

SUBMISSION TO STANDING COMMITTEE ON EMPLOYMENT AND WORKPLACE RELATIONS

Women Into Politics Inc is a coalition of women's organizations established in 1992 to work towards dramatically increasing the numbers of women in our parliaments and at all levels of public life to make our institutions more representative. Our major concerns are to ensure that the female life experience is brought to bear on public decision making; to ensure that justice prevails in the distribution of public resources; and to ensure inclusion of women and justice for women in all areas of political, economic and social life. We welcome the opportunity to make comments and suggestions to the Employment and Workplace Relations Committee.

(This submission is based on many years of experience and analysis of women's and industrial issues and in non-government organizations, and in particular on Ms McGarity's long years of experience in the workforce and as an advocate in workplace issues, and on Ms Bielski's years as a NSW Government adviser on women's and girls' education and training and workforce participation.)

Inquiry into pay equity and associated issues related to increasing female participation in the workforce

Suggestions for increasing female participation in the workforce include:

..improved information collection and dissemination,

..employer/employee/community education about pay equity and workplace issues,

..further legislation to address pay equity and retirement income issues, and

..use of public education methods to develop the following aims:

---- public encouragement of employers to accept that for many jobs some hours each week can be **worked from home** (either flexibly or at agreed times) without detriment to the quality of work

---- education among employers for an understanding of the fact that the challenges of **motherhood** tend to increase the time efficiency and organizational skills of women

---- education in the community and among employers to highlight the fact that **older women** do not lose their work skills promptly on retirement; that women in their 60s and 70s can bring long experience and be very effective in the workplace (although they might prefer to work part-time); along with education to allay the fears of younger managers that older women in the workplace will behave like their mothers, when in fact older working women tend to admire younger generations for their skills and energy.

- **Pay Equity.** Better and more equitable pay and conditions would attract more women to the workforce. Under the system of central wage fixing that was abolished in the 1980s, women at times actually gained, and the gender pay gap

narrowed a little. The gender pay gap has become considerably worse since individual “negotiation” became the norm - in fact negotiation between employer and employee is not negotiation between equals, thus employers tend to dictate pay and conditions. The overwhelming tendency is for women employees and job seekers to be far less forthcoming than men in presenting their strengths and in asking for higher remuneration. Women are generally more willing to talk to a union officer or other intermediary than to make representations to an employer on their own behalf.

Superannuation is an integral part of the pay package. Gender inequity is prominent but ignored in the current system. Historically, superannuation was a benefit created for men in career positions. Compulsory superannuation as a percentage of wages and salaries was intended to be a substitute for pay rises when it was introduced, and to increase the ability of workers to fund their own retirement. Unfortunately, the system of accumulated savings that resulted in Australia is not an equitable system of superannuation. Previous public superannuation systems had a percentage of final annual salary as the final entitlement, and this was indexed. So the change to accumulation schemes that came with compulsory superannuation also disadvantages women’s retirement incomes.

While some developed countries have systems of universal retirement income without discrimination, men in Australia regularly accumulate much larger superannuation contributions (and fringe benefits) during their working lives than do women, due to the existing system itself that is tied to level of income, and to the fact that women earn only 85% of men's earnings and tend to be concentrated in lower paid jobs. Women would benefit from a fairer system of retirement income, say one that would guarantee a certain minimum level of retirement payout per year of being in the workforce (even where part-time work is counted in proportion). A universal retirement system might suit women even better.

Despite the fact that the superannuation system is permitted to disadvantage the retirement income of women, a large percentage of whom end their working lives with very meagre superannuation entitlements, at the same time paid maternity leave seems to be considered by employers and governments as some kind of handout to women that women really do not deserve! While paid maternity leave will be no compensation for the neglect of women’s retirement income, if only because many women will never use maternity leave, decision makers have for far too long baulked at legislating for adequate paid maternity leave.

- **Further legislation.** There is a clear need for further legislation to address pay equity issues. Equal pay for work of equal value should be enforced in law with penalties. Pay equity is not specifically covered by the Sex Discrimination Act, by the Equal Opportunity for Women in the Workplace Act or by industrial legislation, so further legislation is needed to address gender equity in wages, salaries and conditions, either through specific legislation which addresses pay

equity directly or through amendments to the current relevant legislation.

Working women are citizens and pay taxes like business, other workers and other citizens. Given the substantial available evidence of lack and even loss of pay equity and of discrimination, it is only just that women's interests and requirements must be supported by legislation, by inclusion in Departmental structures and organizations which research or commission research into labour market issues, and by the development of reliable and comprehensive **databases with disaggregated statistics** to track matters such as equity in pay and conditions, and workforce participation. Availability and dissemination of clear and comprehensive information is crucial to equity.

- **Adequate data** and disaggregated statistics on women's current labour market participation, wages and salaries appears to have been dropped from federal data recording since the Department's Women's Bureau was abolished some years ago. Indeed, since the end of central wage fixing, new information structures to replace those of that system have been absent, and it has become difficult to find out who is paid what in Australian employment at all. With modern electronic methods available, systems should be better than ever. Nor was pay equity a priority of even that earlier Bureau or of any previous Commonwealth government. It required the efforts of women academics and women's NGOs to put it on the public agenda, as also occurred in the case of equal pay for equal work and the case for equal opportunity.

"Mainstreaming," though a desirable aspirational concept, has failed in practice. Over the last decade or more, women have observed that employers have become more lax in their attitudes to equity for women in employment, because employers found the Howard government's attitude more amenable to discrimination against women. (There was even a directive that "chairman" was to be used instead of "chairperson," whatever the incumbent's gender happened to be – a backward step condoning attitudes for the exclusion of women). The WorkChoices legislation has been a disaster for women, along with the welfare to work disadvantages that have been well documented.

A new Women's Bureau should now be urgently established, to provide for government and the public a broad range of research and comparative data, with analysis, comment and disaggregated statistics. Reliable and comprehensive data will assist all parties - Government, employers, employees and trade unions - to monitor the relevant issues and to monitor their respective performances in employment across the range of industries and employment issues. (And funding for the Bureau of Statistics should be increased rather than decreased, for the same kinds of reasons.)

The situation currently is that non-government women's organizations, usually using volunteer labour and with inadequate resources and pleas for donations to cover costs of commissioned research, have to repeatedly make representations

about women's labour market issues to government, to the industrial courts and to trade unions, all of whom should rightly be including issues of concern for women workers in their activities - this especially so in the case of taxpayer-funded structures. In case this be interpreted as a case of special pleading, it is worth noting that whole Departments, statutory authorities and much university research are devoted to special interests, such as sport and export industries.

Women are half the population, not a special interest group. Structures to collect and analyse information and the needs of women must be well resourced in government structures and Departments, and women must be heard by government, (which they have not over the last decade).

- **Education.** Attitudinal and structural change has been shown to follow specific education programs. Such programs should be included in employers' organizations training programs, in management education courses, in employees and trade unions training programs and should be reflected in TAFE training and in school programs such as legal studies and social history, so that for future generations of women and men, pay equity and equal pay are part of their workforce landscape.

Education is needed for employers, employees and unions to address not only the immediate processes of any changes to legislation and maternity leave, but also to address the underlying historical and societal causes of the acceptance of and the injustice of inequality for women in the labour market. Women's labour has historically been undervalued; systemic discrimination is still prevalent in Australian society and is reflected in the labour market. The attitude that women should consider themselves lucky to be "permitted" to work or to have good jobs is still quietly and confidently held among many male managers and employers and it is felt by women even where harassment is absent.

Legislation is valuable in the process of attitudinal change. The Sex Discrimination Act is witness to this. Not only has it resolved individual complaints but it has caused changes in employment practices and progress in many other areas such as credit and the provision of services. **Legislation with penalties**, as well as attitude-changing education programs, is required to ensure that employers and employees alike accept paid maternity leave as a right of women. Legislation should specify not only paid maternity leave requirements and issues, but also associated conditions, including the right to promotion and ongoing training and development after maternity leave.

- **Change is necessary.** It might take some people time to adjust, but that should not be a reason for putting off changes necessary for the improvement of gender pay equity. Many employers are beneficiaries of pay inequity - they are unlikely to question it and quite likely to oppose equity measures. Many employees, women as well as men, accept the injustice of pay inequity as normal because it is so prevalent, and trade unions have historically accepted the primacy of the male wage earner. Some trades unions, administered by mainly male officers, traded

off women's claims for equal pay or maternity leave for wage increases when it came to the crunch in award negotiations. Even professional unions like the NSW Teachers Federation, for over half of the last century, accepted female members' fees while not attempting to address clear issues of equal opportunity and pay equity for women members. They never took serious industrial action to support their female members and left it to the rank and file female members to agitate outside the union for equal pay and equal opportunity.

The fact that maternity leave and pay equity are still met with employer opposition, and are still such huge issues for working women, is witness to society's continuing acceptance of workplace inequality for women. Yet other types of lengthy leave, such as leave for defense reservists or long service leave, are considered normal and manageable conditions of employment by employers. Education and funding will be required to change entrenched attitudes, perhaps from a **Community Education unit** in the Department.

Many women experience difficulties returning to work after maternity, including access to training and promotion. This is especially so in the non-government employment sector of the economy. Women taking unpaid maternity leave are frequently seen by the employer as an inconvenience and an unjust cost, the temporary holder of the job resents the job holder's return, some women experience job demotion, and adverse ideas or implications about working women's role as mothers are frequently articulated by superiors and co-workers to the discomfort of the returning mother. Such experiences are surely a factor in women deciding not to have children – a loss to the nation - or to not returning to the same employer after child birth, which can mean the loss of skilled employees and a loss in the numbers of people available for work.

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