



VICTORIAN WOMEN'S TRUST

Senate Finance and Public Administration Committees
PO Box 6100
Parliament House
Canberra ACT 2600

8 February 2017

Dear Committee Secretary,

The Victorian Women's Trust welcomes the opportunity to provide a submission to the Senate Finance and Public Administration Committees in relation to gender segregation in the workplace and its impact on women's economic equality.

Women's economic equality and security is a key focus area for our research, advocacy and grant making work alongside women's representation and women's health and safety.

In November 2016, the Trust ran *Breakthrough: the future is gender equality*, described in *The Age* editorial as 'one of the biggest gender equality conferences in our nation's history'.ⁱ

Breakthrough was the coming together of over 130 expert speakers and over 1000 attendees, the majority of whom were women.

The two-day event focussed on five key themes:

- *Money. Power. Freedom.*, on women's economic security;
- *Our Rightful Place*, on women's representation;
- *Our Common Cause-Equality*, on our collective pursuit of gender equality;
- *Safety in Numbers*, on women's safety; and
- We Can + We Will, on women's achievements thus far and plans for the future.

Within each theme our goal was to bring the best minds together to speak on issues currently facing women and come up with breakthrough actions which would hasten the pace of change towards a gender equal society in Australia. The conduit for this goal was a combination of keynote speeches and individual panel sessions for each theme.

The *Money.Power.Freedom.* sessions focused on the superannuation system; female entrepreneurship and change making; equal pay for women; women's financial inclusion and childcare. Attendees heard from key practitioners and academics in these fields such as Senator Jenny McAllister, economist Richard Denniss, Professor Marian Baird and *Women's Agenda* editor

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Angela Priestly. This submission will feature expert opinions from the session on the gender pay gap, *She Works Harder for the Money*.

The *Money. Power. Freedom* theme also featured a workshop entitled, *Life, Relationships, Money: Discuss*. Led by the Trust's Convenor Alana Johnson, with support from Head of Corporate Affairs at Bank Australia Fiona Nixon, this workshop featured a host of experts and researchers in the field from organisations such as Women's Information Referral Exchange, Financial Counselling Australia, Women Talk Money, Good Shepherd and Women's Legal Victoria alongside about 90 women participants. We wanted to give participants an opportunity to discuss the ways in which women are financially excluded and disadvantaged in our society.

The intellectual and practitioner knowledge, as well as a women's lived experiences captured under the *Money. Power. Freedom* theme is valuable source material for this submission and we are pleased to be able to frame it in a way which assists the Committee's deliberations.

The Trust believes that the deliberations will also be strengthened by the inclusion of women's lived experiences of economic security and workplace gender segregation. Reform in any area is contingent on understanding the structural inequalities that disadvantage women, leaving them particularly vulnerable to economic insecurity and financial hardship.

In order to remove these structural inequalities which segregate our workplaces along gender lines and contribute enormously to the gender pay gap there needs to be a complete overhaul of the norms which dictate our working lives. As is the need for visionary leadership, innovation and public debate to ensure women are able to achieve the same degree of economic security throughout their lives as men.

Regards,

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Director, Victorian Women's Trust

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ⁱ OpEd 2016, 'Do not be that sleazy male customer' *The Age*, 29 November, p. 1

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Introduction

Despite Australian women's increased engagement in the paid workforce and increased educational attainment in Australia, women still face many barriers to economic security which begin at birth, 'A girl born in Australia today, unless things change radically, will earn a lot less money in her lifetime than her brother. She will retire with less income, and less wealth than her brother.'ⁱ

It is crucial that both structural and policy changes are made to ensure women are able to achieve the same degree of economic security throughout their lives as men. Indigenous, LGBTIAQ+, CALD, refugee, rural women as well as women with disabilities need particular support to be economically secure through inclusive public policy initiatives.

This submission will address the following terms of reference set by the Committee:

- a. the nature and extent of industrial and occupational gender segregation in Australian workplaces relative to comparable jurisdictions, including gender segregation in tertiary education courses;
- b. factors driving industrial and occupational gender segregation in the Australian context;
- c. economic consequences of gender segregation for women, including the contribution of industrial and occupational gender segregation to the gender pay gap;
- e. remedies appropriate for Australia, including but not limited to:
 - a. measures to encourage women's participation in male - dominated occupations and industries,
 - b. measures to professionalise and improve conditions in female - dominated occupations and industries, and
 - c. measures to promote pay equity.

Key points

- a. the nature and extent of industrial and occupational gender segregation in Australian workplaces relative to comparable jurisdictions, including gender segregation in tertiary education courses;*

Industrial segregation

Industrial segregation in Australia is common with 60.9 per cent of employees working in an industry that is dominated by one gender.ⁱⁱ

The five most heavily male dominated industries in Australia are Construction (88% male); Mining (85%); Electricity, gas water and waste (78%); Transport, postal & warehousing (77%); and Manufacturing (74%).ⁱⁱⁱ

The five most heavily female dominated industries in Australia are Health care & social

assistance (78% women); Education & training (71%), Retail trade (55%); Accommodation & food services (53%); and Financial & insurance services (53%).^{iv}

Further, the most recent graduates are closely following the current industry gender composition patterns entering 16 of 19 industries already dominated by their gender.^v

Occupational segregation

Similar to industrial segregation, occupational segregation has remained steady over the last 20 years.^{vi}

The most heavily male dominated occupations in Australia are Machinery Operators and Drivers (90.2% male); Technicians and Trade Workers (85.3%); Managers (62.9%) and; Labourers (66.4%).^{vii}

The most heavily female dominated occupations in Australia are Clerical and Administrative workers (74.3% female) and Community and Personal Service Workers (68%).^{viii}

Further, men are much more likely to be CEOs or Key Management Personnel (KMPs) in both female, mixed and male dominated industries.^{ix} Only 16.3% of CEOs and 28.5% of KMPs are female in Australia.^x

For a detailed analysis of the nature and extent of industrial gender segregation in Australian workplaces please refer to the ABS submission to this Inquiry.

b. factors driving industrial and occupational gender segregation in the Australian context;

Gender stereotypes

Industrial segregation

Stereotypes that reinforced gendered occupational roles are socially taught from birth and are reinforced by broader society as we grow up. Thus, we see a skewing of industries into binary “masculine” and “feminine” industries as seen in the ABS’ statistics above. These stereotypes reinforce norms around what constitutes “valuable” work, resulting in a devaluing of “women’s work” as well as prescribing to individuals what job they *should* choose; creating segregation along gender lines.

Occupational segregation

In terms of occupational segregation, where the executive roles in every industry are dominated by men, gender stereotypes are also pertinent. As the ABS’ submission highlights, in Australia women make up 54 per cent of all professionals, but only 36 per cent of managers.^{xi}

Traditional leadership is associated with masculine stereotypes such as decisiveness, assertiveness and even aggression. Not only are these qualities prized in male leaders, female leaders are often criticised for displaying similar qualities.

Learnings from *Life, Relationships Money: Discuss*

“We need to have the conversation with young children (both male and female) so that children grow up believing that both men and women are equal and capable of doing anything they want to do.”

-workshop participant, *Life, Relationships, Money: Discuss*

In our *Breakthrough* workshop *Life, Relationships, Money: Discuss* attendees mentioned the effects that gendered stereotypes had on the careers women pursue, often in lower paid industries and positions less likely to gain promotion because of the need for flexibility due to caring responsibilities (see Unpaid work below).

Attendees talked about how their experiences of gendered language, stereotypes and social norms have hindered their ability to pursue careers they wanted, shaped expectations around their “role” as mothers/daughters and influenced expectations around their ability to be financially literate. Many attendees also pointed to women’s lack of confidence in asking for pay rises; talking about their salary; finding mentors; and lack of confidence in pursuing jobs in male-dominated fields.

Unpaid work and the undervaluing of women’s work

Arguably one of the most segregated industries in Australia is that of unpaid work. Unpaid work includes running a household, volunteer work, caring for children, family and others. According to the *ABS 2016 Gender Indicators survey*, men spend nearly twice as long as women on employment related activities, while women spent more time on domestic activities and childcare.^{xii} Caring and unpaid work demands affect the professional opportunities of women due to the need for flexible hours; time out of the workforce; only being able to work in part-time or casual roles; inability to attend work trips; limited ability to conduct informal networking or late-night meetings.

Learnings from *She Works Harder For The Money*

The President of the Australian Council of Trade Unions (ACTU) Ged Kearney spoke about how expectations of women negatively affect their economic security in *She Works Harder For The Money*, ‘we’re still struggling against underpayment, and undervaluing of the work that women do. We’re still expected to be the ones who take on the work of caring for others, and we are often underpaid or even not paid for doing so.’

Academic Lyndall Strazdins reflected on the way in which our current paid workplace culture rewards longer hours with workplace advancement in *She Works Harder For The Money*, ‘The people who work in those top deciles work around on average 49 hours a week. It takes that long to have a say, to be a person of influence, to wield power, to actually be at the top in those positions, those managerial positions.’

Unpaid Internships

Unpaid internships are another factor that can affect women's economic security and reflect stereotyped expectations on the lesser value of women's time are a further site of much needed reform in Australian workplace regulation.

Learnings from *She Works Harder For The Money*

Coleen Chen, the CEO of Interns Australia noted, 'we find that the labour of young people, and in particular the labour of young women, often goes unrecognised and is heavily undervalued... According to our survey, of the women who did internships, 89% were unpaid. With less than 20% of internships leading to job offers with the same employer, we're worried about the growing culture of free labour and how that is once again disproportionately affecting women.'

These competing informal and formal work demands of women manifest themselves most strongly in the gender pay gap.

c. economic consequences of gender segregation for women, including the contribution of industrial and occupational gender segregation to the gender pay gap;

Gender Pay Gap

The *Workplace Gender Equality Agency* identifies gender segregation in the workplace as a key factor in the gender pay gap.^{xiii} The gender pay gap has persisted with Australian men working full-time currently earning 23.1% more than Australian women working full-time, equivalent to \$26,853 per year.^{xiv} Hegewisch and Hartmann from the Institute for Women's Policy Research reflect the lack of progress towards closing the gap, 'just as there has been no progress in occupational integration during the 2000s, there has been no further progress towards equal pay, with the two trends showing an inverse relationship over time (as job segregation declined, equal pay increased).'^{xv} There is a strong imperative then, to decrease industrial segregation in order to close the gender pay gap.

Learnings from *She Works Harder For The Money*

Social policy academic Barbara Pocock reiterated the neglect of the gender pay gap issue and the dire need for progress on the gender pay gap, "We sit at 82 cents of men's earnings, we have sat at that level for 20 years, if this was a heart rate monitor in a hospital we would declare the patient dead...That's despite the fact that women have been really really energetically improving their skills and qualifications. We outnumber men coming out of universities; so human capital theory tells us that that should have been associated with a really narrowing of the pay gap in the last 20 years, not a blip on the radar."

In the session, ACTU President Ged Kearney reflected on the economic consequences of gender segregation for women as well as the gendered expectation that women will undertake lower or unpaid work resulting in the gender pay gap. Ms Kearney sees these issues exemplified by the 1986 Victorian nurse's strike:

"My colleagues were sick of being devalued and disrespected, of putting up with low pay and sub-standard conditions...we actually decided that we would ask for fair pay. We said that we didn't

want to take a pay cut, but we were told that we were greedy and selfish for not sacrificing ourselves to care for patients. We got an endless barrage of sexist media and political attacks. Of course, the male dominated health professions; doctors, surgeons and administrators were not expected to sacrifice themselves or their pay. We began to reject the excuses for underpayment, and to see the gendered system for what it was. It was unjust, unfair and bad for everyone in society.”

e. remedies appropriate for Australia, including but not limited to:

- i. measures to encourage women’s participation in male - dominated occupations and industries,*
- ii. measures to professionalise and improve conditions in female - dominated occupations and industries, and*
- iii. measures to promote pay equity.*

Changing workplaces in Australia

Learnings from *She Works Harder For The Money*

There are no silver bullets for improving gender segregation in the workplace and the gender pay gap in Australia. This centrally important issue of fairness, equity and productivity of Australia’s workforce, as Barbara Pocock expressed in *She Works Harder For The Money*, has remained unexplored and unchallenged:

‘The most recent review of workplace relations in our country was by the productivity commission in recent years, in the last year or two, and it gave almost no recognition to women at all except to note: that we’d increased our participation in the labour market. It offered no recommendations on gender pay equity, but the specific recommendation it made in relation to casual workers and the reduction of casual rates of workers on Sundays would have a particularly negative effect on women because it applied to hospitality, accommodation, cafes, retail.

In all female dominated occupations, it’s recommendation was to lower pay rates for people in those industries on Sundays. Not in construction, not in manufacturing, not in male dominated occupations, and the consequence of that most recent recommendation of our workplace relations’ system reformers would be to widen the gender pay gap. This means people like us, every time the pay gap stats come out every year, once again find the big surprise announcement that shock horror nothing has changed yet again.’

This neglect of the specifically gendered nature of workplaces in Australia is one that merits both considerable analysis and resources. Workplace reviews, reform and data analysis should consciously seek to include women’s experiences to implement measures to reduce these gendered inequalities.

Changing workplace culture and structures that penalise women

In 2016, the Australian Public Service Commission launched their gender equality strategy *Balancing the Future*. The Commission's comments of changing workplace cultures is key to alleviating the negative impacts of gender segregated workplaces and the gender pay gap:

'The Australian Public Service (APS) workforce must reflect contemporary reality— one in which men, as well as women, have both caring and work responsibilities, and where everyone is given the same opportunities to develop and to lead.

The APS must set the pace for a contemporary Australian workforce. APS leaders at all levels must be accountable for driving progress in their agencies, their divisions, their branches and their teams. The APS will not achieve gender equality until both women and men are seen as capable and credible leaders; until both women and men can work flexibly without risking their career progression; and until outdated assumptions of 'women's work' and 'men's work' are identified and eradicated.^{xvi}

Learnings from *Life, Relationships, Money: Discuss*

Similarly, *Life, Relationships, Money: Discuss* participants believe that workplaces must be proactive about challenging their bias; looking at improving their workplace flexibility; increasing the attractiveness of their workplace to women; and support women by improving childcare, parental leave and remuneration policies.

Workplace policies or initiatives which attendees thought could improve women's economic security included:

- Domestic violence leave policies;
- Remove unconscious bias within workplaces;
- Companies to invite the expectation to put yourself out there in the workplace, to mentor others and to encourage others—recommended by Sheryl Sandberg (COO of Facebook);
- Build expectations in young women that they deserve success;
- Encourage women to take risk to apply for jobs;
- Encourage mentorship within the workplace;
- Men in senior roles to set examples for work life balance;
- Provide free childcare;
- Improve workplace flexibility for both men and women;
- Encourage men to be caregivers and reduce stigma around traditional caregiving roles of men as bread winners and women as caregivers; and
- Companies need to adopt to family life and be innovative. For example, Patagonia has succeeded in retaining 100% of mothers through providing on-site childcare.^{xvii} Others could learn from this example.

Work time regimes

In 1919 and 1930, The International Labour Organisation set the general standard at 48 regular hours of work per week, with a maximum of eight hours per day.^{xviii} Currently in Australia, a full time employed man works about 41 hours a week on average, a full time employed woman works 35, nearly 36 hours a week.^{xix}

Due to the disparity in time men and women spend at work, time regimes need to be reconceived in order to offer flexibility, chances for workplace progression and accommodation of the unpaid and caring responsibilities of Australian workers.

Learnings from *She Works Harder For The Money*

As Lyndall Strazdins cogently expresses, Australia's current workplaces represent a tournament, 'And it's a tournament that's no longer based on merit; it's based on time. It's based on who can work longer, faster, more intensively and be available. Those who do not want to, who cannot enter that tournament, instead will be opting for the part time jobs, which locks them out of good pay, good conditions and indeed, equality...we need to be actually drawing the line in the sand and saying that this is the working time and we have to find a way to make it undesirable to be working longer than that. I think that that requires visionary leadership from work places. It requires real campaigns from unions and it requires bottom up, public debate about working time and care and fairness. It's not going to be an easy thing.'

Conclusion

Reducing gender segregation in the workplace is key to a fundamental duality:

First, to radically improve the economic security and workplace opportunities of Australian women and at the same time delivering incalculable benefits to the economic prosperity of Australia into the future.

Experts and women who attended the *Breakthrough Money. Power. Freedom.* workshops on women's economic security made it clear that their lives are being negatively affected by the current systems under which we all work. Analysis and focus on the ways in which current occupational structures and systems disadvantage women is crucial to understanding the issue and seeking remedies.

In order to remove these structural inequalities which segregate our workplace along gender lines and contribute enormously to the gender pay gap there needs to be a complete overhaul of the norms which dictate our working lives. Combined with this is the need for visionary leadership, innovation and public debate to ensure women are able to achieve the same degree of economic security throughout their lives as men.

Endnotes:

ⁱ Richard Denniss 2016, *Money. Power. Freedom Key note speech*, audio recording, Victorian Women's Trust Breakthrough.

ⁱⁱ Workplace Gender Equality Agency 2016, *Australia's gender equality scorecard: Key findings from the Workplace Gender Equality Agency's 2015-16 reporting data*, Australian Government, 2.

ⁱⁱⁱ Australian Bureau of Statistics (ABS) 2017, *Senate Inquiry on Gender Segregation in the Workplace-submission from the Australian Bureau of Statistics*, 2, viewed 8 February 2016, available http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Finance_and_Public_Administration/Gendersegregation/Submissions

^{iv} *Ibid.*, 2.

^v Workplace Gender Equality Agency 2016, *Australia's gender equality scorecard: Key findings from the Workplace Gender Equality Agency's 2015-16 reporting data*, Australian Government, 12.

^{vi} WGEA 2016, *Gender segregation in Australia's workforce*, Australian Government, 6, viewed online 8 February 2016, https://www.wgea.gov.au/sites/default/files/20160801_Industry_occupational_segregation_factsheet.pdf

^{vii} *Ibid.*, 7.

^{viii} *Ibid.*, 7.

^{ix} *Ibid.*, 6.

^x Workplace Gender Equality Agency 2016, *Australia's gender equality scorecard: Key findings from the Workplace Gender Equality Agency's 2015-16 reporting data*, Australian Government, 2.

^{xi} Australian Bureau of Statistics (ABS) 2017, *Senate Inquiry on Gender Segregation in the Workplace-submission from the Australian Bureau of Statistics*, 3, viewed 8 February 2016, available http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Finance_and_Public_Administration/Gendersegregation/Submissions

^{xii} Australian Bureau of Statistics (ABS) 2017, *Senate Inquiry on Gender Segregation in the Workplace-submission from the Australian Bureau of Statistics*, 6, viewed 8 February 2016, available http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Finance_and_Public_Administration/Gendersegregation/Submissions

^{xiii} Other factors include Workplace Gender Equality Agency. (2016). *Gender pay gap statistics*. Workplace Gender Equality Agency, viewed online 8 February 2017, https://www.wgea.gov.au/sites/default/files/Gender_Pay_Gap_Factsheet.pdf.

^{xiv} Workplace Gender Equality Agency 2016, *Australia's gender equality scorecard: Key findings from the Workplace Gender Equality Agency's 2015-16 reporting data*, Australian Government, 2.

^{xv} Hegewisch., A & Hartmann., H 2014, *Occupational Segregation and the Gender Wage Gap: A Job Half Done*, Institute for Women's Policy Research, 1.

^{xvi} Australian Public Service Commission 2016, *Balancing the Future: The Australian Public Service gender equality strategy 2016-2019*, Australian Government, p. 3.

^{xvii} Rose Marcario 2016, 'Why Should Employers Care About Families?', weblog post, Patagonia blog, 17 August, viewed 8 February 2016, <http://www.patagonia.com/blog/2016/08/why-should-employers-care-about-families/>

^{xviii} See relevant ILO instruments <http://ilo.org/global/standards/subjects-covered-by-international-labour-standards/working-time/lang--en/index.htm>

^{xix} Lyndall Strazdins 2016, *She Works Harder For The Money*, audio recording, Victorian Women's Trust Breakthrough.