

Women and Work: Key Issues

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- Professor Valerie Pratt, Professor Ed Davis, Ladies and Gentlemen, thank you for inviting me here today.
- It gives me great pleasure to address the 15th Women, Management and Employment Relations Conference.
- Today we have been asked to identify what we see as the key issues facing women in work today.
- A mere glance at today's female work patterns and work force experiences identifies them. Pay equity and family friendly conditions are obvious ones.
- So how do women engage with the paid workforce today?
- Let's look at the facts.
- The female workforce participation rate in 2002 is 55 per cent.
- This is a dramatic increase. In 1966 the female participation rate was 36 per cent.
- Mothers make up a considerable percentage of the workforce - 61 per cent of mothers in couples and 47 per cent of sole

female parents are in paid employment.

- These figures are not about of a growing number of rich professional couples trying to meet private school fees and mortgages on two homes.
- In 1999-2000, median income for couples with children under five was \$917 per week, including welfare benefits. That's \$45000 a year. For couples with children over the age of 15, median family income was \$1,238, almost \$62000 a year.
- Mothers work across the spectrum of families today.
- Among the poorest, mum at home and dad in a full time crummy job is rare.
- Going up the income scale, single income households become more common, although in no category are they the dominant family type.
- **So fact one** - families have both parents away from their children for at least part of the time.
- For women, the consequence is they are extremely time poor.

- In 1997, men spent 16 minutes a day on average in child care as a main activity, women 45 minutes. These figures drastically increase when we take into account multi-tasking and the fact that not all people do childcare – amongst people who actually did some childcare, men spent an average of 301 minutes a day and women spent 488 minutes a day on child care.
- In 1997, women undertook around three quarters of unpaid childcare work, and two thirds of housework.
- With all this time being spent on childcare and housework it's surprising that women even have time to enter the paid work force.
- The answer – they sleep less, they put their make up on in the car and so on.
- Let's briefly consider then why do women undertake paid work?
- First, they work because we're an aspirational culture.
- We want our children to have more than we did, we have

endowed them with house prices that make repayments in Melbourne and Sydney a substantial portion of earnings.

- In Sydney for example, the average mortgage is almost half average weekly earnings, in Melbourne its 27%. Overall housing affordability in Australia has dropped by 29% in the space of a generation.
- Second, women work because we want them to.
- Australia tends not to favour high immigration intakes but does like economic growth. We want to be part of this sexy new global market place and we like 3% growth rates when the rest of the post-industrial world is wallowing at a fraction of that.
- With women making up over 50 per cent of the Australian population and therefore potentially a sizeable portion of our labour force we have been quite happy to send them to work, children or not.
- The size of the labour market is a direct determinant of economic output and women have been the single largest

contributors to rising living standards since the seventies.

- Third, women are working because they want to.
- We are removing discrimination against women because work can be an enjoyable and defining activity. Even for time poor mothers, paid work can meet a desire for intellectual stimulation or social contact.
- For many women who have spent years developing a career, maintaining contact with the workforce while their children are young keeps that career alive.
- **So Fact Two:** Australia needs women to work and **fact three** women in Australia need and want to work.
- There is no turning back.
- Competing with this trend is the fact that increasing numbers of working aged people now have ageing parents who require care - creating dilemmas for families of whether to purchase expensive private services or do the caring themselves.
- The improved health of older Australians also means that the types of services provided by the market are often not the

type of care that our older parents need. You cannot always pay someone to take mum to the doctor or sort out dad's telephone problem.

- All of this leads directly to **Fact Four** - work life balance is on a collision course. We have increasingly onerous family needs and increasingly onerous work needs. There is only one discretionary "choice" area - the number of children we have. No wonder the number of only child families has increased from 1 in 5 families in 1981 to 1 in 3 families in 2001.
- If, as the statistics tell us, this is increasingly the experience of families and in particular women, who continue to do the lion's share of childcare and housework, it is not difficult to see the key issue facing women in paid work today - we need to turn the work life balance collision into an achievable work life balance.
- How then to tackle this issue?
- On the one hand it is difficult because we live in a society

underpinned by the assumption that the only option for people is to work harder and longer and somehow find a way of squeezing in families.

- At least that is the debate in the public domain.
- On the other hand, a huge number of women work part time - Australia has 46% of women workers in part time work. In 2001, fifty seven percent of employed mothers worked part time. 40% of mothers in work do not have leave entitlements, including paid maternity leave, this includes places that provide paid leave entitlements.
- Presumably these positions tend to be at the lower skilled end of the market than the top end, but it is still a strong sign that many families are voting with their feet and attempting to avoid this collision by forgoing income. Her income.
- Sadly, many of those families also expect Dad to work longer and longer to make up for the income she has lost.
- Whether or not these families are more stable, whether or not their divorce rate is lower, their children happier, whether or

not these women are likely to share equally in the superannuation outcomes come retirement, are questions I do not have answers to.

- For their sakes, I trust the answers are favourable. In the mean time, 43% of employed mothers work full time and do the mother juggle.
- Mothers in paid work spend less time on personal care than mothers who are full time carers and they sleep less. The time use surveys show they spend as much time giving child care. Very few dads work part time.
- Are these families a harbinger of a full blown debate about the need for less things and more time, or are they the harbingers of a need for more government intervention into family life while both working parents continue to work? It is an interesting question.
- Just how our governments might engage in and steer these looming cultural wars is another topic for another day. Right now we have a collision to avoid, a balance to achieve and a

number of options available to us in doing so.

- Option one, we make it illegal for one parent to work or sole parents to work – as women currently do most of the caring for children it makes sense that we make it unlawful for them to work.
- If this is the option we choose, we may as well stop sending girls to high school or teaching them how to read or write.
- It is safe to assume then that banning two income families is clearly out of the question.
 - Option two, we regulate and encourage industry to provide working conditions more conducive to family life.
 - As Federal Sex Discrimination Commissioner I am a strong proponent for this option (over the first option anyway!).
 - The measures introduced as part of this approach will go some way in addressing the workforce discrimination that women experience as they bear and care for children *and* work in a workforce that is not conducive to family life.

- It is hardly surprising that in this environment women experience discrimination.
- It takes the form of a gender pay gap.
- The average weekly full time ordinary time earnings of women are 84.3% of male earnings; when part time and casual workers are added into the equation, women earn only 63 cents to the male dollar.¹
- Women also suffer financial disadvantage compared to men as a result of foregone earnings from taking time out of the workforce to give birth to children - women with high levels of education (12 years) forego \$239 000 in lifetime earnings from having one child.²
- One component of this option would be to introduce paid maternity leave as it allows women time out of the workforce around the time of the birth of their child, without having to forgo all of their income.
- Paid maternity leave is both a starting point and a

¹ ABS statistic

² bruce chapman et al study.

centrepiece of this option.

- In December last year I proposed that the government introduce a universal scheme of paid maternity leave.
- The proposed scheme was for a government funded benefit of up to the minimum wage for women who had been in paid work for fourteen weeks, to enable them to stay at home after childbirth.
- It was a very modest recommendation; I proposed that women who received this benefit would not receive others and some may even choose not to take the paid leave.
- The net cost of the scheme was calculated at \$213million a year; this would have to be the cheapest family support programme in the country.
- We devoted much air time, print space and public debate to this policy proposal.
- We contemplated it from every angle, raised every question and considered every surrounding issue.
- Yet we are still to introduce it!

- As stated by Linda Duxbury, a Canadian academic researching work and family issues, there is only one question that Australia should be asking in this debate – and it is not “what will it cost to have it?”
- It is “what will happen if we don’t introduce it?”
- Duxbury believes that the cream of the Australia’s female workforce will be poached by overseas bosses if Australia does not introduce such a scheme.
- She predicts that Canada, also facing labour shortages – and currently offering new parents up to 50 weeks of leave, paid by the government at the rate of 55 per cent of average weekly earnings - will be recruiting good women from Australia.
- It’s already happening.
- Over 40,000 Australians left our shores permanently last year- the largest number ever- to seek a future elsewhere.
- These are likely to be young, skilled workers who are directly joining the mobile global economy. They will go

where there are good wages, political stability and social stability.

- Increasing the size of our workforce, or maintaining it, is emerging as a key concern for Australia.
- Immigration is not the answer- skilled migrants are like hens-teeth in the English speaking world and we are beginning to compete with other countries, also suffering ageing populations. Canada, Hong Kong and the UK are fighting us for our nurses and teachers for example.
- A family friendly labour force is incentive to stay – or in today’s world – an overseas lure.
- On economic grounds then there seems to be no doubt that it is better for the family and for the country to retain the investment in the education of women and girls and to maximise the size of the workforce and its skilfulness.
- This is heightened when we consider that the baby boomers are beginning to leave the labour market. The size of the labour force is predicted to fall from 2015.

- As a response to skill shortages, it makes sense to engage women in paid work more rather than less.
- The demographic shift that is so rapidly transforming the developed world is certainly the biggest challenge to the existing work order.
- Alternatively, we could make our existing workers begin working earlier and work until they are older. This I understand is the Treasurer's preferred approach.
- We have certainly expanded the effective age range of our labour force – while increased education has delayed the start of full-time work for young people, most students now work at least part time and employers are encouraged to keep workers on until well into their sixties- but these mechanisms are also limited in effectiveness.
- Enabling more women of prime work age to work and mother is, by contrast, an excellent alternative.
- In other words there is a strong case for adopting family-friendly industrial practices if these produce a total

increase in labour effort.

- However, such a restructure will also not be without economic price- after all part time work cannot produce the same output as full time work, even if it is more efficient per hour, and flexible work practices involve administration and management costs for employers.
- Mind you, in a post industrial society, where knowledge workers outnumber manual and semi skilled workers, it is arguable that there are economic gains to be had from happy, refreshed and committed workers that would not once have been a consideration.
- Studies of the US stock market suggest that employers with good HR practices have better performing stocks than those that have not. I assume I don't have to describe good hr practice- flexible work hours, part time work with promotional possibilities etc.
- A further factor we might need to anticipate is the Men's Movement. At the moment the Men's movement has an

unattractive face - men working very long hours, apparently by choice, not accessing family friendly provisions - but then concerned that their sons have no role models and prepared to compensate for their own absences in some quarters by paying men more than women to become teachers.

- The Movement also wants fifty fifty care arrangements post divorce, without any suggestion that men will have to put in equal parenting time while the marriage is intact or that they will need to rearrange their lives if they want to be more involved after separation. I trust the Parliamentary Inquiry will explore these issues.
- Some analysts are tempted to put all this together and warn that a new Gender War is on the way. Maybe. But it need not be which brings us to a third option.
- We modify gender roles so that men and women share evenly in the available time with and responsibilities for families.

- Rather than seeing this option as an alternative to option two, it should be seen as the precursor to its successful execution.
- Because it is only when the responsibilities of child care can be more equally apportioned, and fathers and mothers take equal care of their children, that we will truly reap the benefits of ‘family friendly’ workplaces.
- Equality between men and women has hit a brick wall- and only the engagement of men in the struggle for work and family balance will move equality closer.
- Engaging men on this issue should actually be quite simple, because unlike child bearing, which is a function biologically limited to one sex, child caring and child raising is about parenting – and parenting is about both mothers *and* fathers.
- Both women *and* men should be given the ability and opportunity to work *and* parent.
- However this requires practical and attitudinal changes.

- Practical change one – the introduction of paid parental leave. While we recommended the first fourteen weeks of paid leave be maternity leave only, and available to non birth parents only in very limited circumstances, any longer period of paid leave should be shared between parents.
- This is the standard practice across Europe.
- In Denmark for example 28 weeks of paid maternity leave is provided to mothers, the last 10 of which may be taken by the father.
- Turning to more long term measures - flexible working arrangements, including part time work should be available to *all* parents.
- It can be argued that currently they are. The year of unpaid parental leave is available to either mothers or fathers.
- In theory there is nothing stopping men from accessing part time working arrangements or flexible work hours.
- In reality, we do not live in a society which tolerates or

venerates men who do part time work or leave work early to pick up a sick child from school.

- Our culture is such that these men are more likely to be seen as uncommitted to their careers to an even greater extent than women who allow their family life to intrude into their working life.
- The tariff for being involved in the unpaid caring work of their families is very high for men.
- So most of them don't do it.
- And as long as men continue to earn more than women it usually makes more sense for the women to change her paid work arrangements to factor in child care.
- The discrimination is self perpetuating.
- The reality is then that we can implement as many '*family*' friendly practices or policies as we like, however unless they are coupled with a genuine attitude that *either* parent can access these measures they will be for 'women only'.
- Averting the work/life balance collision and replacing it

with a genuine work life is both the key issue and key challenge facing women today. It is also the key issue and challenge facing men and the workforce overall.

- The time has come for us to see this challenge in this holistic manner. It is the only way we will ever achieve true progress.

Thank you.