in effect say that they abide by State and Federal legislation, operationally there is always an opportunity for any business to pay one person more than another (provided that the minimum legislated wage rate is adhered to). Again, this is where education and a reporting mechanism is paramount.

The need for further legislative reform to address pay equity in Australia.

There is some need for further reform to address pay equity within Australia. Whilst awareness of this issue has increased and there have been some improvements, a more stringent reporting mechanism on remuneration levels for both male and female employees, particularly in senior level roles, would provide an opportunity to ensure that this issue is more formally addressed and the associated change in culture takes place.

Additional Comments:

The issue of pay equity for women in Australia should also be considered in conjunction with the relevant issue of paid maternity/parental leave and flexible working arrangements. Provisions of paid maternity/parental leave are currently at an employer's discretion. It would be preferable that these provisions are legislated.

Furthermore, the decision to return to work either on a full-time or part-time basis for parents with caring responsibilities, especially women, is greatly impacted by the limited range and cost of child care facilities available. This issue has greatly compounded the current skills shortage Australia is facing today.