



27 August 2008

The Secretary  
Standing Committee on Employment and Workplace Relations  
House of Representatives  
P.O. Box 6021  
Parliament House  
CANBERRA ACT 2600

and via email: [ewr.reps@aph.gov.au](mailto:ewr.reps@aph.gov.au)

Dear Secretary,

Submission No: .....	51
Date Received: .....	28.8.08
Secretary: .....	D.

**Pay Equity and Associated Issues Related to Increasing Female Participation in the Workforce**

Thankyou for your invitation to provide information to the Standing Committee on the experience of the Australian Institute of Management NSW & ACT Limited (AIM) in relation to pay equity and associated issues related to increasing female participation in the workforce.

**Data and Tracking of Pay Equity Issues**

It is widely accepted, based upon several studies, including that of the 2006 Equal Opportunity for Women in the Workplace Agency Census of Women in Leadership, that significant pay disparity continues to exist between males and females in Australia. Indeed the new Sex Discrimination Commissioner and Commissioner responsible for Age Discrimination has recently, in her Listening Tour Community Report, confirmed that pay inequity is a continuing issue for the majority of not only women but, also, families in Australia.

Notwithstanding that acceptance, there is very little data to monitor and track any changes that may be taking place in employment categories, types of remuneration or the actual remuneration received across all levels and types of employment. We believe this has an impact on the administration and management of workplace and gender inequality.

As the peak professional body for management in Australia, the Australian Institute of Management NSW & ACT Limited has sought to assist organisations with their management needs by providing valuable information, training and tools and to this end, we have conducted, for more than 45 years, the Australian Institute of Management (AIM) National Salary Survey.

In 2007 AIM commenced gathering data on disparities between salaries for males and females. Using data collected in the 2008 survey, AIM has been able to confirm that gaps are currently present in the level of remuneration paid to female workers, when compared to their male counterparts, across all job families and all job levels.

We have provided some extracts from our most recent AIM National Salary Survey from which you will see that overall, the Survey indicated that female staff are paid, on average, 12% less than their male counterparts.

In terms of overall workforce participation, the composition of the sample yielded an overall male to female ratio of 3:2.

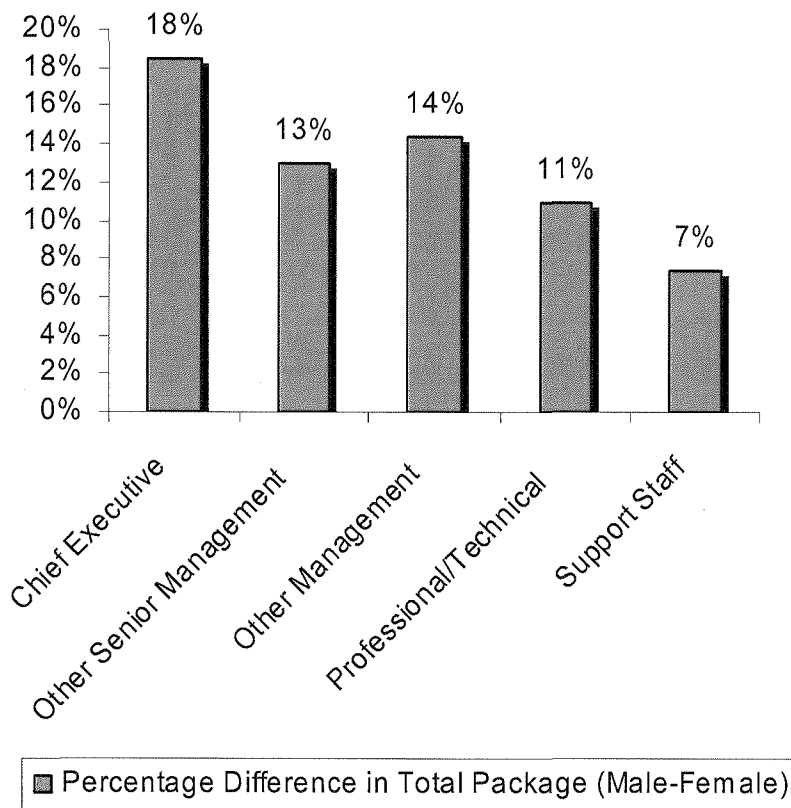
## Gender Pay Differences:

The Survey analysis reveals that, on average, females earn less than their male colleagues across all job levels.

The most significant difference in Gender pay occurs for the Chief Executive, where females earn 18% less than their male counterparts for undertaking the same job roles.

The proportion of pay differentials largely reduces in line with job level, with females earning only 7% less than their male counterparts at the Support Staff job level.

### By Job Level

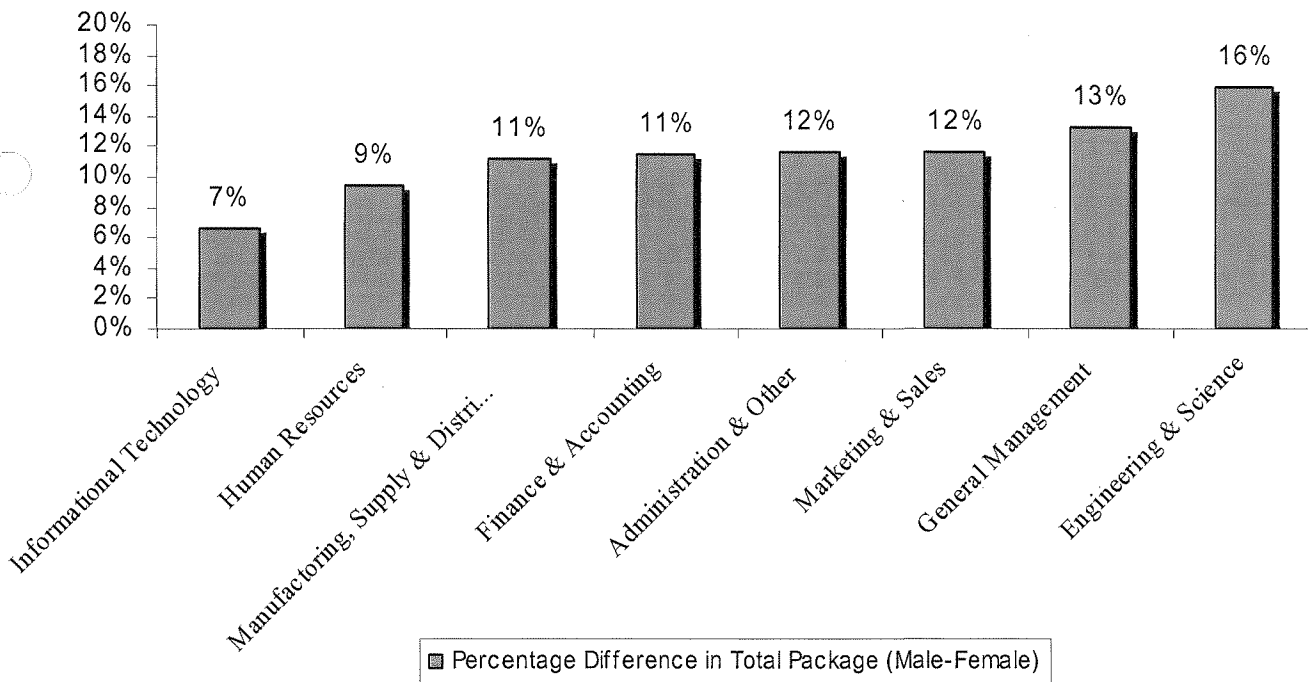


## By Job Family

The Survey analysis reveals that, on average, females earn less than their male colleagues within all Job Families.

The most significant difference in Gender Pay occurs within the Engineering and Science Job Family, where females earn 16% less than their male counterparts for undertaking the same job roles.

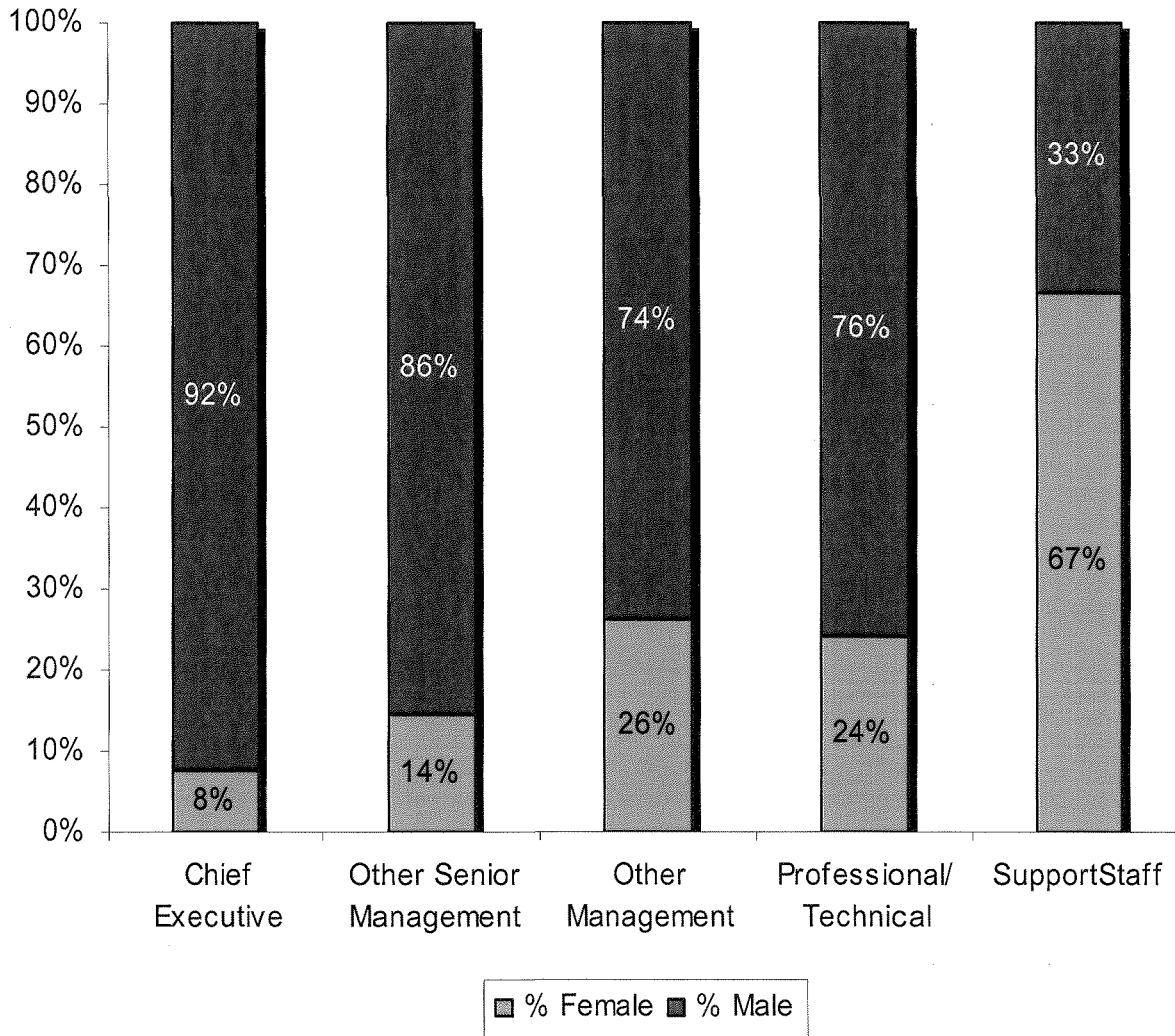
The Information Technology job family has recorded the least (7%) difference in pay among the genders. This is possibly attributed in part to the technical nature of IT job roles, as well as a relatively high demand for skilled IT workers.



## Gender Differences in Workforce Composition:

### By Job Level

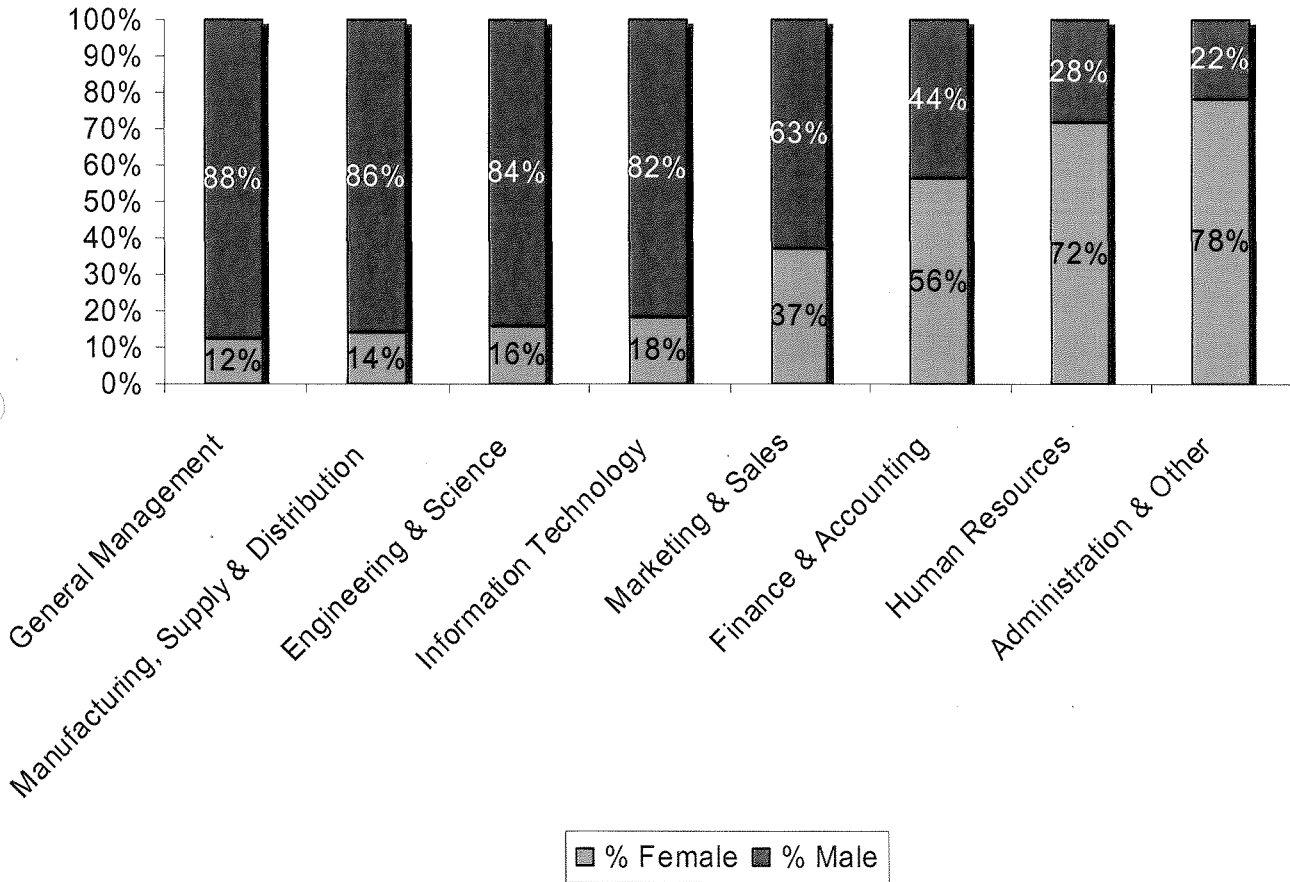
Participation levels for female staff are greatest at the Support Staff level (67%), with the lowest participation rate recorded for Chief Executives (8%).



## By Job Family

Participation rates for females were highest within the Administration & Other and Human Resources Job Families (78% and 72% respectively).

The General Management Job Family has recorded the lowest participation rate for females (12%).



It is clear from the information that AIM has produced from the National Salary Survey that pay equity remains a significant issue which does, and will continue to, impact across the community.

AIM would respectfully submit that it is also clear that, in order to determine what, if any, changes result from any initiatives undertaken by the Legislature, the Legislature requires continuous, accurate and apposite collection and analysis of data.

### **Education and Information**

AIM has invested significant time, funding and resources to ensure that its National Salary Survey receives as much publicity as possible so that the wider business community is aware of the findings in relation to pay inequities.

Recently, AIM entered into a Community Business Partnership with the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) with the intention of heightening participation of businesses, specifically small to medium enterprise, in Corporate Social Responsibility (CSR) and Community Business Partnerships by providing information, resources, training and on-going support that was relevant to the Australian Institute of Management's (AIM) members and that would assist with enabling best practice in those areas.

AIM explored the many opportunities to focus specifically on communicating this information to our Members and Clients on behalf of FaHCSIA through such means as:

- Our Organisation Learning division which works closely with clients by bringing the latest management thinking and information into their organisation.
- Our Open Programs division which offers programs on negotiation skills, coaching and counseling.
- Our Professional Network Forums which are yet another avenue for us to improve the understanding of our Members and Clients of key issues that impact on their staffing and resource remuneration policies.

We will continue to provide these services and will work toward not only highlighting the disparities but to provide specific training in relation to educating management on the current equal remuneration provisions in state and federal workplace relations legislation.

We understand that these are small steps forward from AIM's perspective and we would welcome the opportunity to work closely with the Standing committee on Employment and Workplace Relations in their efforts to facilitate greater understanding and acceptance of the legislation and current policies and, importantly to provide access to relevant information pertaining thereto.

Given its position and work undertaken already, AIM is in a position to assist the Department of Education, Employment and Workplace Relations. AIM has received commissions in the past from organizations and industry bodies to perform survey and tracking assignments. In this case the work done by AIM to date could be treated as baseline data and, with added funding, AIM's National Salary Survey team would be well positioned to track any benefits resulting from changes in policy or legislative reform.

We hope that you find our comments of value and look forward to seeing the results of your inquiries in due course.

Yours sincerely,

  
per **Jennifer Alexander**  
Chief Executive Officer