

2 May 2017

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

Via email: fpa.sen@aph.gov.au

Dear Secretary

Re: Question on Notice: Gender segregation in the workplace and its impact on women's economic equality

The Australian Institute of Company Directors (AICD) is pleased to provide the below response to the Finance and Public Administration References Committee following our appearance at the NSW hearing for the above mentioned inquiry on 26 April 2017.

Question

...What do you see as the single most important barrier to getting a lift anywhere in the vicinity of six per cent female [workplace] participation?

It is difficult to name just one barrier and we would instead point to the following measures for closer examination. While the AICD does not hold specific expertise in the following areas they are raised during AICD's interactions with stakeholders in the gender diversity field.

1. Childcare

As many women are primarily responsible for child-caring responsibilities in the home, they face the challenge of weighing childcare expenses against income they receive from returning to the workforce. This challenge is compounded by the significant gender pay gap that exists, even where men and women work equivalent hours. Increased workforce participation will be seen where governments and workplaces provide effective programs to better facilitate, and minimise the cost of, childcare.

2. Increased workplace flexibility for male and female employees

Workplace flexibility is important for women's workforce participation. Women undertake the overwhelming majority of unpaid household work and caring responsibilities¹ and this often impacts upon their ability to participate in paid work. Information available via the Australian Government Department of Social Services states:

¹ <https://www.ussc.edu.au/analysis/women-at-work-australia-and-the-united-states>

...in relation to the attraction and retention of women it was argued that flexible work practices enabled women to integrate their work and caring responsibilities, and in particular that part-time work enabled mothers to care for young children and continue paid work. The force of this argument is reflected in the significant drop in full-time labour force participation rates for women aged 25-34 years, corresponding to the years of early child-rearing, and an increase in part-time work. However as a result of women accessing part-time work in increasing numbers (as at November 2008, 45 per cent of employed women worked on a part-time basis), it became clear that there were hidden disadvantages. These disadvantages included a lack of quality part-time work and limited access to managerial roles on a part-time basis...

...Barriers to achieving these [flexible work] outcomes reflected the marginalisation of flexible work practices, namely as concessional arrangements for "special" groups of employees, the silent escalation of the work week, and an unwillingness (or perhaps inability) for employers to engage in work redesign.²

Collaboration by government with business to encourage both male and female employees to access flexible work arrangements may assist families to better balance responsibilities, reduce negative workplace perceptions of flexible work, and support greater female participation at work.

3. Addressing the gender pay gap

Addressing the gender pay gap, which has persisted for decades despite efforts from government, may better incentivise women to participate in paid work. The AICD would revert to organisations such as the Workplace Gender Equality Agency (WGEA) on evidence associated with the impact of the gender pay gap in Australia, and potential methods for reducing the gap.

4. Government programs – encouraging business to attract and retain women

The AICD believes that partnerships between government and business can achieve outcomes where programs are appropriately targeted. We note the work of WGEA in this regard and support continued government resourcing for programs that might go to lifting women's workforce participation.

I hope this information is of assistance to the Committee.

Yours sincerely

Louise Petschler
General Manager, Advocacy

² <https://www.dss.gov.au/our-responsibilities/women/publications-articles/general/a-new-flexibility-normal-the-case-for-work-redesign?HTML>