

Submission: Gender segregation in the workplace and its impact on women's economic equality

To: Chair Senator Jenny McAllister and members
Senate Finance and Public Administration Committees
PO Box 6100
Parliament House
Canberra ACT 2600

Phone: +61 2 6277 3439

Fax: +61 2 6277 5809

fpa.sen@aph.gov.au

From: Dr Karen Struthers, Research Fellow, Griffith University, Department of Human Services and Social Work.

Date: 18 January 2017

Introduction

I commend the Senate Committee for initiating this inquiry into gender segregation in the workplace. My purpose in providing a submission to you is to draw your attention to the entrenched gender segregation in the male-dominated trades and the ways in which this contributes to economic inequality for women. The barriers that limit female entry to these trades are compounded as few people have identified the lack of female representation in the male-dominated trades as problem that needs to be fixed. In general, action to reduce gender-based occupational segregation has focussed more on the white-collar (the “glass-ceiling”) particularly in advancing women in leadership, management and the professions, rather than the blue-collar workforce. I encourage the Senate Committee to give due consideration to the experiences of women in the lower-paid skilled or semi-skilled vocations. I have attached a summary of my PhD research *Paving the way for girls into male-dominated trades: Overcoming gender segregation in the male-dominated trades* as this research covers many of the issues identified in the committee terms of reference as they relate to trade occupations.

My complete thesis can be accessed via

https://www120.secure.griffith.edu.au/rch/file/2df7bcf1-2e0c-4a0d-a198-e845468f7c48/1/Struthers_2016_01Thesis.pdf (copy attached).

Overview of my submission (refer to PhD Summary).

The female composition of trades in the manufacturing, automotive, electro-technology and construction industries in Australia has remained stagnant at under 2%. This has consequences for the country’s economic growth and for the economic security of women. In my PhD research I pursued two areas of inquiry: (1) the extent of the gender segregation of the trades over the past two decades in Australia; and (2) the reasons why this gender segregation has been entrenched and what action can be taken to rectify the situation.

Male dominance of the higher-paying trades is problematic because it contributes to the following: labour market rigidity and economic inefficiency, including skills shortages; limited and stereotyped career choices for women and men; under-utilisation of the skills and talents of women; and an ongoing gender pay gap, with women continuing to receive lower remuneration relative to men. In addition, the labour markets that young people experience throughout the world are characterised by high levels of casual work and unemployment, and gendered segregation (International Labour Organisation, 2009).

The gendered segregation of the trades perpetuates the gender pay gap (Butler & Wooley, 2011; Fuller et al., 2005; Marks, 2008; McIntosh, 2007; UK Commission for Employment and Skills, 2011; WGEA, 2013a). In 2014, the average weekly earnings for female and male technicians and trade workers in Australia was \$917 and \$1304 respectively, representing a 29.7% gender pay gap (Workplace Gender Equality Agency, 2014). The average weekly earnings in the female-dominated occupation of Hairdresser (\$688 per week) was lower than the male-dominated trades of Carpenter (\$1160 per week), Light Vehicle Mechanic (\$966 per week), Electrician (\$1365 per week) and Engineering Tradesperson–Fabrication (\$1331 per week). Beauty therapy is the other common career choice for female students, and the *MyFuture* careers website shows that this occupation attracts slightly higher average weekly earnings than the trade of hairdressing at \$714, and an average annual salary of \$37,128 (Department of Education, 2015). In fact, the earnings for hairdressing are just above the minimum wage in Australia: \$640.90 per week for a 38-hour week (Fair Work Australia, 2015). This wage gap becomes a life time wealth gap for women. It is compounded as their careers progress, due to their lower accumulated superannuation.

The post-school earnings analyses by Marks (2008) in Australia and McIntosh (2007) in the UK are notable. Marks (2008, p. 42) showed that apprenticeships had a major impact on earnings; on average, it increased weekly earnings by about 20%, with this effect stronger among young men than women. Overall, Marks (2008, p. 42) found that immediately post-school and 10 years on, the average weekly earnings of young men were about 20% higher than those of young women. This was consistent with UK apprenticeships research that reported generally lower wage returns for women who undertook apprenticeships and traineeships when compared with men (McIntosh, 2007, p. 21). The UK Commission for Employment and Skills (UKCES) (2011, p. 8) noted that despite women performing better than men on many educational measures, women are earning 21% less than men in median hourly pay (and 13% less than men when working full-time). The same pattern occurs in apprenticeships where women are poorly represented, or in some cases entirely absent, from well-paid apprenticeships such as car manufacturing, engineering and construction (Trade Union Congress & YWCA, 2010; UKCES, 2011, p. 9).

While all career options should be available to all people, gendered stereotypes of work roles continue to influence and limit career selection, and can limit economic opportunities for young women. Evidence shows that the extent of occupational segregation by gender has been declining in developed nations in recent decades, but this is mostly evident in white-collar rather than blue-collar occupations and it relates mostly to vertical segregation (Blau, Brummond & Yung-Hsu, 2013).

To improve economic security for women in the non-professional labour force, two courses of action are being pursued by gender-equality advocates: (1) ongoing industrial action to increase the remuneration and value of female-dominated occupations; and (2) action to increase women's participation in the higher paid, traditionally male-dominated occupations. My research focusses on the latter.

Required Action:

Advocates of change have been increasing their efforts to reduce gender segregation of the trades. Yet my PhD research indicates that action will be more effective if the low participation of women in male-dominated trades is elevated from a social issue to a social and economic problem of national significance. Reduced gender segregation of the trades will benefit the economy, industry, and women's livelihoods. Paving the way for girls into male-dominated trades is worthy of national attention and action in the manner that breakthroughs in the "glass ceiling"—that is, management and leadership positions for women—are receiving. Improving the economic security of girls and women at the mid-to-lower levels of the labour market warrants heightened attention from industry, government and the public.

It is clear from my research that female students are not dismissing the male-dominated trades as a career for themselves –instead they know very little about them and/or do not have self-confidence to overcome gender stereotypes to pursue them. This leads to lack of interest, lower self-efficacy and can contribute to the lack of female participation in the male-dominated trades. Gender-essentialist views that distinguish careers as primarily male or female continue to act as barriers to girls having interest in careers in electro-technology, automotive, construction and other trades that are deemed typically male. Encouragingly, it seems that more girls would pursue male-dominated trade careers if they had more experience of them, and more positive role models and media images of girls in male-dominated trade roles. The female students were also not aware of the lower wages they would be likely to receive relative to their male peers.

The co-ordination and implementation of national, state, and territory skills plans aimed at increasing female participation in male-dominated trades, including setting targets to facilitate the recruitment of female trade workers, could provide the much-needed momentum on this issue. A national plan to address this issue would complement and elevate resourcing for a national careers strategy, such as the *Australian Blueprint for Career Development*. It could integrate actions that promote positive media images of women and role models. In addition it could be facilitated by a mechanism, such as gender-responsive budgeting, to allocate funding and responsibility across all relevant government portfolios – particularly career development, STEM initiatives and industry mentoring and training.

In the current mix of worthy yet ad hoc actions, the missing element is responsibility. No specific agency or organisation is assuming responsibility to implement action to raise awareness of, and reduce gender segregation of the male-dominated trades. A high-level agency must take lead responsibility. To convince more people of the problematic nature of gender segregation of the trades, on-going research to generate evidence will also be invaluable.