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**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**

ACCI SUBMISSION

August 2008



LEADING AUSTRALIAN BUSINESS



ACCI – LEADING AUSTRALIAN BUSINESS

ACCI has been the peak council of Australian business associations for 105 years and traces its heritage back to Australia's first chamber of commerce in 1826.

Our motto is "Leading Australian Business."

We are also the ongoing amalgamation of the nation's leading federal business organisations - Australian Chamber of Commerce, the Associated Chamber of Manufactures of Australia, the Australian Council of Employers Federations and the Confederation of Australian Industry.

Membership of ACCI is made up of the State and Territory Chambers of Commerce and Industry together with the major national industry associations.

Through our membership, ACCI represents over 350,000 businesses nationwide, including over 280,000 enterprises employing less than 20 people, over 55,000 enterprises employing between 20-100 people and the top 100 companies.

Our employer network employs over 4 million people which makes ACCI the largest and most representative business organisation in Australia.

Our Activities

ACCI takes a leading role in representing the views of Australian business to Government.

Our objective is to ensure that the voice of Australian businesses is heard, whether they are one of the top 100 Australian companies or a small sole trader.

Our specific activities include:

- Representation and advocacy to Governments, parliaments, tribunals and policy makers both domestically and internationally.
- Business representation on a range of statutory and business boards, committees and other fora.

- Representing business in national and international fora including the Australian Fair Pay Commission, Australian Industrial Relations Commission, Australian Safety and Compensation Council, International Labour Organisation, International Organisation of Employers, International Chamber of Commerce, the Business and Industry Advisory Committee to the Organisation for Economic Co-operation and Development, the Confederation of Asia-Pacific Chambers of Commerce and Industry and the Confederation of Asia-Pacific Employers.
- Research and policy development on issues concerning Australian business.
- The publication of leading business surveys and other information products.
- Providing forums for collective discussion amongst businesses on matters of law and policy affecting commerce and industry.

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- The ACCI Policy Review; a analysis of major policy issues affecting the Australian economy and business.
- Issue papers commenting on business' views of contemporary policy issues.
- Policies of the Australian Chamber of Commerce and Industry – the annual bound compendium of ACCI's policy platforms.
- The Westpac-ACCI Survey of Industrial Trends - the longest, continuous running private sector survey in Australia. A leading barometer of economic activity and the most important survey of manufacturing industry in Australia.
- The ACCI Survey of Investor Confidence – which gives an analysis of the direction of investment by business in Australia.
- The Commonwealth-ACCI Business Expectations Survey - which aggregates individual surveys by ACCI member organisations and covers firms of all sizes in all States and Territories.

- The ACCI Small Business Survey – which is a survey of small business derived from the Business Expectations Survey data.
- Workplace relations reports and discussion papers, including the ACCI Modern Workplace: Modern Future 2002-2010 Policy Blueprint and the Functioning Federalism and the Case for a National Workplace Relations System and The Economic Case for Workplace Relations Reform Position Papers.
- Occupational health and safety guides and updates, including the National OHS Strategy and the Modern Workplace: Safer Workplace Policy Blueprint.
- Trade reports and discussion papers including the Riding the Chinese Dragon: Opportunities and Challenges for Australia and the World Position Paper.
- Education and training reports and discussion papers.
- The ACCI Annual Report providing a summary of major activities and achievements for the previous year.
- The ACCI Taxation Reform Blueprint: A Strategy for the Australian Taxation System 2004–2014.
- The ACCI Manufacturing Sector Position Paper: The Future of Australia's Manufacturing Sector: A Blueprint for Success.

Most of this information, as well as ACCI media releases, parliamentary submissions and reports, is available on our website – www.acci.asn.au.

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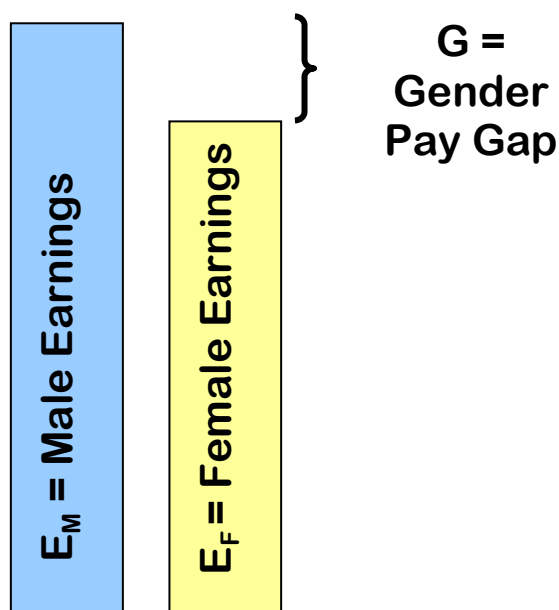
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INTRODUCTION

WHAT DO WE MEAN BY PAY EQUITY / GENDER PAY DISPARITY

1. There is a disparity between the average remuneration received by men and women in each of the world's labour markets. Pay equity gaps, or gender pay disparities are therefore based on a relative assessment of how many cents in the average male dollar, are earned on average by women.
2. Thus, according to the ABS average weekly earnings survey for February 2008¹, men and women's AWOTE², was as follows:
 - a. Male: \$1,190.40 per week.
 - b. Female: \$1,003.60 per week.
3. This means on average, women earn 84.3% of average male earnings, or 84.3¢ in the male dollar. This means there is a gender pay gap in contemporary Australia, on this measure, or 15.7%, between female and male earnings. *(There is a great deal of debate about data and appropriate measures of gender pay disparity – see Section 2).*
4. This can be represented graphically as follows:

Figure 1.1 – The Gender Pay Gap



¹ ABS Average weekly earnings, full-time adults: ordinary time – Trend, Cat No 6302.0.

² Average Weekly Ordinary Time Earnings (AWOTE).

5. Where:

$$E_M - E_F = G$$

6. Much policy debate in this area proceeds from the assumption that the goal of policy, and our labour market, must be that $G = 0$ or as close to zero as possible, and that there should be no, or little difference between E_M and E_F .
7. To further explore what the legitimate goals of policy might be, and how we would achieve those goals, we need to understand what factors contribute to this gap.
8. To be clear the first premise which ACCI would put to the inquiry is that this is a complex and multi-causal issue, and that the various components of the gender pay gap. These potentially include:
- a. Factors attributable to labour market tenure and engagement, age.
 - b. Factors attributable to industry and occupational composition.
 - c. Factors attributable to education and skills.
 - d. Factors attributable to geography and desirability of work (with for example remote or unpleasant work always set to attract some premium).
9. Until we have a clear picture of the specific sub-causes and key drivers of the gender pay gap in detail, it is not possible to formulate appropriate further policy responses - particularly in regard to any activist, regulatory or interventionist measures.
10. At the moment, we do not have enough information to understand the gap sufficiently. The key policy task at the present is to improve our information base and better understand the gap. Opportunities to additionally progress gender pay equity prior to an improved data foundation should therefore properly be restricted to additional assistance, information and support. It is far from clear what if any justification there is or could be for additional regulation or activist measures.

AUSTRALIA'S PERFORMANCE ON PAY EQUITY

The Gap Is Narrowing

11. The first point the Committee should note is what has been achieved to date in narrowing the gender pay gap in Australia, and the strength of known factors serving to narrow gender pay disparity over time.
12. The existing gap of 15.7% between male and female Full Time AWOTE represents a significant narrowing from the gap of 17.5% in the early 1980s³.
13. Importantly, this has been achieved concurrently with:
 - a. A significant increase in female participation. Thus, the gender pay gap has narrowed during a period in which significantly more women have entered the labour market, often at a comparative disadvantage in terms of factors such as skills and experience. This is a real achievement for the Australian labour market and society.
 - b. A significant increase in maternal employment/participation, including by women who have spent extended periods out of the labour market, and whose re-entry would be subject to factors limiting their earnings (e.g. potential re-training due to changes in technology and work practices).
 - c. A significant broadening of female employment across industries, professions, trades etc. This includes for example the spread during the past two to three decades of Australian women across professions and trades previously the preserve of men, and the increasing homogeneity of women's engagement with the range of professional and trade qualifications.
14. The key point is that the gender pay gap has narrowed during a period in which there have been significant changes in female labour market participation. Theoretically these changes may have had the effect of dampening the relative level of women's earnings. This has not occurred: Australia has achieved a social and labour market transformation and simultaneously delivered narrowing gender pay disparity.

³ Source: ABS Average weekly earnings, full-time adults: ordinary time – Trend, Cat No 6302.0 – Online spreadsheets.

International Comparisons

15. So how does Australia compare internationally on the gap between male and female pay?
16. The OECD's online statistical database does not appear to contain a direct measure of pay equity, but reproduces data from the UN Human Development Report on the "ratio of estimated female to male earned income". This may be a somewhat broader measure than pay equity solely from wages earnings, and appears to include income earned from all sources.
17. However, it also indicates Australia's very strong performance on income equity by gender:

Figure 1.2 – Ratio of Estimated Female to Male Earned Income – OECD^{4,5}

	Ratio of estimated female to male earned income
Sweden	0.81
Norway	0.75
Denmark	0.73
Finland	0.71
Iceland	0.71
Australia	0.70
New Zealand	0.70
United Kingdom	0.65
France	0.64
Israel	0.64
Belgium	0.63
Canada	0.63
Netherlands	0.63
United States	0.62
Switzerland	0.61
<u>Slovenia</u>	0.61
Portugal	0.59
<u>Germany</u>	0.58
Greece	0.55
Ireland	0.51
Singapore	0.51

⁴ Includes some non-OECD member states.

⁵ Source: OECD Online Statistics, Economic status of women Dataset: Gender, Institutions and Development Data Base (GID) Meta Data - <http://stats.oecd.org/WBOS/Index.aspx?DatasetCode=GID&lang=en>

	Ratio of estimated female to male earned income
Spain	0.50
Luxembourg	0.49
Malta	0.48
Italy	0.46
Korea	0.46
Austria	0.44
Japan	0.44

18. Australia appears in the top quartile of OECD states in relation to pay equity and is generating more equitable pay outcomes than the UK, US, Japan and most OECD states.
19. Our performance in this area is bettered only by the Nordic states – which have a unique set of labour market parameters, including some would claim the positive impact of measures relating to parenting leave on overall pay equity.
20. It is worth noting in considering the impact of Australian law, policy and practice on relative levels of pay by gender, a number of pending changes in the area of parenting rights. It may be for example that any new paid parental leave scheme and the creation of the new right to request flexible work (from 2010) will benefit pay equity (or so many claim). This is relevant to considering whether any additional measures are warranted at this stage – regulatory measures are already in the pipeline which some claim will benefit gender pay outcomes.
21. As outlined throughout this submission, Australia’s comparatively positive performance on pay equity has also been achieved at the same time as labour market growth for Australian women has significantly exceeded OECD averages.

UNDERSTANDING THE DATA

22. It is important that we understand why the gender pay gap exists, and the compositional elements of the labour market that may provide some explanation of the gap (which is complex and multi-causal rather than a monolithic phenomenon).
23. It also needs to be remembered that the composition of the labour market is dynamic and subject to ongoing change, driven by a variety of forces,

including social forces. It appears that there are ongoing changes to the educational and professional composition of women in our labour market that may have the effect, over time, of even further reducing the size of the pay equity gap.

24. More women are entering the range of professions and occupations which generate the range of pay outcomes which give rise to average male earnings. Whether more males are entering the funded and less well paying sectors is less clear.
25. It is also possible that there are other factors that result in pay disparity that will not reduce or disappear over time. As one example, remote locality work, for example in the mining industry, attracts a significant wage premium, and is overwhelmingly (though not exclusively) performed by men. As long as this remains the case (and to some extent it may be inviolate to change), it will contribute to some proportion of ongoing gender pay disparity. The question would then arise whether that part of the wage gap which is contributable to the greater willingness of men to work in remote locations in greater numbers, should be the subject of policy and prescription, or whether our efforts are better targeted elsewhere.

REMEDIATING FACTORS

26. As set out throughout this submission, ACCI considers Australia's performance on pay equity and female participation to have improved over time, and overall to be positive by comparison to most of our international peers. This is not to say that Australia should rest on its laurels nor aspire to further gains in overall pay equity or female participation - rather it is to point out the significant gains to date and that more nuanced and persuasive measures may be appropriate to a more mature phase of the policy cycle in this area.
27. ACCI would also like to emphasise that a number of significant changes in our society and other areas of regulation are already leading to significant gains in this area, and importantly continue to be factors correcting pay disparities over time. These include:
 - a. Young women increasingly successfully negotiate schooling, and are retained in school in greater numbers (and indeed there are suggestions girls are outperforming boys in school).

- b. Young women entering and completing university in equal or greater numbers than young men.
 - c. Women are increasingly studying towards a greater diversity of professions, including those traditionally dominated by men and which lead to higher earnings.
 - d. Women increasingly working across industries and occupations, which may minimise over time that component of the gender pay gap attributable to the gender distributions across industries.
28. The Committee is invited to consider the continuing beneficial impacts of a number of these measures, and the extent to which they will - without any further actions - continue to narrow pay and participations gaps. The Committee is also encouraged to consider the extent to which such non-workplace relations areas of policy can again contribute to female participation, and capacity for career development (and higher earnings).
29. For example, cost effective and accessible childcare options clearly contribute to mothers' capacities to remain engaged with work, and to remain on a career pathway which delivers higher earnings and greater responsibilities.

GOALS AND MEASURES

30. It is important therefore to identify what the policy goal or goals should be in the area of pay equity:
- a. Any overall goal should be sensitive to underlying compositional and labour market issues.
 - b. Any goal needs to be based on sound research and data, having regard to all the relevant facts and drivers of pay disparities.
 - c. Any goal or goals must identify and then focus on those factors or behaviours which are giving rise to pay equity which are somehow illegitimate or discriminatory, rather than, as mentioned above, factors which arise from labour market dynamics that are correcting over time, or inherent factors which are not open to policy change.
 - d. Any policy goals for this area must be properly situated within the broader labour market regulatory framework Australia has in place, and be cognisant and reflective of broader labour market objectives.

- i) To be absolutely clear, Australia has a decentralised, bargaining based workplace relations system in which awards, minima and regulation play a safety net, rather than distributive role.
- ii) There is a bipartisan recognition of this fundamental tenet of our workplace relations system. The broad objects of the system are an accepted matter, as is the contemporary role of awards and minimum rates of pay – as a safety net only.

SUMMARY OF KEY CONTENTIONS

We Have a Bargaining Based System

31. The vast majority of employees in Australia have their pay determined by workplace bargaining –individual and collective.
32. A relatively small and declining proportion of employee rely on award minimum rates of pay. That is, awards as instruments are becoming less relevant over time in determining actual rates of pay.
33. Overall, the shift to a bargaining based wages system has been accompanied by significant increases in real wages for men and women, greater female employment and labour market participation, and more equitable pay.
34. The question is what if any additional assistance may assist in lessening the pay equity gap in the context of a bargaining-based wages system. Any policy proposals in this area must recognise the way that wages are now determined and be consonant with broader wage determination mechanisms (which emphasises decentralised agreement making).

THE FUNDED SECTOR

35. A key area affecting overall gender pay parity is what is described as the ‘funded sector’. This term describes those areas of the economy where organisations rely solely or principally on government funding to deliver services, often through contracts or service agreements to which the organisations are subject.

36. Examples of these sectors include: aged and community care and child care. These also happen to be sectors which employ very significant numbers of women. To the extent that earnings in these sectors are dampened or grow more slowly than the overall economy, this affects pay equity outcomes.
37. Where funding is constrained or limited, there is clearly also a limit on the capacity of these organisations to engage freely in bargaining. These organisations are often also subject to additional regulatory obligations which limit their ability to introduce productivity measures or modify staffing arrangements. As a result, relative to other sectors, wage increases in the funded sector may be dampened.
38. To the extent that this sector represents a major source of female employment, it will only be possible to significantly alter relative pay outcomes by providing additional funding to those organisations. In a funded environment, there is simply no additional scope for wage adjustments beyond funding levels. This therefore is a question for those levels of government with responsibility for funding these organisations.
39. To the extent that funding decisions are contributing to the perpetuation of a gender pay gap, governments have the capacity to address this through their funding decisions. However the total effects of changes to funding on all stakeholder groups will need to be considered.
40. To be clear, this inquiry should not proceed on any automatic assumption that additional obligations on the private sector are required. Potentially, the most significant impact on overall pay disparity could be achieved by Commonwealth, State and Territory governments properly reviewing and uprating their support for the funded and community sectors employing many Australian women.

NEW WORKPLACE RELATIONS ARRANGEMENTS

41. Another factor we would emphasise in introduction is that something additional is set to happen which may affect pay equity, regardless of the outcome of this inquiry.
42. Access to new AWAs has already ceased, and there is a new test for agreement making consistent with the Federal government's *Forward With Fairness* policy.

43. The government is committed to a further package of substantive changes, which are set to significantly recast the workplace relations system (albeit within the established paradigm of decentralism, bargaining and awards as a safety net).
44. This means the workplace relations system of 2010 and beyond will not be the one which is generating existing gender pay outcomes – it will be a replacement system determined by the current government (mediated by the legislative process).
45. Some argue that removing access to new AWAs, changing the wage setter and its parameters, introducing new National Employment Standards etc will have a positive effect on fairness and gender outcomes.
46. If this premise is true:
 - a. Pay equity outcomes should be re-examined following the implementation of *Forward With Fairness* to evaluate the extent to which any problem areas have been ameliorated.
 - b. This committee should be very cautious in engaging with any additional regulatory measures – as the system itself is changing and the impact of these changes needs to play out.
47. Further to this, and further supporting caution in this area:
 - a. We have not yet seen the Modernised Awards to apply from 2010, nor the wage structures they contain (noting that there are gender pay imperatives in the Minister’s award modernisation requests under (new) Part 10A of the *Workplace Relations Act 1996*).
 - b. The new Fair Work Australia (FWA) agency has not been established, and we know nothing of its approach to minimum wage setting, nor its gender pay requirements / imperatives.
 - c. We have no idea what if any changes are planned to existing Division 3 of Part 12 of the *Workplace Relations Act 1996* (equal remuneration provisions). It would appear premature to make recommendations based on the status quo when there may be imminent changes
48. Such considerations favour substantial caution and a measured approach in this inquiry at this juncture.

HOW TO PROCEED

49. ACCI has identified a range of proposals which this Committee might consider to complement the factors already serving to narrow the gender pay gap in Australia. This submission also addresses the factors which should determine the choice of any further policy measures in this area.

1. DATA

INTRODUCTION

50. The first term of reference for the inquiry is:

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

51. In the introduction to this submission we used average weekly earnings data to illustrate the gender pay gap. This was for illustrative purposes only. ACCI has serious concerns about the use of average weekly earnings data, and the data foundation in general on pay equity.

52. One initial caution ACCI would have with the data utilised in this area is that too much attention is sometimes paid to exceptional cases or to data that involves high income earners. Whilst acknowledging the work done by the EOWA, we are concerned at a data foundation and definition of the “problem” in this area which extends to and is disparately affected by very high income earners of both genders.

53. Whilst there has been much publicity generated by ‘cause celebre’ cases involving partners in law firms or extremely highly paid consultants; these labour markets are highly specialised, and moreover, it is not clear what regulatory intervention (if any) could address these cases. The actors involved in these markets generally have high degrees of market power and skills attracting high remuneration levels and do not provide a valid basis for considering regulatory approaches that will apply in the economy more generally.

54. A far more relevant data set than one based on overall average weekly earnings may be one based on comparing medians, or one which omits the upper deciles of earnings for both men and women entirely.

55. It is also relevant to note that higher income earners are not employed by reference to awards or minimum wages, nor essentially subject to industrial relations regulation. Thus, data based on such persons would not provide a valid foundation for industrial prescriptions or regulatory responses.

DATA CONCERNS

No Accepted Measure / No Accepted Foundation

56. A primary concern with the data is that there is no single accepted measure of gender pay disparity, or of the pay gap. Analysts and commentators use various pay and other income measures to compare outcomes for men and women.
57. Developing firmer foundations in respect of both the data and explanations of the gap should be a key priority. Firm policy cannot legitimately be made in the absence of a solid and accepted data foundation.
58. Whilst no one would deny that there is some gap between male and female earnings, this gap is not a homogenous entity which should be treated uncritically. It is vital for policymakers to understand not only what the overall the gap between male and female earnings is, but to break it down and disaggregate the various explanatory factors for pay differences.

Chasing Moving Males

59. As stated earlier, there has been a considerable increase in real wages for both men and women accompanying the shift to a wages system focused on enterprise bargaining in the 1990's.
60. In particular, there have been spectacular increases in wage levels in some male-dominated industries (such as mining) that are difficult for workers across the economy to 'catch'. Wages in these industries are being driven by extreme labour market scarcities, rapid expansion of facilities and the need to attract and retain skilled employees in remote localities. Clearly, other sectors of the economy are not going to keep pace with the mining and resources sectors. To the extent that this is feeding into the gender pay gap, it needs to be taken into account and it needs to be recognised that it is not sustainable for any policy recommendations targeted at the broader economy to attempt to chase mining sector wages.
61. An antidote to this may be the use of medians or trend data- which will enable policy makers to understand whether -women have actually gone backwards or a very small cohort of workers - disproportionately male - have taken off.

62. It is not for this Committee or ACCI to grapple with this issue at this point. Expert advice could be sought from the Australian Statistician on appropriate measures of pay equity upon which an appropriate policies and approaches could be based.

TOWARDS A PROPER DATA FOUNDATION

International Foundation

63. ACCI understands that various key statistical measures which inform Australian public policy at the highest level (CPI, the Labour Force, etc) are based on accepted international approaches and internationally agreed methodology. Australians have been instrumental in developing globally consistent approaches to (for example) labour statistics.
64. Our researches revealed international concern on pay equity, various global campaigns, and information from some international organisations (ILO, OECD etc).
65. What was less clear to us however is whether there is an internationally recognised statistical measure(s) of the gender pay gap, comparable to that for the CPI, GDP etc.

Objectives

66. The data that we do have demonstrates that there is a gender pay gap. However what is less clear are what the key contemporary drivers and factors are that lead to that pay gap. Furthermore, it is not clear the extent to which the gap is a legacy of historical compositional factors in respect of male and female labour markets, and what factors may be changing over time (for example as more women graduate and enter work across the professions).
67. A clearer picture is needed of this to provide a sound basis for any further policy in this area.
68. ACCI recommends that the ABS, in conjunction with other relevant stakeholders, investigate the creation of a sound and accepted methodology for a set of accepted, robust statistical measures of gender pay disparity.
69. To be effective, such measures need to be:

- a. Sufficiently detailed to track gender pay disparity over time, and not be distorted by factors such as a mining boom.
- b. Able to take into account and provide information on compositional and other factors.
- c. Capable of providing useful indicators of gender pay disparity over time at a level that allows targeted policy responses.

Caution Pending a Proper Data Foundation

70. In summary, it appears to ACCI that the evidentiary foundations for further policy consideration in this area are not satisfactory to underpin any further action or initiatives (other than those we identify in this submission) at this time.
71. There is a fundamental data gap which must be redressed to properly consider policy responses from this point forward. Significant changes of approach should not emerge from the Senate committee in the continuing absence of a sound data foundation.

RECOMMENDATIONS

R1.1 The Australian Statistician (ABS) be requested⁶ to:

- (a) Produce a report critically analysing various options for measures of pay equity, and recommending an appropriate statistical base to analyse Australian gender pay outcomes into the future.*
- (b) Produce a paper (analogous to those in the ABS Social Trends Publication) reviewing the comparative performance (over as long a period as possible), of male v female earnings. This would include comparative reportage using various possible pay equity measures (averages and medians, AWOTE and the WPI, measures across deciles etc).*
- (c) Examine options to critically unpick the overall gender pay gap into its various components, with a view to identifying the magnitude and relative contribution of various matters raising differing policy responses.*
- (d) Include in the proposed paper, an analysis and report on Australia's pay equity performance against those of our OECD counterparts.*

R1.2 There be no further remedial, activist or regulatory measures in this area prior to the compilation of a sound evidentiary / data foundation for further policy analysis.

⁶ And if necessary additionally funded to.

2. EDUCATION AND INFORMATION

72. The second term of reference for the inquiry is:

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

73. It is necessary to recognise the significant amount of work that has been done to date by employers and employer organisations to address gender pay issues, and to incorporate diversity management into their human resource practices.

74. In particular, there is widespread acceptance of the requirement for remuneration policies to be non-discriminatory and the importance of women and their experience to contemporary organisational cultures and performance.

75. Additionally, employers have developed a set of positive human resource tools to mentor, develop and assist women in becoming leaders and achieving their workforce potential within organisations. These practices have assisted many employers in developing a competitive edge in attracting and retaining quality staff.

76. Some of these very positive practices have been catalogued in the EOWA *Leading Edge Initiatives*⁷ publication. They include:

- a. Programmes designed to attract female university graduates into traditionally male-dominated professions (e.g. engineering).
- b. Ensuring recruitment services providers understand and apply the pro-diversity values of the organisation.
- c. Mentoring programmes for women, particularly in management.
- d. "Stay in touch" programmes for staff on parental leave, which include measures to ensure those staff can apply for promotions and vacancies that arise while they are on leave.
- e. Specific surveys to identify issues in the workplace which can then be acted on.

⁷ http://www.eowa.gov.au/Case_Studies.asp

- f. Effective training and promotion of anti-harassment and diversity programmes to ensure culture does not act as a disincentive to women continuing their career progression in a particular firm.
 - g. Internal benchmarking and reviews of female salary levels to ensure remuneration policies are being successfully implemented.
 - h. Ensuring female employees have sufficient access to skills development opportunities.
 - i. High degrees of discretion in setting working patterns and times of work to assist in accommodating personal preferences.
 - j. Facilities to support pregnant staff and staff returning from maternity leave.
77. There is a significant body of information available on the range of workplace practices that businesses can utilise in achieving their diversity management goals.
78. However it is not clear how widely disseminated this information is, or what barriers there are to more effective take-up of innovative EEO and diversity management programmes.
79. ACCI therefore recommends:

- R2.1 There be an 'information audit' to identify the kinds of information available to businesses (taking into account business size, human resource capacity etc).*
- R2.2 That, in conjunction with industry, consideration is given to how governments might better coordinate and update the information base available on pay equity measures and practices.*
- R2.3 Additionally, research is conducted on the penetration of diversity management information into the SME sector, and policymakers examine with industry ways to achieve better penetration into this sector of the economy.*

3. BARGAINING

80. The third term of reference for the inquiry is:

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

81. As ACCI stated, most industries and enterprises have successfully made the transition to workplace bargaining. Enterprise level bargaining, whether collective or individual, now determines wages and conditions of employment for most working Australians. This shift has been accompanied by significant increases in real wage levels for all Australian employees, including women.

82. One area where workplace bargaining may be constrained, as identified in the introduction, is the funded sector. These are those industry sectors where services are provided by organisations funded either wholly or substantially through governments, or in markets regulated by government so that available income for wages is constrained. An example is childcare.

83. There is no easy way for employers in the funded sector to increase wages to their predominantly female workforce without there being a concomitant increase in funding available to those employers.

84. To the extent that the capacity of the funded sectors to remunerate their employees is a significant issue in the overall gender pay disparity debate, it is one which our governments have the most capacity to address.

85. ACCI therefore recommends:

R3.1 There be a review of resource arrangements that apply to the funded sector.

R3.2 A roundtable be convened with employers and employer organisations with coverage of the funded sector, to discuss the resource constraints that currently apply to their organisations, and measures that would assist them in increasing the remuneration levels they can offer to staff.

86. Additionally, where any other employment cohorts are identified which have barriers to effective negotiation or bargaining, ACCI would support further research to identify these areas, what those barriers are, and what tools might assist those employees and employers in becoming better able to bargain and achieve improved remuneration levels.

R3.3 The Department and Education, Employment and Workplace Relations report to the National Workplace Relations Consultative Committee and this Committee, on the relative bargaining proportions of bargaining in female dominated industries, and the impact of barriers to bargaining / the effectiveness of bargaining upon pay equity.

R3.2 Consideration be given to measures which can better assist employers, employees and their representatives to extend bargaining and improve the mutual outcomes and benefits of bargaining in female dominated industries. Options may include:

- Publications and information.*
- Improved training and awareness of bargaining options.*
- Funding for dedicated officers to assist more small businesses and their employees to enter into agreement making and provide higher remuneration.*

4. EQUAL REMUNERATION PROVISIONS

87. The fourth term of reference for the inquiry is:

The adequacy of recent and current equal remuneration provisions in state and federal workplace relations legislation;

88. ACCI has noted that most employees have now moved off award minimum rates of pay and into the bargaining sector of the economy. A significant but reducing group of employees do however remain reliant on award minimum rates of pay - and the preceding section identifies options to address this.

89. Division 3 of Part 12 of the *Workplace Relations Act 1996* empowers the Australian Industrial Relations Commission to make orders to secure equal remuneration for work of equal value.

90. There have previously been proceedings brought for equal remuneration orders in relation to the award classification of particular types of work. The most recent case of this kind was *AMWU v HPM Industries* (1998, Print Q1002). These cases have been brought to examine the work value of male and female dominated types of work performed under awards.

91. It is not surprising, given the evolution of the workplace relations system, that such proceedings are now rare. Awards have evolved into safety net minimum rates of pay and decreasing numbers of businesses rely on awards for the classification structures that directly apply to their businesses.

92. Equal remuneration orders nevertheless remain where a party believes that work performed under awards is not correctly classified as does not represent equal remuneration for work of equal value. However in the evolving system it may be that these provisions have increasingly less work to perform.

93. To the extent that an employee in the market sector believes their pay and condition has been set in a discriminatory way by comparison with their colleagues (e.g. that they have received a lower salary increase because of their gender), there are other remedies available in State/Territory and Commonwealth anti-discrimination law.

94. It is difficult to know how utilised these provisions may be in relation to the particular issue of pay equity. It is ACCI's understanding that the vast

majority of discrimination claims are resolved internally by organisations or through conciliation/mediation. Only a small proportion will proceed to determination by a court or tribunal.

95. This notwithstanding, publications such as the Annual Report of the Victorian Human Rights Commission⁸ demonstrate that gender-based discrimination issues constitute a significant component of the total enquiries received by State/Territory anti-discrimination bodies. Of the 1318 complaints received by the Victorian tribunal, just over 10% were made on the basis of sex.
96. There is nothing to suggest that the overall framework of anti-discrimination protections, including equal remuneration orders, is somehow deficient - nor that it cannot be used to address gender pay concerns within companies where they might arise and where there are genuine concerns about discriminatory treatment. Of course ACCI contends negotiation and bargaining represent the appropriate way to resolve issues where there is no suggestion employers or other parties have acted in a discriminatory way - merely that the pay outcomes in a particular context are insufficient.
97. ACCI believes that, particularly in light of the issues with data and labour market composition identified above, it would be difficult to reach a conclusion that additional measures were required in the area of equal remuneration orders. Additional work must be done to understand the underlying factors that give rise to gender pay disparity before this is in any way contemplated.

THINGS ARE SET TO CHANGE

98. In addition and as set out in the introduction, this review also takes place on the very threshold of substantial changes to both industrial relations legislation and to awards. As we have indicated above:
 - a. Amendments to the equal pay provisions of the *Workplace Relations Act 1996* may be pending as part of the *Forward With Fairness* amendment package to be introduced during the current Spring Session of Parliament. The Committee therefore cannot assess what the legislative remediation model may be, nor its adequacy at this stage.

⁸ <http://www.humanrightscommission.vic.gov.au/publications/annual%20reports/>

- b. Awards are in the process of being modernised, and one of the goals of this process is eliminating discrimination on the basis of gender. We are yet to see what this may mean for the final form of modern awards.

State Provisions

99. The premise of this term of reference also needs to be re-considered in light of the recent major shift of industrial relations regulation from state to federal law, and the planned further shift under the Government's Forward With Fairness policy.
100. The coverage of state provisions for the private sector has been more than halved in recent years and is set to disappear entirely. Thus various state provisions have become something of a nullity for most employers and their application has changed significantly (often towards a much smaller profile of businesses / more SMEs).
101. Thus - there would appear to be little that could be taken from the State equal pay provisions based on their current application.

Recommendation

102. On this basis, ACCI recommends:

R4.1 Further consideration of the adequacy of recent and current equal remuneration provisions in state and federal workplace relations legislation be suspended pending the implementation of both pending amendments to the Workplace Relations Act 1996 and the new modern awards.

5.. TRAINING AND PROMOTION

103. The fifth term of reference for the inquiry is:

The adequacy of current arrangements to ensure fair access to training and promotion for women who have taken maternity leave and/or returned to work part time and/or sought flexible work hours; and

104. Once again, information available from EOWA demonstrates the breadth of innovation and commitment from employers to the provision of training and promotion opportunities from women who have taken maternity leave.

105. Examples of such provisions, as summarised EOWA's *Leading Edge Initiatives*, included:

- a. Opportunities for staff at all levels to work part-time.
- b. Flexible working conditions, including working from home and flexible start/finish times.
- c. Requirements for managers to discuss return to work options with staff going on maternity leave.
- d. "Keep in touch" programmes so that employees can apply for vacancies and promotions that occur while they are on leave.

106. There has now been, for several years, a significant problem for many employers in attracting and retaining skilled labour. Where employers have managed to recruit a skilled employee who is contributing to the business, they do not want to see that employee leave because they wish to take parental leave or have changing family responsibilities. Businesses are responding by developing mechanisms to assist in maintaining the connection between employees on parental leave and the business, and in maximising the career opportunities of those staff when they return from leave.

107. The report of the House of Representatives Standing Committee on Family and Human Services into balancing work and family (December 2006) provides information that is relevant to this issue. That Committee concluded that child care cost and availability remained the most commonly raised issue in relation to returning to paid work. The report noted:

“This lack of child care has implications across the economy. In 2005, there were 162,000 women who were available to work but not actively looking due to child care problems. In the same year, there were 4.7 million women in the labour force out of a total female population, aged 15 to 69, of 7.2 million. In other words, if child care issues were addressed, women’s workforce participation rate would rise from 66.2 per cent to 68.5 per cent, an increase of 2.3 percentage points⁹.”

108. The committee also noted the paucity of data on the spread of ‘family friendly arrangements’ across the economy. ACCI notes that the committee made various recommendations aimed at improving the information base available to policymakers in this area. This may assist in establishing the extent to which current policy setting and legislative arrangements are generating sustainable flexible work practices for employees with family responsibilities.
109. It is important however that any measures be sustainable; imposing practices on businesses where they are not sustainable with commercial or financial capacities will be counter-productive. Much greater progress will be achieved by continuing an approach based around an examination of what particular businesses can achieve in negotiation with their employees.
110. However, keeping in mind the conclusions of the House of Representatives inquiry, further work needs to be undertaken to identify how pressing flexible working conditions are as an issue in the context of parental labour force participation, and how important, relatively speaking, is access to child care?
111. Without undertaking such work, policy may focus on one issue but miss the factor that remains critical. Furthermore, access to child care and its cost remain issues that are relatively amenable to intervention by government. ACCI notes that various measures, in relation to child care, were included in the 2008 Federal Budget, and it will be useful to evaluate what impact they have had in terms of ameliorating the issues identified in 2006 by the House of Representatives Standing Committee on Family and Human Services.

R5.1 The Committee review and consider the findings and recommendations of the House of Representatives Standing Committee on Family and Human Services into balancing work and family (December 2006).

⁹ *Balancing Work and Family: Report on the inquiry into balancing work and family*, House of Representatives Standing Committee on Family and Human Services, December 2006, p. 137

112. This said, labour market re-entrants and their potential employers could also benefit from improved access to relevant training and skilling. A prompt, efficient and sustainable labour market re-entry would appear to be crucial to mothers maximising their remunerative potential following periods out of the labour market. There should not be an automatic assumption that barriers to training and promotion lie with employers. The Committee needs to consider what more can be done by employers and governments to deliver and support training and promotion for women who have taken maternity leave and/or returned to work part time and/or sought flexible work hours.

R5.2 There be a consideration of additional measures to assist employers in reintegrating mothers into work (both as returnees and new starters), including information resources, best practice examples, guides, mentoring, etc.

R5.3 There be research into any additional costs borne by employers in reintegrating mothers into work, and consideration of financial and other support for employers incurring additional training costs.

6. LEGISLATION

113. The sixth and final term of reference for the inquiry is:

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

114. ACCI has noted the various legislative provisions that can apply in relation to pay equity, and more generally, the framework of anti-discrimination laws that apply in Australia and provide protections and remedies for employees who believe they have been discriminated against in their employment.

115. ACCI has also noted above that legislation governing pay equity has changed markedly in recent times (through the major extension of the national system) and is imminently about to change further with the implantation of the Government's *Forward With Fairness* policies.

116. It is not clear, given the presence of a well-developed legislative framework, that additional legislative interventions would be productive of any additional gains in relation to gender pay disparity. Indeed, gains in this area in recent years - which have been substantial - have been a function of the operation of social change and reformed labour market, and not of interventionist or purportedly corrective measures.

117. To reiterate our earlier recommendations:

- a. We need robust and detailed data that will allow policymakers and other stakeholders to understand gender pay disparity and its key drivers.
- b. Both the legislation and award system are already set to change. These changes should be allowed to have their effect, and any consideration of such a term of reference could only validly occur once we see what the effect will be.

118. Australia's employers consider that there have been significant gains in pay equity as our system has been reformed since the early 1990s. No country should rest on its laurels in this area, but any country should have the confidence to allow its prevailing workplace relations and wider policy system to effect transformation over time. Australia is on the right path, change is proceeding, and the best contribution this Committee can make is to identify further supportive, promotional measures and an

improved data base, to complement wider educational and workplace reforms benefitting Australia's women.

7. INCREASING FEMALE PARTICIPATION

119. We note in responding to the inquiry that it is framed not solely in relation to pay equity but also in relation to 'increasing female participation in the workforce'.
120. Issues relating to female labour force participation are addressed at various points throughout this submission. Some particular issues raised are outlined in this section.

DATA

121. The key measure in this area is the labour force participation rate as measured through the ABS Labour Force survey¹⁰ - one of our key national economic indicators.
122. The Participation Rate is defined by the ABS as follows:
- For any group, the labour force expressed as a percentage of the civilian population aged 15 years and over in the same group.¹¹
123. ACCI understands that in turn, this reflects internationally accepted statistical measures, as agreed by the International Conference of Labour Statisticians according to various international standards.
124. The participation rate is reported (and has been reported for many years) for both men and women. This allows an assessment of:
- a. The relative labour force participation of men and women.
 - b. Changes in participation by gender over time.
125. Further unreleased data (which must be obtained separately and for additional cost) can break down participation rates by factors such gender, age, parental status, numbers of children etc. In this way, interested analysts can drill down to concepts such as maternal labour force participation, which we suspect may be a concern for the Committee (and indeed the primary participation concern in relation to Australian women).

¹⁰ ABS Cat No. 6202.0

¹¹ ABS Cat No. 6202.0, June 2008, p.31

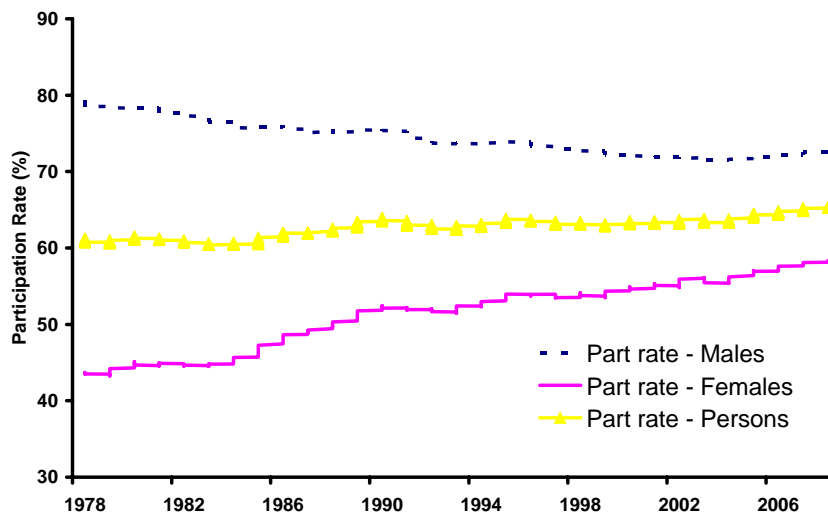
PROGRESS TO DATE

126. Examining Australia's labour force participation we see the following for June 2008:

Overall participation	65.3%
Male participation	72.5%
Female participation	58.3%

127. Whilst there is a gap between male and female participation, this needs to be seen in its longer term historical context:

Figure 7.1 - Participation Rates (1978-2008)



128. There are a number of points which may be drawn from the available ABS data.

129. Australia has quite successfully facilitated a massive influx of women into work (labour participation) during the past three decades. Female participation was 43.5% in 1978¹², and this has risen to 58.3% in 2008. This is a near unparalleled social transformation in our nation's history, achieved without economic or labour market disruption or negative factors.

130. There have been particular gains as our labour market has been made more flexible under both the ALP and the Coalition. Since 1993 the gains are as follows:

¹² Earliest available data online.

	1993	2008	Change
Male Participation	73.6%	72.5%	- 1.5%
Female Participation	51.6%	58.3%	+ 13.0%
Persons Participation	62.5%	65.3%	+ 4.5%

131. This substantial gain in female participation has remained strong across periods of very different trends in labour market regulation including the introduction and partial rescission of unfair dismissal laws, and the introduction and rescission of AWAs. Female participation has continued to grow across contrasting policies, ranging from the Keating/Brereton reforms to *WorkChoices*.
132. It is ACCI's strong view that it is Australia's flexible labour market, and reforms favouring labour market decentralisation which have allowed Australia to successfully integrate more women into work / participation across variations in the economic cycle.

International comparison

133. How then does Australia compare internationally?
134. OECD.*Stat*¹³ is the online statistical resource of the OECD. It includes data on women's labour force participation rate for each OECD country. We commend this very useful tool to the inquiry.
135. Using a different measure of participation to that of the ABS¹⁴ (but a consistent method across OECD countries), it shows Australia's female labour force participation as follows compared to other OECD countries:

Figure 7.2

	2000	2001	2002	2003	2004	2005	2006	2007
Higher								
Iceland	83.3	83.1	82.2	83.9	81.8	83.4	84.2	83.6
Sweden	76.4	77.1	77.1	76.8	76.6	77.7	77.7	78.2
Norway	76.5	76.4	76.7	75.8	75.7	75.4	75.6	76.5
Denmark	75.9	75.0	75.9	74.8	76.1	75.1	76.7	76.4
Switzerland	71.7	73.3	73.9	74.1	73.9	74.3	74.7	75.0
Canada	70.4	70.8	72.1	73.2	73.4	73.1	73.5	74.3
Finland	72.1	72.5	72.7	72.1	72.0	72.9	73.2	73.9

¹³

¹⁴ With the OECD measure being materially higher for each country, uniformly for men, women and all persons.

	2000	2001	2002	2003	2004	2005	2006	2007
Comparable								
New Zealand	67.5	68.4	69.0	69.2	69.6	70.8	71.4	71.8
Netherlands	65.2	65.9	66.4	67.3	67.8	68.6	69.4	71.1
UK	68.9	68.9	69.3	69.2	69.6	69.6	70.3	69.8
Australia	65.4	66.0	66.3	67.1	66.9	68.4	68.9	69.4
Germany	63.3	63.8	64.2	64.5	65.8	66.9	68.5	69.4
USA	70.7	70.4	70.1	69.7	69.2	69.2	69.3	69.1
Portugal	63.8	64.5	65.0	65.6	67.0	67.9	68.4	68.8
Austria	61.8	62.3	63.7	64.3	64.2	65.6	67.0	67.8
Lower								
France	61.7	61.8	62.1	63.7	64.0	64.3	64.5	65.0
EU 15	60.1	60.3	61.0	61.6	62.8	63.4	64.2	64.7
EU 19	60.0	60.2	60.7	61.2	62.1	62.7	63.3	63.6
Ireland	55.7	56.0	57.2	57.4	57.8	60.2	61.3	63.0
Spain	52.9	51.6	53.7	55.7	57.7	59.1	61.1	62.3
Japan	59.6	60.1	59.7	59.9	60.2	60.8	61.3	61.9
Czech Rep	63.7	63.2	62.8	62.5	62.2	62.4	62.3	61.5
OECD (All)	59.3	59.4	59.6	59.7	60.1	60.4	60.8	61.2
Slovak Rep	63.2	63.7	63.2	63.5	62.9	61.5	60.9	60.7
Belgium	56.6	54.5	55.4	55.8	57.7	59.5	58.9	60.2
Europe	56.4	56.5	57.0	57.2	57.8	58.2	58.7	59.2
Poland	59.9	59.9	58.9	58.4	58.2	58.3	56.8	56.5
Luxembourg	51.7	52.0	53.5	53.5	55.8	57.0	58.2	55.4
Greece	49.7	48.8	51.0	52.1	54.1	54.6	55.0	55.1
Hungary	52.6	52.4	52.7	53.9	54.0	55.1	55.5	55.1
Korea	52.0	52.8	53.5	52.9	54.1	54.5	54.8	54.8
Italy	46.3	47.3	47.9	48.3	50.6	50.4	50.8	50.7
Mexico	41.0	40.4	41.0	40.6	43.0	43.2	44.5	45.3
Turkey	28.0	28.5	29.5	28.1	27.0	26.5	26.7	26.6

136. It therefore appears:

- a. Female labour force participation in Australia is significantly better than the OECD average.
- b. The majority of the best performing countries in this area have unique social, historical and economic characteristics (the Scandinavian and Nordic states). Detailed analysis would be needed on the policies and settings which are common to the cohort of countries above Australia and lead to higher female participation.
- c. There is some diversity in the nature of the economies, labour markets and societies of countries with similar female labour force participation. There are very different industrial relations systems in for example: Australia, New Zealand, the Netherlands, the UK, Germany, the USA, Portugal and Austria.

d. This diversity is even more marked in the cohort of worse performing states, with perhaps the exception of the bottom cohort of countries which are among the lesser developed, lower GDP, newer OECD entrants.

137. As a final international comparison, it is worth examining changes in the available data, and in particular growth in female participation rates over the period from 2000, as follows:

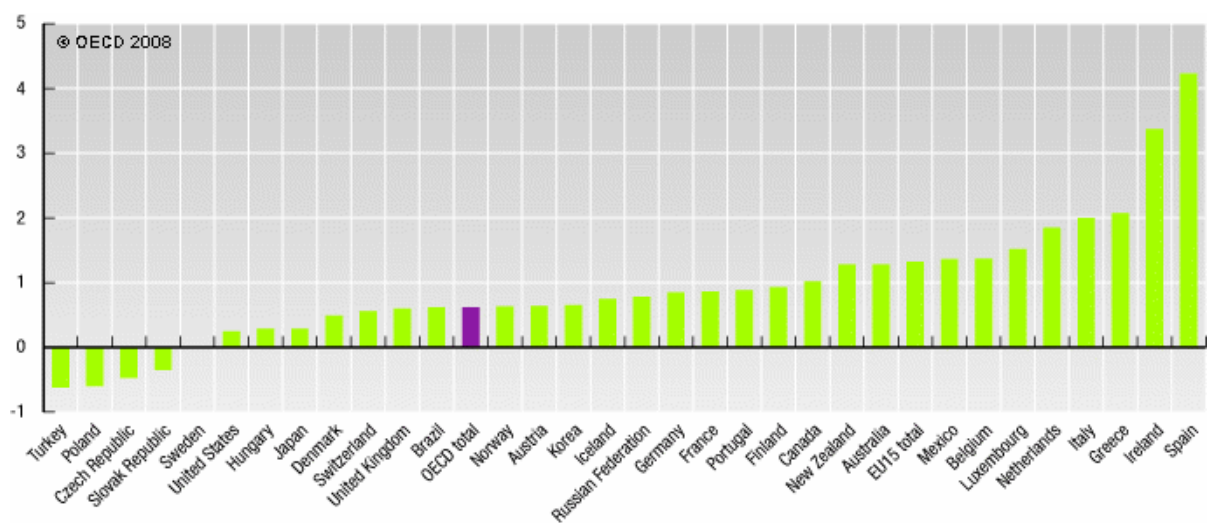
Figure 7.3

	2000	2007	Change
<u>Faster Growth</u>			
Spain	52.9	62.3	17.8%
Ireland	55.7	63.0	13.1%
Greece	49.7	55.1	10.9%
Mexico	41.0	45.3	10.5%
Austria	61.8	67.8	9.7%
Germany	63.3	69.4	9.6%
Italy	46.3	50.7	9.5%
Netherlands	65.2	71.1	9.0%
Portugal	63.8	68.8	7.8%
European Union 15	60.1	64.7	7.7%
<u>Comparable Growth</u>			
Luxembourg	51.7	55.4	7.2%
Belgium	56.6	60.2	6.4%
New Zealand	67.5	71.8	6.4%
Australia	65.4	69.4	6.1%
European Union 19	60.0	63.6	6.0%
Canada	70.4	74.3	5.5%
Korea	52.0	54.8	5.4%
<u>Slower Growth</u>			
France	61.7	65.0	5.3%
Europe	56.4	59.2	5.0%
Hungary	52.6	55.1	4.8%
Switzerland	71.7	75.0	4.6%
Japan	59.6	61.9	3.9%
OECD countries	59.3	61.2	3.2%
Finland	72.1	73.9	2.5%
G7 countries	64.7	66.3	2.5%
Sweden	76.4	78.2	2.4%
United Kingdom	68.9	69.8	1.3%
<u>Static</u>			
Denmark	75.9	76.4	0.7%
Iceland	83.3	83.6	0.4%
North America	63.6	63.7	0.2%
Norway	76.5	76.5	0.0%
<u>Going Backwards</u>			
United States	70.7	69.1	-2.3%
Czech Rep	63.7	61.5	-3.5%
Slovak Republic	63.2	60.7	-4.0%
Turkey	28.0	26.6	-5.0%
Poland	59.9	56.5	-5.7%

138. This shows:

- a. Female labour force participation in Australia has grown at approximately twice the rate of overall OECD growth since 2000.
- b. The very fastest growing economies are those rapidly industrialising / growing where labour demand is very high (e.g. Spain, Ireland, Greece and Mexico).
- c. Putting these rapidly transforming countries to one side, Australia has performed very strongly.
- d. Some of the best performed countries on female participation are not seeing any further gains (Denmark, Iceland and Norway). Whether this means there is some natural ceiling or limit to female participation is not clear / may be subject to further research.
- e. No single policy approach appears to be common to states with comparable rates of growth in female participation. They have for example very different approaches to labour market regulation (e.g. Australia vs New Zealand vs Luxembourg vs Canada vs Korea).
- f. This is further illustrated by the following figure, also from the OECD:

Figure 7.4
Employment Rates: Women - Average annual growth in percentage,
1993-2006 or latest available period¹⁵



¹⁵ Source: OECD Fact Book 2008.

WHICH FEMALE PARTICIPATION?

139. Again, the Committee may want to look further into the detail, but the key point is not simply female participation per se, but securing a situation in which females participate in the labour market to the extent possible and desired by them at all points of the life course.
140. Particularly important as set out above is the capacity of our labour market for material and returnee employment, which has some relationship to pay equity - albeit one which need be better understood.

ADDRESSING THE GAP

141. Any notion of addressing the participation gap, as with pay equity, needs to commence from an understanding of what's already being achieved and the effectiveness of existing measures.
142. Again there need be a measure of pragmatism, and the aspiration or goals need to be critically examined. Will for example the same proportion of women as men ever participate in any labour market at various age points? Or rather is the policy goal about maximising participation to the extent possible? Again this needs to be further considered with more rigour.
143. There is also a possible preference issue here. To what extent do women want to participate in employment at some points in their life course - or rather is success in this area measured by balancing preferences and maximising opportunity where the preference is towards work.

How to Address Female Participation

144. The OECD¹⁶ in 2004 analysed the determinants of female participation as follows:

The labour force participation of women remains determined to a large extent by the level of female education, overall labour market conditions and cultural attitudes. However, new OECD evidence confirms that policies, other than those affecting the factors listed in the previous sentence, also contribute to explaining the different performances of countries (see Box 1). These include policies promoting the flexibility of working-time arrangements, the system of family taxation, and the support to families in the form of childcare subsidies, child benefits, and paid parental leaves.

¹⁶ OECD (2004) Female Labour Force Participation: Past Trends And Main Determinants In OECD Countries - www.oecd.org/dataoecd/25/5/31743836.pdf

Box 1. Empirical analysis

The empirical analysis investigates the determinants of prime-age female participation based on panel data regressions for 17 OECD countries over the period 1985-1999. The potential determinants include measures of the flexibility of working-time arrangements, the taxation of second earners, childcare subsidies, child benefits, and paid parental leaves. Other potential determinants of the rate of female participation, such as the level of female education, the proportion of married women, the number of children, and overall labour market conditions are controlled for. Finally, country-specific effects are allowed to capture differences across countries in cultural attitudes and institutions. The model is further refined to allow a different impact of the explanatory variables on full-time and part-time participation. The text builds on the significant results of this analysis. See Jaumotte (2003) for further details.

145. We note from this that a range of factors are identified as influencing participation – which well exceed the world of work and workplace relations – extending into tax, childcare etc. This shows that any consideration of measures to maximise participation needs to be holistic and wide ranging. Again, in this context it is necessary to consider the importance of child care.

UNDERSTANDING THE NEXUS BETWEEN PARTICIPATION AND EQUITY

146. There is an apparent nexus drawn between gender pay disparity and female labour force participation in the remit of this inquiry (and indeed in its title).
147. Somewhat ironically, there may be some diminution in the overall productivity and skills profile of women as participation increases, which might serve to drive down relative earnings. This would arise as at some point of demand, labour market entrants would be those who are least productive, skilled and experienced. This is a theoretical construct and it is not clear that this has come to pass in Australia.
148. This is not a problem in itself, but it is an illustration that simple recourse to data can be misleading. Data and developments need to be examined from a sound empirical foundation and the examination of data (and consideration of remedial measures) needs to be nuanced.
149. In particular, and relevantly for the general point we are making about pay equity, care needs to be taken to look behind aggregates.

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SOUTH MELBOURNE VIC 3205
Telephone: 03 9686 1500
Facsimile: 03 9686 1600
Email: ausmade@australianmade.com.au
Website: www.australianmade.com.au

Australian Mines and Metals Association

Level 10
607 Bourke Street
MELBOURNE VIC 3000
Telephone: 03 9614 4777
Facsimile: 03 9614 3970
Email: vicamma@amma.org.au
Website: www.amma.org.au

Australian Newsagents' Federation

Level 3
33-35 Atchison Street
ST LEONARDS NSW 2065
Telephone: 02 8425 9600
Facsimile: 02 8425 9699
Website: www.anf.net.au

Australian Paint Manufacturers' Federation Inc

Suite 1201, Level 12
275 Alfred Street
NORTH SYDNEY NSW 2060
Telephone: 02 9922 3955
Facsimile: 02 9929 9743
Email: office@apmf.asn.au
Website: www.apmf.asn.au

Australian Retailers' Association

Level 2
104 Franklin Street
MELBOURNE VIC 3000
Telephone: 1300 368 041
Facsimile: 03 9321 5001
Email: info@vic.ara.com.au
Website: www.ara.com.au

Live Performance Australia

Level 1
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Telephone: 03 9614 1111
Facsimile: 03 9614 1166
Email: info@liveperformance.com.au
Website: www.liveperformance.com.au

Master Builders Australia

Level 1, 16 Bentham Street
YARRALUMLA ACT 2600
Telephone: 02 6202 8888
Facsimile: 02 6202 8877
Email: enquiries@masterbuilders.com.au
Website: www.masterbuilders.com.au

Master Plumbers' and Mechanical Services Association of Australia

525 King Street
WEST MELBOURNE VIC 3003
Telephone: 03 9329 9622
Facsimile: 03 9329 5060
Email: info@mpmsaa.org.au
Website: www.plumber.com.au

National Baking Industry Association

Bread House, 49 Gregory Terrace
SPRING HILL QLD 4000
Telephone: 1300 557 022
Email: nbia@nbia.org.au
Website: www.nbia.org.au

National Electrical and Communications Association

Level 4
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ST LEONARDS NSW 2065
Telephone: 02 9439 8523
Facsimile: 02 9439 8525
Email: necanat@neca.asn.au
Website

National Fire Industry Association

PO Box 6825
ST KILDA CENTRAL VIC 8008
Telephone: 03 9865 8611
Facsimile: 03 9865 8615
Website: www.nfia.com.au

National Retail Association Ltd

PO Box 91
FORTITUDE VALLEY QLD 4006
Telephone: 07 3251 3000
Facsimile: 07 3251 3030
Email: info@nationalretailassociation.com.au
Website: www.nationalretailassociation.com.au

Oil Industry Industrial Association

c/- Shell Australia
GPO Box 872K
MELBOURNE VIC 3001
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Facsimile: 03 9666 5008

Pharmacy Guild of Australia

PO Box 7036
CANBERRA BC ACT 2610
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Email: guild.nat@guild.org.au
Website: www.guild.org.au

Plastics and Chemicals Industries Association

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ABBOTSFORD VIC 3067
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Website: www.pacia.org.au

Printing Industries Association of Australia

25 South Parade
AUBURN NSW 2144
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Website: www.printnet.com.au

Restaurant & Catering Australia

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Email: restncat@restaurantcater.asn.au
Website: www.restaurantcater.asn.au

Standards Australia Limited

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Victorian Automobile Chamber of Commerce

7th Floor
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MELBOURNE VIC 3004
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