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## **Barriers to retaining women in employment**

*Paper prepared by Barbara Baikie and Janet Salisbury, Women's Climate Congress to in response to discussion with the National Covid Coordination Commission on gender balance on their executive and working groups and other similar high-level decision making bodies.*

Our major organisational structures and cultures were set up over 100 years ago, before women entered public life. Women coming into public life are required to fit in to pre-existing arrangements, which were not designed with women's family needs or style of working in mind.

Women need opportunities to work together to understand and develop their own work culture. Women and men need to work together to design organisational structures that provide genuine equality. A recent appointment of 2 women to share the role of CEO of Environmental Justice Australia shows an innovative approach that could be replicated for other positions.

Some women refuse to take up a board position if they will be the only woman on the board. Research has shown that until there are at least 3 women at the table on a typical board of 13 members, the women do not feel able to participate fully.

The Women's Climate Congress is working to model ways of working together that suit women's style of working.

Meanwhile, there are several structural arrangements that particularly prevent or dissuade women from equal participation in the women force. These include:

1. Gendered workforce – women are in caring industries (often with males in leadership positions), men are more likely to be in mining and construction industries.
2. Lack of equal pay for equal work or comparable value – this can lead to couples making the decision for women to sacrifice their careers to stop work or work part time when children are born.
3. Parental leave is not evenly accessible to men and women – women are entitled to more parental leave than men which makes it financially more worthwhile for the woman to take leave and to sacrifice her career.
4. Lack of adequate and accessible childcare – child care is expensive and at times not financially viable for the part-time worker (usually the woman) to work.
5. Lack of flexible work conditions makes it difficult to manage caring and family responsibilities.
6. Discrimination based on gender – particularly around carers and family leave.
7. Lack of female leadership roles – often because men have been in the workforce longer, they have more opportunity to apply and be successful in promotional positions.

8. Having children – some women are deciding not to have children on the basis that it will damage their career.

## **1. Gendered workforce**

The Workplace Gender Equality Agency (WGEA) 2019 survey found the gender segregation has remained persistent over the last 20 years.

The proportion of women in traditionally female-dominated industries (Health Care and Social Assistance and Education and Training) has increased; however, men dominate in leadership roles across all industries (including female-dominated industries).

The male-dominated workplaces have smaller proportions of part-time employees and more full-time employees who tend to work longer hours. These conditions are a deterrent for women who still undertake the most of family and caring responsibilities.

## **2. Lack of equal pay for equal work or comparable value**

WGEA and the ABS found a gender pay gap favouring full-time working men over full-time working women in every industry and occupational category in Australia. The pay gap is symptomatic of broader cultural problems not only in the workforce, but in the wider community. It reflects a systemic undervaluing the contribution of women, in the workplace and in the home.

Many studies have shown that women do most of the unpaid work and caring in the homes and they tend to work in female dominated industries and jobs that attract lower wages. The gender pay gap along with a disrupted career due family and caring responsibilities will continue to disadvantage the female as she will retire with significant less superannuation. Performance pay and other additional remuneration plays a greater role in male-dominated industries, leading to higher gender pay gaps for total remuneration. Cultural change is necessary to allow women to receive equal pay and access to all occupations.

The gender pay gap is influenced by a number of factors including:

- conscious and unconscious discrimination and bias in hiring and pay decisions
- women and men working in different industries and different jobs, with female-dominated industries and jobs attracting lower wages
- lack of workplace flexibility to accommodate caring and other responsibilities, especially in senior roles
- high rates of part-time work for women
- women's greater time out of the workforce for caring responsibilities impacting career progression and opportunities.
- women's disproportionate share of unpaid caring and domestic work

Research has shown that equal representation of women on governing boards has led to a 6.3% reduction in the gender pay gap for full-time managers. Further to this, organisations that have a balance of male and females in executive leadership roles have pay gaps half the size of those with the least representation of women in leadership.

## **3. Parental paid leave**

Parental leave is not evenly accessible to males and females. In Australia from July 1 2020 there is 18 weeks available parental leave for women and two weeks for Dads or partner leave. This is paid by the Australian government to employers to be paid to individuals. These two different payments assume that it is the female that will take the 18 weeks leave. This is detrimental to women as it is financially beneficial for the female to take the paid leave and therefore disrupting her career. In addition, the male take-up of Dads or

partner leave is low. The female taking parental leave may/can/will disadvantage her career and progression for promotions.

Paid parental leave exists across OECD countries with various levels of flexibility and arrangements. Overseas studies show it can be done better. In 2014 a Swiss study found if parental leave policies are available to each parent, it enables a more equal division of work between women and men by fostering paternal involvement in the care for a child. Similarly, a Norwegian 2015 study found that the paid parental leave policy (46 weeks of parental leave at 100% of the salary and 10 weeks of leave reserved for the co-parent) contributes to a shortening of women's career interruptions and a more equal division of paid and unpaid work among parents.

It would be better if the parental leave were more flexible and available to both men and women, allowing the couple to make the decision on who will take the leave. There also needs to be cultural change to make it acceptable for men to take the leave to increase the level of uptake of the paid parental leave for males.

#### **4. Lack of adequate affordable childcare**

The lack of adequate affordable childcare disadvantages women as many choose to go back to work part time rather than return full time, due to the cost of childcare some even decide that part time work is not financially viable. This will affect their career and from which they never recover, especially if they go onto to have two or more children. The average Australian family typically spends close to A\$6,000 out of pocket per year on child care, a new analysis from the Mitchell Institute shows.

Childcare costs in Australia are among the highest in the OECD, eating up around 27% of families' incomes. Many families are being forced to choose affordability over quality.

There are other disadvantages to children not accessing childcare. Research shows quality preschool can deliver \$2 of returns to the economy for every \$1 invested. Children who receive quality early childhood education and care are also up to eight months ahead in learning, with the benefit still evident in adolescence. Good accessible childcare benefits women, children and the economy.

#### **5. Lack of flexible work hours**

Flexible work practices have been restricted and difficult to access. While the public service has offered flexible workhours eg flexible starting and finishing times, there were core hours that staff must attend the office, working from home has been much more difficult. Recent changes in work practices due to Covid 19 have shown that flexible working from home practises do work. It is hoped that this will result in more long term sustainable flexible work practices.

Flexible work practices is not only good for employees and it makes good financial sense. In a Victorian study found it save one Government Department over 31 Million dollars. The benefits include:

- improved output
- More effective and productive employees
- Better ability to serve clients and stakeholders
- Lower staff turnover
- Improved talent attraction
- Higher organisational morale

#### **6. Elimination of discrimination based on gender – particularly around the family and caring responsibilities**

Australia is a signatory to the Un convention on the Elimination of all Forms of Discrimination Against women (CEDAW) requires governments to "Take all appropriate measures to eliminate discrimination against women in ...employment" and to "encourage the provision of the necessary supporting social services to enable parents to combine family obligations with work responsibilities" the role of women in

procreation should not be a basis for discrimination but that the upbringing of children requires a sharing of responsibility between men and women and society as a whole.

While Australian is a signatory to CEDAW, in reality there is a long way to go to achieve this in Australia.

## **7. Lack of female leadership roles**

There is a lack of women in leadership roles. There has only been one woman prime ministers since 1901 and very few women in CEO positions in the private sector. The WCEA 2018 – 2019 data shows that women make up half of the private sector workforce but only:

- 31.5% of key management positions
- 2.8% of Directors
- 17.1% CEOs
- 14.1% of board chairs

This lack of successful and visible female role models in the workforce also extends to the media, movies and books. It is important for girls and young women to see what they can be and so they can aspire to be. Women are now progressing to management positions, and at current rates, it will take two decades for equal representation at this level, and a further eight decades for equality at the CEO level.

## **8. Decision to have children**

Many women now are deciding not to have children in the first place, if they are focused on having a career. In a study done in 2002 found that women have to deal with a trade off of career vs children much more often than men. It found high-achieving men do not have to deal with difficult trade-offs of career or children; 79% of the men surveyed reported wanting children and 75% had them. The research showed that the more successful the man, the more likely he was to find a spouse and become a father. The opposite holds true for women. This is particularly evident with corporate ultra-achievers, where 49% of women in these positions were childless, compared to 19% of their male colleagues. These figures underscore the depth and scope of the persisting, painful inequities between the sexes. Women face all the challenges that men do in working long hours and withstanding the up-or-out pressures of high-altitude careers. But they also face challenges all their own.

Data is sourced from the Workplace Gender Equality Agency's (WGEA) dataset (2017–18 reporting period), and the Australian Bureau of Statistics (ABS) Labour Force Quarterly Survey (May 1998 and May 2018 periods) *Gender pay gap - Women earn less - Women retire with less*.

## **Conclusion**

We need a cultural change where we value all the contribution made by women and workplaces and home life is more balanced for everyone. We need workplaces that provide:

- equal pay for equal work — workplaces that provide equal pay for work of equal or comparable value
- parental leave accessible to males and females
- adequate and accessible childcare
- flexibility in work conditions
- elimination of discrimination on the basis of gender
- access to all occupations including leadership roles regardless of gender

The Business Council of Australia, Mckinsey and WGSa conducted a research project to provide a 10-step road map to dismantle the barriers to women's participation at senior levels

- Build a strong case for change
- Role model a commitment to diversity, including business partners

- Redesign roles and work to enable flexible work and normalise uptake across levels and genders
- Actively sponsor women
- Set a clear diversity aspiration backed up by accountability
- Support talent through life transitions
- Ensure the infrastructure is in place to support a more inclusive and flexible workplace
- Challenge traditional views of merit in recruitment and evaluation
- Invest in frontline leader capabilities to drive cultural change
- Develop rising women and ensure experience in key roles

Workplace gender equality is better for everyone. It leads to:

- Improved national productivity and economic growth
- Increased organisational performance
- Enhanced ability of companies to attract talent and retain employees
- Enhanced organisational reputation.

Achieving gender equality is important for workplaces not only because it 'fair' and 'the right thing to do', but because it is also linked to a country's overall economic performance.

With thanks for this opportunity to contribute. [The 50/50 by 2030 Foundation](#) based at the University of Canberra has access to more detailed information.

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