

Submission to the Commonwealth Treasury in relation to the Employment White Paper

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Equality Rights Alliance

Equality Rights Alliance (ERA) is Australia's largest network of organisations advocating for women's equality, women's leadership and recognition of women's diversity. We bring together 67 non-government organisations and social enterprises with a focus on the impact of policy or service delivery on women. We are one of the six National Women's Alliances, funded by the Commonwealth Office for Women (OfW).

ERA is working to build a world where the human rights of women, girls and people of marginalised genders are fulfilled and where they thrive and enjoy substantive freedoms to lead lives they have reason to value. ERA provides policy advice to OfW in the areas of **economic** security and gendered poverty (including welfare, superannuation, the gender pay gap, job security, housing and childcare as mechanisms for equality) and leadership and participation.

The following ERA member organisations endorse this submission in whole or in part:

Aboriginal Legal Rights Movement

Alevi Federation of Australia Amnesty International Australia

Australasian Council of Women and Policing

Australian Baha'i Community - Office of

Equality

Australian Centre for Leadership for Women

Australian Council for International

Development

Australian Federation of Medical Women

Australian Graduate Women

Australian Women's Health Network

CARE Australia Children by Choice COTA Australia

FECCA Women's Committee

Feminist Legal Clinic Fitted for Work

Girl Guides Australia

Good Shepherd Australia New Zealand

Homebirth Australia

Human Rights Law Centre

Immigrant Women's Speakout Association

NSW

International Women's Development Agency

Jessie Street National Women's Library

Justice Connect

Maternal Health Matters Inc Maternal Scholars Australia **Maternity Choices Australia**

Migrant Women's Lobby Group of South

Australia

Multicultural Women Victoria

MSI Australia

National Association of Services Against

Sexual Violence

National Council of Churches of Australia

Gender Commission

National Council of Jewish Women of

Australia

National Council of Single Mothers and Their

Children

National Council of Women of Australia National Foundation for Australian Women NGO Women's Rights & Gender Equality

Network

NSW Council of Social Services National Older Women's Network National Union of Students (Women's

Department)
Of One Mind
Project Respect

Public Health Association of Australia (Women's Special Interest Group) Reproductive Choice Australia

Safe Motherhood For All Inc

Sexual Health and Family Planning Australia

Sisters Inside

Soroptimist International of Australia United Nations Association of Australia Status of Women Network UN Women Australia

Victorian Immigrant and Refugee Women's

Coalition

VIEW Clubs of Australia Women's Equity Think Tank Violence Prevention Australia

Women's Housing Ltd

Women in Adult and Vocational Education

Women's Information Referral Exchange

Women in Engineering Australia

Women's International League for Peace

and Freedom

Women on Boards

Women's Legal Services Australia

Women Sport Australia

Women's Property Initiatives

Women With Disabilities Australia

Working Against Sexual Harassment

Women's Climate Congress

YWCA Australia

Women's Electoral Lobby

Zonta International Districts 22, 23 and 24

Introduction

ERA welcomes this opportunity to provide input the Commonwealth Treasury's Employment White Paper process in order to build on our participation in the Jobs and Skills Summit.

ERA's membership supports policy that helps women, especially those who are vulnerable or experiencing disadvantage, to get work, keep work and navigate the world of work. However, we are concerned that the terms of reference for the Employment White Paper are too focussed on formal participation in the workforce, with not enough attention on the effects of unpaid work and its unequal distribution between the sexes. ERA would also like to see the definition and measures of productivity re-set to include an accurate valuing of unpaid work.

Seeing both 'work' and 'care'

Both work and care are foundational to everyone's livelihoods and lives. During and since the COVID-19 pandemic households have faced enormous challenges as they negotiate their work and care responsibilities. These challenges will intensify with the effects of climate change.¹

At the Jobs and Skills Summit, women were repeatedly described as 'under-utilised', or an 'untapped resource' in the context of paid work. However, ERA made the point that 'most women are already working full-time, even more than full-time. We're just not paid for it.' Care is a form of work. Recognising and valuing the care work done by women is a necessary shift in thinking if we are to effectively address both women's workforce participation and the problematic gender norms which sit beneath our understanding of care and 'women's work'.

Summary of Recommendations

ERA recommends that:

- 1. the White Paper specifically addresses the need to identify, recognise and value the unpaid work done by women.
- 2. Treasury work with the Office for Women, the Department of Finance and the Department of Employment and Workplace Relations (DEWR) to apply GRB

¹ See for example Tondorf , Christine *On International Women's Day, we salute the women working on the Coast's Flood recovery* Social Futures 7 Mar, 2022 https://socialfutures.org.au/on-international-womens-day-we-salute-the-women-working-on-the-coasts-flood-recovery/

² Helen Dalley-Fisher, Equality Rights Alliance at the Jobs and Skills Summit, 1 September 2022 https://www.equalityrightsalliance.org.au/era-at-the-jobs-and-skills-summit/

- and GIA to the White Paper process and, over time, to policy development and costing across DEWR.
- 3. the Commonwealth fund campaigns that aim to encourage people to recognise, reduce and redistribute care work equally between men and women.
- 4. the Commonwealth reinstate access to the Parenting Payment Single for single parents until their youngest child is 16 years.
- 5. WGEA produce a guide to maintaining appropriate contact with employees while they are on parental leave for private sector employers.
- 6. the Commonwealth expand the aims of the Workplace Gender Equality Act 2012, GEI's and minimum standards to include consideration of forms of discrimination against women, including discrimination based on Indigeneity, age, disability, race, migrant, refugee and LGBTIQA+ status.
- 7. the Commonwealth recognise that all forms of segregated employment, through Australian Disability Enterprises and equivalent arrangements, are inherently discriminatory and work with DPOs to develop a national plan to transition away from all forms of segregation of people with disability, including in employment and education.
- 8. WGEA considers the establishment of an expert co-design working group of women and nonbinary people with diverse intersectional experiences to advise on the effectiveness of and any required amendments to the Workplace Gender Equality Act 2012.
- 9. all Commonwealth agencies should be directed to answer the optional question on workplace flexibility when reporting their gender equality data to WGEA and WGEA publish the results in a separate, publicly accessible report.
- 10. Agencies should be required to take immediate action to implement key actions 3C, 4A, 4B and 4C of the Australian Public Service (APS) Gender Equality Strategy 2021-26 and report on their implementation.
- 11. key action 4D of the Australian Public Service (APS) Gender Equality Strategy 2021-26 be amended to require agencies to advertise all APS positions as full-time, part-time and job share, unless approval is granted for a position to be advertised otherwise for operational reasons.

- 12. the findings and recommendations of the current inquiry of the Senate Select Committee of Work and Care are incorporated into the development of the White Paper on Employment.
- 13. the Commonwealth investigate the establishment of a legislative or regulatory framework to implement a 'right to disconnect'.
- 14. a Gender Impact Analysis be incorporated into the development of the new Disaster Relief Australia workforce.
- 15. Treasury commission research into the feasibility of participation payments in Australia.
- 16. the Commonwealth work with the United Workers Union to initiate a wage case in the Fair Work Commission and support a minimum 10% pay increase for ECEC workers.
- 17. the Commonwealth amend the terms of reference to the current inquiry of the Australian Competition and Consumer Commission into Childcare pricing to include an examination of the service fee practices of ECEC providers, including the practice of changing by session length.
- 18. the Commonwealth remove/review the activity test element of the Child Care Subsidy for low-income families.
- 19. the Commonwealth review childcare access for women on temporary visas.
- 20. the Commonwealth address market failures in ECEC and the current overreliance on private providers by only issuing future licenses to for-profit providers in areas with a critical local shortage of ECEC and supporting notfor-profit ECEC providers to increase their capacity significantly.
- 21. the Commonwealth ensures work placement training requirements are equitable by funding research into the current requirements for workplace-based training across industries with a gendered lens to identify gendered patterns in the conditions under which such training is offered.
- 22. the Commonwealth review and leverage subsidies granted to the construction and technology sectors to challenge dominant gender stereotypes and help women overcome barriers in gender inequitable workforces.

A note on terminology and intersectional experiences of work

Throughout this submission ERA refers to 'women' and 'men', and often assumes a heteronormative relationship between adults. We acknowledge that the question of

work and care can be significantly less clear cut and more complex for people in heterodox relationships, and for transgender people, gender fluid people and people who do not identify on the gender binary. People of marginalised genders experience multiple, diverse, and intersecting forms of discrimination in both paid work and in the provision of care. In some circumstances they may be actively prevented or discouraged from engaging in certain types of work, both paid and unpaid.

We also note that the social norms around the performance of both paid and unpaid work can be highly culturally specific, which complicates the interaction between gender and work. Women from migrant and refugee backgrounds and Aboriginal and Torres Strait Islander women may also experience multiple, diverse, and intersecting forms of discrimination (such as racism) or other barriers which significantly complicate the relationship with work. In its submission to the 2021 review of the Workplace Gender Equality Agency Act, Harmony Alliance included "lower levels of English language proficiency, lower educational levels (particularly for humanitarian entrants who are more likely to have had limited or disrupted schooling prior to migration), challenges in gaining recognition of overseas experience and qualifications, and gaining professional accreditation" as key barriers to work for these women, along with migration status and poverty. The experience of care work for migrant women is also complicated by the fact that so many migrant women end up working in undervalued and underpaid care-based industries, such as childcare and aged care.

Visa conditions may also prohibit or significantly restrict work rights, including requiring visa holders to only work in certain occupations, limiting how many hours can be worked and where they must work.⁴ These conditions, coupled with limited or no access to social security, leave women vulnerable to exploitation, harassment, abuse, and intimidation and threats by employers, including employer sponsors.⁵

Finally, we note that paid and unpaid work are extremely complicated concepts for women with disability, many of whom are denied the right to engage in unpaid care work by being deemed (often arbitrarily) unable to raise their own children or care for ageing relatives etc. There is also a tendency in public policy to regard women with disability as primarily the recipients of care, when they may be actually performing unpaid care work for others.

³ Harmony Alliance <u>Submission to the Review of the Workplace Gender Equality Act</u>, 2021

⁴ Department of Home Affairs, <u>Check visa details and conditions</u> (homeaffairs.gov.au), 2022, Department of Social Security, <u>Waiting period</u> for welfare payments for new migrants, 2019.

⁵ Marie Segrave et al. <u>Migrant and refugee women in Australia: The safety and security study</u>, Monash University, 2021. Australian Human Rights Commission, <u>Respect@Work: National Inquiry into Sexual Harassment in Australian Workplaces</u>, 2020, pp183-185

In terms of paid work, women with disability are denied the right to work through bias, discrimination or a lack of access to supports and infrastructure to enable education and workforce engagement. While there are some avenues for providing supports for women with disability in paid workplaces, access to supports for women with disability providing unpaid care is generally limited to what the woman can source and afford herself. As above, diverse, multiple, and intersecting forms of discrimination further complicate the relationship between care and paid work for women with disability.

ERA's submission

3. Pay equity, including the gender pay gap, equal opportunities for women and the benefits of a more inclusive workforce

Women's workforce engagement: the pay gap and occupational segregation persists

Women are participating in Australia's labour market more than ever before; making up almost half of the paid workforce in 2022, compared to around 30% in 1966. ⁶ Increased engagement has not translated into a labour market that is any less gender-segregated by industry and occupation. Rather, female employment has become even more concentrated in female-dominated (occupations that also tend offer lower pay - health care, social assistance, education and training). Some jobs have moved from being male-dominated to being more balanced; especially in managerial and professional occupations. ⁷ Men continue to dominate in leadership roles across all industries (including female-dominated industries), however women do hold a substantially higher percentage of CEO and key management personnel roles in female-dominated industries than in male-dominated industries. ⁸

Women in Australia are far more likely to work part-time than men, often because of caring responsibilities. Women constitute 38.4% of all full-time employees and 68.5% of all part-time employees. The latest Time Use Survey results show that on average, men spend more time on contracted activities – such as paid work and education - and have more free time than women, while women spend longer each day doing unpaid domestic work, childcare, adult care and voluntary work.⁹

Women are also paid less than men, even when doing the same job. The full-time average weekly ordinary earnings for women are 13.8% less than for men. Average remuneration in female-dominated organisations is lower than in male-dominated

⁶ Australian Bureau of Statistics, Labour Force Australia, February 2021.

⁷ ABS, <u>Labour Force</u>, <u>Australia</u>, <u>Detailed</u>

⁸ WGEA, Gender segregation in Australia's workforce, April 2019.

⁹ ABS, How Australians Use Their Time, October 2022.

organisations. ¹⁰ The wage gap begins as soon as they enter the workforce. The median undergraduate starting salaries for women are 3.9% less than for men and widens with graduation. The gender pay gap for all employees is 18.3% on base salary and 23.8% for total remuneration, with long term implications for women's economic security. Median superannuation balances for women at retirement (aged 60-64) are 23.4% lower than those for men. ¹¹

Women and unpaid work: The invisible factor

The government's Jobs and Skills Summit in September stressed the importance of addressing women's under-utilisation in the workforce as a response to low unemployment rates. The problem with the analysis from the Jobs and Skills Summit is that it sees women's labour participation as limited to formal paid work rather than reframing the concept of labour to include all forms of work.

The terms of reference for this process do not specifically address the effect of unpaid work on levels of participation in the paid workforce. This may be because such work is largely invisible in our economic narratives. We do not record or place an economic value on the unpaid work done by women, particularly the caring work, despite the fact that such work makes a major contribution to our economy.

Recognising and valuing the care work done by women is a necessary shift in thinking if we are to effectively address both women's workforce participation and the problematic gender norms which sit beneath our understanding of care. Failing to identify care as work will continue to obscure the process of limitation whereby women curtail their workforce engagement, career ambitions and earning potential to accommodate their various forms hidden work. Women should not be expected to juggle invisible work with paid work.

Government policy which aims to better utilise women in the paid workforce must recognise and take account of unpaid work if it is to be effective. Failing to name the care provided by women as 'work' will leave us with an inadequate assessment of women's actual capacity to engage in paid work and will obscure the important economic role played by women in meeting a range of non-negotiable care obligations without remuneration. To put it simply, if we want women to work more to meet labour shortages, we must identify and grapple with the massive cost we would incur if women were not available to perform their unpaid care.

Identifying unpaid care as work opens the door to solutions such as the redistribution of unpaid care between the sexes and/or the provision of some form

¹⁰ WGEA, 2019.

 $^{^{11}}$ WGEA, Gender equality workplace statistics at a glance 2022, February 2022

of economic recognition of the work done by women. Without the recognition that care is work, ERA fears that women will be expected to carry increasingly unsustainable workloads. ERA therefore advocates for the recognition and valuing of all work performed by women, paid or unpaid, and for a more equitable distribution of that work between the sexes, to enable more paid economic activity for women while making care work more visible by bringing it into the lives of men.

One positive development which will assist in building an environment in which all forms of work can be made visible and valued is the gradual introduction of Gender Responsive Budgeting (GRB) and Gender Impact Assessment (GIA) in the federal policy environment. The making of effective policy relating to women's various types of work has been significantly hampered by the invisibility of women's lives in public discourse and policy making. The push to implement GRB and GIA in federal policy development creates an environment in which accepted norms about economic participation and what constitutes 'work' can be more easily challenged.

Recommendations

- That the White Paper specifically addresses the need to identify, recognise and value the unpaid work done by women.
- That Treasury work with the Office for Women, the Department of Finance and the Department of Employment and Workplace Relations (DEWR) to apply GRB and GIA to the White Paper process and, over time, to policy development and costing across DEWR.
- That the Government fund campaigns that aim to encourage people to recognise, reduce and redistribute care work equally between men and women.
- That the Government reinstate access to the Parenting Payment Single for single parents until their youngest child is 16 years.
- That the government fund the Workplace Gender Equality Agency WGEA to produce a guide to maintaining appropriate contact with employees while they are on parental leave for private sector employers.

Building a workforce that is more inclusive of women with a disability

As noted at the jobs and Skills Summit, there are significant structural barriers to workforce participation for people with a disability. ERA's sister Alliance and member, Women With Disabilities Australia (WWDA), reports that across all sectors, women with disability experience multiple and intersecting forms of discrimination and disadvantage that relate to their gender as well as their disability, which

creates and perpetuates workforce inequality.¹² While WGEA has strengthened reporting requirements for relevant employees and is trying to collect more data on diversity, WGEA's data collection and current discrimination laws are not sufficient to drive change in workplaces so that participation barriers for women with a disability are actively addressed.

Recommendations:

- That the Commonwealth expand the aims of the Workplace Gender Equality Act 2012, GEI's and minimum standards to include consideration of forms of discrimination against women, including discrimination based on Indigeneity, age, disability, race, migrant, refugee and LGBTIQA+ status.
- That the Commonwealth recognise that all forms of segregated employment, through Australian Disability Enterprises and equivalent arrangements, are inherently discriminatory and work with DPOs to develop a national plan to transition away from all forms of segregation of people with disability, including in employment and education.
- That WGEA considers the establishment of an expert co-design working group of women and nonbinary people with diverse intersectional experiences to advise on the effectiveness of and any required amendments to the Workplace Gender Equality Act 2012.

4. Pay equity, equal opportunities for women and the benefits of a more inclusive workforce

Flexible Work

The current, inequitable distribution of unpaid work between the sexes in Australia means that women tend to seek and value paid work which accommodates their unpaid work obligations, particularly part-time, casual and flexible work.¹³ Women have higher rates of part-time work across the workforce which is of significant concern because the Australian wage gap for part-time workers is higher than the wage gaps for full-time workers - anomalously high when compared with other OECD countries.¹⁴

In response to COVID-19, many employers have been experimenting with different modes of hybrid work. Assumptions about productivity are being rethought, with a

¹² WWDA submission to WGEA review, November 2021.

¹³ Rose, Judy & Hewitt, Belinda & Baxter, Janeen. (2013). Women and part-time employment. Journal of Sociology. 49. 41-59.

¹⁴ This is of significant concern, because the Australian wage gap for part-time workers is higher than the wage gaps for full-time workers, anomalously high when compared with other OECD countries. OECD calculations are based on the Household Income Labour Dynamics in Australia (HILDA), the Labour Force Survey (LFS) for Canada, the Structure of Earnings Survey (SES) for European Countries, and the Current Population Survey (CPS), May Supplement for the United States.

growing recognition that face time may not be essential to productivity. ¹⁵ Research points to a preference among employees for more flexibility post COVID, specifically to have the option to work from home for some days per week and to be able to access various forms of leave as needed. ¹⁶ Around the world women are more likely to choose 'home' as their preferred location compared to the 'office, raising concern about a new 'Zoom glass ceiling' or the risk of proximity bias. ¹⁷ In Australia, women are more likely to want location-flexible working options. A lack of location options is a deal breaker for more than 2 in 5 workers. ¹⁸

Joint research by the Business Council of Australia, McKinsey & Company and WGEA has found less than 10% of Australian companies offer management and leadership roles to employees who work part-time. Women remain underrepresented in higher management because of a bias towards continuous full-time employment. When companies do offer part-time work, they are more likely to retain staff.¹⁹

While hybrid work patterns are becoming more common, the availability of flexible and hybrid work arrangements is highly dependent on whether the work is 'place-based' or not. Ironically, flexibility in the place of work is less evident in many highly feminised and gendered occupations, including front-line 'care economy' jobs, such as early childhood education and training (ECEC) and aged care, where workers have not enjoyed the flexibility afforded to workers in desk-based jobs due to the nature of the work performed. Similar patterns are evident in male-dominated industries such as transport, construction and manufacturing. This bifurcation in the labour market leads to inequities in access to flexible work arrangements.

In many feminised care work jobs, part-time work and low wages are the norm, and a significant proportion of employees in these industries work multiple jobs to get by.²⁰ A major problem for care workers is flexibility *at the employer's discretion*, such that workers don't have a good idea of their roster in advance for planning for their unpaid caring responsibilities. There is a need for flexibility to be arranged to meet the needs of employees as much as the needs of employers. Research suggests allowing workers to collaboratively roster themselves is good for

¹⁵ The Productivity Commission, Working from home - Research Paper (pc.gov.au), 2021.

¹⁶ Marian Baird and Daniel Dinale, *Preferences for flexible working arrangements: before, during and after COVID-19*. November 2020.

¹⁷ Women in the Workplace 22, McKensey & Lean. Financial Express, 'Majority of women job seekers prefer remote working', 5 Nov 2022

¹⁸ Swinburne Centre for New Workforce, <u>Hybrid working 2.0: Humanising the office</u>, 2021.

¹⁹ Women in Leadership: Lessons from Australian companies leading the way, 2017. As Women in leadership | WGEA (using 2020-21 data sets) shows under-representation of women at senior levels of professions continues to be a stubborn problem. Women comprise only 19.4% of CEOs, 32.5% of key management positions, 33% of board members and 18% of board chairs.¹⁹

²⁰ Senate Finance and Public Administration Committee, <u>Gender segregation in the workplace and its impact on women's economic equality</u> report (See Chapter 4), 2017.

workplaces, reducing absenteeism and unpunctuality and contributing to workers' sense of ownership of the work.²¹

The Government's current amendments to the *Fair Work Act (2009)* making it easier for workers to appeal to the Fair Work Commission for the right to have more flexible working hours are a positive step towards encouraging employers to work with employees to build flexible. We also applaud the other amendments to the *Fair Work Act* including the establishment of a statutory equal remuneration principle in an effort to narrow the gender pay gap, and the broader review of the impact of workplace relations settings such as rostering arrangements on work and care.²²

While the *Fair Work Act* allows employees who meet certain criteria (including parents with school-age children or younger) to request flexible working hours from their employer, there remain substantial differences in the employment patterns of women and men. Too few Australian men ask for flexible or less than full-time work while many more women take lower-paid jobs or less than full-time work to accommodate unpaid care work.

ERA considers that the Commonwealth has a role to play in providing leadership in encouraging other public and private sector employers to address the flexibility needs of employees and to encourage male Australian Public Service (APS) employees to adopt part-time and flexible working practices. While the APS has had flexitime for some years, there is inconsistent application of the policy and the existing standards require a reset. ERA is aware of anecdotal evidence that some areas of the APS are resistant to the idea that Senior Executive Service positions and other leadership roles can be successfully performed flexibly or by part-time employees.

ERA welcomes the decision that Commonwealth public sector entities will voluntarily report their gender equality data to WGEA for the first time in 2022, ahead of the introduction of compulsory reporting in 2023. All Agencies should be directed to answer the optional question on workplace flexibility. The results of the Commonwealth reporting should be published by WGEA as a separate, publicly accessible report.

Agencies should be required to take immediate action to implement key actions 3C, 4A, 4B and 4C of the *APS Gender Equality Strategy 2021-26* ²³ and the results of that work should be published in a manner accessible to the public. In December 2000, fewer than 5% of new hires to the APS were engaged on a part- time basis. To address this, key action 4D of the Strategy should be amended to *require* agencies

²¹ State of the Global Workplace Report - Gallup, 2022.

²² Jobs and Skills Summit September 2022 – Outcomes (treasury.gov.au)

²³ Workplace Gender Equality Agency (WGEA) Fact Sheet, 5 October 2022.

to advertise all APS positions as full-time, part-time and job share, unless approval is granted for a position to be advertised otherwise for operational reasons.

Flexibility should not be a perk but instead should be mainstreamed. There is widespread support for a move to a better work/life balance in the community in the wake of COVID-19. We note that these recommendations are also consistent with Treasury's early conception of a wellbeing budget. *Budget paper 4 Measuring What Matters* (2022) identifies 'long hours in paid work', 'time off' and the gender wage gap as areas in which Australia performs below OECD indicators. Improving access to flexible work and addressing the assumption that only women should be working part-time would help to address our failures in these key areas. Ideally, every employee (regardless of gender) should have at least one period in their working life when they worked part-time in order to perform unpaid work, whether in their family or in their community.

The Employment White Paper process should take the opportunity to incorporate the findings of the current inquiry of the Senate Select Committee on Care and Work. The concurrence of these two inquiries presents a once-in-a-generation opportunity to redistribute unpaid care work more equitably between the genders, in order to ensure that working flexibly or for reduced hours ceases to attract the penalties currently faced by women. Flexible working arrangements should be available and taken up by men and women, carers and non-carers, managers and non-managers to break the perception that working flexibly is a sign that employees are freeloading or less productive than their full-time peers.

Recommendations:

- That all Commonwealth agencies should be directed to answer the optional question on workplace flexibility when reporting their gender equality data to WGEA and WGEA publish the results in a separate, publicly accessible report.
- That Agencies should be required to take immediate action to implement key actions 3C, 4A, 4B and 4C of the Australian Public Service (APS) Gender Equality Strategy 2021-26 and report on their implementation.
- That key action 4D of the Australian Public Service (APS) Gender Equality
 Strategy 2021-26 be amended to require agencies to advertise all APS
 positions as full-time, part-time and job share, unless approval is granted for
 a position to be advertised otherwise for operational reasons.
- That the findings and recommendations of the current inquiry of the Senate Select Committee of Work and Care are incorporated into the development of the White Paper on Employment.

Flexible work: Harnessing benefits and mitigating risks

It has long been understood that increased work flexibility can improve work-life balance, reduce household conflict and decrease commuter stress. However, it can also increase personal and professional isolation, expose workers to more distractions from family (when working from home) and reduce job satisfaction. Recent research by Swinburne Edge and Deloitte shows that flexible work supports mental health and wellbeing, but only when combined with good leadership.²⁴

Poor implementation of flexible working arrangements can lead to blurred work-life boundaries and increased workload hours, which are detrimental to employee wellbeing. In 2021, at the height of the pandemic, the Centre for Future Work at the Australia Institute found that the average Australian was volunteering 6.1 hours of unpaid overtime every week as a result of working from home.²⁵ Robust remote working policies with clear guidelines to ensure employees' time away from work are essential. Once implemented, flexible work policies and practices require appropriate planning and investment to enable their benefits are realised. A quarter of workers surveyed by Swinburne Edge in 2022 did not have a clear flexible work policy. Swinburne Edge warns that, in the absence of remote working policies, employees are exposed to psychosocial risks such as low role clarity and overwork.

The ACTU has developed a *Working from Home* Charter which identifies five key elements for sustainable and secure working from arrangements:

- Working from home should always be voluntary, with equal pay regardless of where you work, and no out of pocket cost for working people who choose to work from home.
- Employers remain responsible for the health and wellbeing of employees working from home during work hours and should do everything they can do remove physical and psychological hazards.
- Every employee has the right to disconnect from work outside of work hours. Excessive hours and work creeping into non-work hours must be avoided.
- Anyone working from home must still have access to union representation and understand their basic rights. They must also have access to independent dispute settling procedures and arbitration if matters can't be resolved through discussion.

²⁴ Reset, Restore, Reframe – Making Fair Work FlexWork | Swinburne, 2022.

²⁵ Nahum, Dan Working From Home or Living at Work? Hours of Work, Unpaid Overtime and Working Arrangements Through COVID-19 The Centre For Future Work Nov 2021

 $https://d3n8a8pro7vhmx.cloudfront.net/theausinstitute/pages/3901/attachments/original/1637029639/Go_Home_On_Time_Day_2021_FINAL.pdf?1637029639$

 Regardless of the number of employees working from home or in the workplace, all workers should have their rights protected.²⁶

Further and very targeted research, disaggregated by sex, age, occupation and industry, is needed to reliably understand Australian worker and employer preferences for flexible work arrangements post-COVID-19.

The use of digital tools in the employment relationship has substantially blurred the boundaries between work time and personal time. The number of employees using digital tools and remote access increased significantly during the pandemic. But being digitally connected 24-7 does not necessarily lead to increases in productivity. A parliamentary inquiry has found Australians are getting less sleep than previously with contributing factors including work patterns and the use of electronic media. ²⁷

ERA is concerned that, as more people work from home, from places outside the office and freelance or in the 'gig economy', we are not doing the work to develop our understanding of the 'right to disconnect'; that is, as a 'right to private life' or good work life balance. The right to disconnect is essential to address the problems arising from hyper-connection and to guarantee rest periods, space for unpaid care work and personal life. France, Italy, Ireland, Germany, Spain and Belgium have all recently enacted 'right to disconnect' legislation. While collective bargaining may support this right for some Australian workers²⁸ the government could consider a legislative or regulatory framework to support workers disconnect from work in support of personal health and wellbeing and to create space for unpaid care which is largely still left to women to do.

Recommendation

• That the Commonwealth investigate the establishment of a legislative or regulatory framework to implement a 'right to disconnect'.

Building a climate disaster workforce

With each costly weather event (more frequent floods, fires, tsunamis and cyclones) Australia should be getting better in managing and supporting communities to recover. The Federal Government outlined plans in the October 2022 budget for a disaster response workforce that complements state led emergency efforts and the Australian Defence Force. \$30 million has been allocated for a volunteer veteran organisation named Disaster Relief Australia.²⁹ ERA believes there is a risk that this

²⁶ See https://www.australianunions.org.au/campaign/working-from-home-charter/

²⁷ House of Representatives Standing Committee on Health, Aged Care and Sport, National Inquiry into Australia's Sleep Health, 2018.

²⁸ We note that the Victorian Police Force already has a 'right to disconnect' in place for their officers as part of their Enterprise Bargaining Agreement from 2021

²⁹ In addition to a suite of measures related to disaster resilience and recovery over 4 years from 2022-23, Budget Paper No. 2, p. 147.

new workforce reflects a government reflex to revert to militaristic and masculine ways of working which accepts patriarchal attitudes about what constitutes an adequate response to disaster rather than empowering attitudes that support consent or care. Non-gendered consideration of 'response' work generally produces definitions which focus on rescue, physical clean-up and repair of infrastructure. Adding a gender lens to the definition of 'response' results in a wider range of activities being included, such as repair of social infrastructure (such as getting playgroups, schools and childcare operational, putting communication strategies and infrastructure in place to allow people to contact one another), access to the determinants of health (such as reopening women's refuges, providing mediumterm low cost housing for displaced people, access to healthcare when services are disrupted) and addressing the emotional damage caused by disaster (such as trauma counselling).

This new Disaster Relief Australia workforce should be developed with an explicit gender lens to ensure it does not repeat the problems of the traditional highly gendered emergency workforces in state-based services. The Commonwealth is urged to tap into the expertise of the Gender and Disaster research agency to ensure an inclusive culture in disasters, so all sex and genders are involved and able to access the support they need with a citizen-led and strengths-based approach. The new workforce could be informed by the Australian Defence Force's National Action Plan on Women, Peace and Security and the next iteration of the ADF's Pathway to Change strategy to attract and retain women and diverse people. The leadership of Disaster Relief Australia must include women and people with expertise in applying a gender lens to policy development, and domestic violence training for workers should be mandated. This workforce should not only be fit-fortask but should work across recovery, preparedness and prevention including sustainable housing, women's health needs and ensuring restoration of energy systems.

Given regular commitments to jointly funded State and Commonwealth disaster payments, ERA believes it's time the Treasury investigate participation payments as one way to support individuals and communities, so they are financially supported to respond and recover to disasters that hit their homes and community. Women are more likely to leave paid work to care for their families and communities in the event of disaster. Participation payments could go some way to ensure they are less likely to fall below the poverty line.

Recommendations:

- That a Gender Impact Analysis be incorporated into the development of the new Disaster Relief Australia workforce.
- That Treasury commission research into the feasibility of participation payments in Australia.

5.1: Reducing barriers and disincentives to work, including the role of childcare, social security settings and employment services

Improving pay and conditions in early childhood education and care (ECEC)

There is significant unmet demand for childcare which will increase as the government accelerates efforts to have more women participate in the formal economy. Our ability to meet this increased demand will be determined by the question of whether we can attract and retain ECEC staff. The pandemic has taken an emotional and physical toll on the on the overwhelmingly female-dominated ECEC sector.³⁰ Wages in the sector are extremely low. ERA has received reports of ECEC workers who are leaving the industry because they are unable to afford ECEC services for their own children while receiving ECEC wages. Unlike many other low paid sectors, the ECEC sector has mandated workforce qualification requirements.

A survey run by the Health Employees Superannuation Trust Australia (HESTA) this year found ECEC employees felt their pay needed to increase and they wanted more opportunities for skills development.³¹

The ECEC workforce needs to be seen in the context of developments in the broader care workforce. The aged care wage decision in 2022 identified the complex social and physical demands of work in aged care roles compared to, for example, working for a major supermarket. Without similar wage action in the ECEC sector, there are risks, according to Frances Crimmins, CEO of YWCA Canberra, that we will lose workers, with "workers in the childcare sector so burnt out, we anticipate more workers will move to aged care as soon as a wage rise happens in that sector." ³²

While the government has committed \$20 million over four years from 2022–23 for the Fair Work Commission to establish the Pay Equity and Care and Community Sector expert panels (including a focus on ECEC) to explore wage related issues and a specialised research unit, it is not clear how quickly that will translate into better pay and conditions for a sector impatient for change.

The Fair Work Legislation Amendment (Secure Jobs, Better Pay) Bill 2022 aims to make it easier for the Fair Work Commission to order pay increases for workers in low-paid female dominated industries by putting in place a statutory Equal Remuneration Principle. However, given that the current shortage in ECEC workers will be exacerbated by any increase in demand which arises from the success of the Employment White Paper, we are concerned that these reforms may act too slowly and may impede our ability to address ECEC shortages across the workforce.

³⁰ According to the Government's 2021 National Workforce Census, 92% of ECEC workers are female. See https://www.education.gov.au/child-care-package/resources/2021-early-childhood-education-and-care-national-workforce-census-report

³¹ HESTA, State of the sector 2021: <u>Early childhood education and care workforce insights</u>

³² Frances Crimmins speaking as part of a consultation with sister alliances ahead of the Jobs and Skills Summit, August 2022.

Getting more people into work will only be sustainable if the children of those workers can be adequately cared for. To expedite the reforms, ERA recommends the Commonwealth initiate a wage case in the Fair Work Commission, as it did for the aged care workforce, to deliver a minimum 10% pay increase in ECEC.

ERA believes increased wages will also help incentivise more men to consider ECEC careers.

Recommendation:

 That the Commonwealth work with the United Workers Union to initiate a wage case in the Fair Work Commission and support a minimum 10% pay increase for ECEC workers.

Evaluations of services providing centre-based long day care show the centres tend to charge by the day, rather than the number of actual hours of ECEC used.³³ With the median length of a centre-based day care session sitting at 10-11 hours, charging only for full days uses up the available subsidized hours for those families needing shorter or more flexible sessions. ERA urges consideration of mechanisms to increase flexibility for families around the length of care sessions.³⁴

Case study

Anna Smith is a parent who receives a subsidy for a certain number of hours per fortnight, depending on her 'activity level' under the current rules. She typically works 3 x 5 hour shifts or 15 hours a fortnight. Under the rules she is eligible for 36 subsidised hours a fortnight. Her actual hours needed for childcare are 3 x 6.5 or 19.5 hours to allow for commuting. This is counted as 33 hours (charged at 3 x 11 hours for a centre with an 11-hour session, open from 7am to 6pm). If Anna gets an extra shift, she needs to pay for it in full, because the rules say that if a parent has 'used' their 36-hour entitlement, she can't get 3 hours subsidised, because centres charge by the session.

ERA notes that some non-profit providers do allow for shorter sessions however charging practices of most large for-profit centres do not. Families have to pay for the whole session whether they use it or not. This has adverse implications for casual workers and single parents and is problematic for people looking for work while receiving Job Seeker payments, as they are required to accept offered work, regardless of the availability and cost of childcare services.

³³ Especially for-profit centres. At least some non-profits have a more flexible approach to increase accessibility and affordability – another reason to increase their share – they are already implementing this solution to some extent. See https://www.goodstart.org.au/sessions

³⁴ ERA Position Statement: <u>Reimagining Child Care</u>, 2020.

Even full-time employees may have difficulties fitting their work to ECEC sessions. In the trades sector, employers often require employees start early (7am) and finish in the early afternoon. Given this, it is no surprise that women make up only 13% of the construction industry workforce.³⁵ The limited availability of after-hours care is also a significant barrier for shift workers. Flexible care arrangements are important, especially if sectors such as mining split shifts to allow families to better share care duties.

The Commonwealth should continue to reduce the barriers to childcare by also reviewing the participation test for parents and carers, so the system is more accessible to people on low incomes. While ERA welcomes the October 2022 budget allowance of 36 hours of subsidised care per fortnight for First Nations families who do not meet the activity test, the same measure should be implemented for all low-income families given the benefits of ECEC for disadvantaged children. ³⁶

The continued imposition of the activity test undermines the Albanese Government's broader reform objectives of lifting access for children and workforce participation of parents/carers.³⁷ ECEC should also function to reduce the burden of unpaid care work on women. ERA backs a long-term objective to make childcare free as it would liberate families further and significantly boost productivity and gross domestic product (GDP).³⁸

Recommendation

- That the Commonwealth amend the terms of reference to the current inquiry of the Australian Competition and Consumer Commission into Childcare pricing to include an examination of the service fee practices of ECEC providers, including the practice of changing by session length.
- That the Commonwealth remove/review the activity test element of the Child Care Subsidy for low-income families.

Greater access to ECEC for temporary visa holders

Temporary migration can be a step towards permanent residence, especially important to meet labour shortages, but there are lengthy delays in the vias processing system. The Department of Home Affairs has acknowledged a growing cohort of 'permanently temporary' migrants, at risk of exploitation and poor integration outcomes.³⁹ The ECEC system is an inflexible and inaccessible system for women on temporary visas. There is currently limited access to ECEC subsidies for

³⁵ Rhiana Whitson, *Women in Construction* 21 Jul 2022 ABN News Online https://www.abc.net.au/news/2022-07-21/women-in-construction-gender-nawic-master-builders/101255318

³⁶ See also research by the Australian Children's Education and Care Quality Authority on quality ratings by socio-economic status: https://www.acecqa.gov.au/resources/research.

³⁷ Impact Economics and Policy, *Child Care Subsidy Activity Test: Undermining Child Development and Parental Participation*, August 2022.

³⁸ KPMG, <u>The child care subsidy: Options for increasing support for caregivers</u>, September 2020.

³⁹ Department of Home Affairs, <u>A migration system for Australia's future</u>, Discussion Paper, November 2022.

women on temporary visas which limits their ability to work and the work the hours they wish to.

Recommendation:

• That the Commonwealth review childcare access for women on temporary visas.

Address market failures in ECEC and over-reliance on private providers

Australia's ECEC system, unlike in many parts of the OECD, relies heavily on publicly subsidised private for-profit providers to deliver services. About half of Australia's ECEC providers are for-private private companies, with all recent growth in the sector captured by for-profit providers; centres that must generate profits for their owners and thus divert resources away from the core goal of service provision.

Numerous studies point to a concerning quality gap between private for-profit providers on one hand and public and not-for-profit providers on the other. The Australia Institute reports that Australia's reliance on private for-profit providers not only undermines the quality of services received by children and parents; it is a wage depressor (as in other human and caring services where the quality of care directly reflects the quality, training, compensation, and stability of jobs for care providers), and it diminishes the macroeconomic and fiscal benefits of the whole system.⁴⁰ Like residential aged care, private long day care is essentially a property business with a government-funded income stream. The United Workers Union finds that an economic model characterised by secure government subsidies and low wages for educators has created 'an elite super rich - ECEC owners and executives.'41 The union claims wage theft, aggressive tax avoidance and other misconduct is creeping into the private sector. ERA believes more transparency is needed. We welcome the anti-fraud measures in the October budget, however the Commonwealth, on behalf of taxpayers, should require more information on what private providers spend their money on at the centre/service level.

The Commonwealth should also be inspired by Victoria where the re-elected Andrews Government is massively expanding childcare, but only through funding public and not-for-profit centres in recognition of the public good found there.⁴² If the Federal Government is to deliver on its promise to expand preschools to all 4-year-olds, it should expand the public system to increase supply as needed, rather than issue more licenses to private companies. ERA believes this will provide better quality outcomes for children, more accessible care for families, and, more likely, stronger wage growth.

⁴⁰ Matt Grudnoff, The Australia Institute. <u>The Economic Benefits of High Quality Universal Early Child Education</u>, March 2022.

⁴¹ United Workers Union. Spitting off cash: Where does all the money go in Australia's early learning sector?, 2021.

⁴² Free kinder, pre-prep programs and more childcare part of Victoria's \$9 billion education reform package - ABC News

ERA backs an Australia Institute recommendation that the Commonwealth support the states and local governments to plan for and fund integrated and high-quality public and in-place ECEC centres as essential public services. These services should reflect diverse communities and their needs.

ERA calls for a ten-year plan that supports a long-term goal of universal, free ECEC for all children, in keeping with a wellbeing and gender-sensitive budget framework and resulting expectations of a fairer and more gender equitable tax and transfer system.

Recommendation:

• That the Commonwealth address market failures in ECEC and the current over-reliance on private providers by only issuing future licenses to for-profit providers in areas with a critical local shortage of ECEC and supporting not-for-profit ECEC providers to increase their capacity significantly.

Recognise undervalued skills

A key barrier to work for women who are out of the workforce, especially women with a disability and those of migrant or refugee background, is the individual not believing they can work in new roles as advertised. They simply lack the confidence to apply, sometimes exacerbated by previous experiences of discrimination and other barriers to entering workplaces that are not diverse or inclusive.

Further, the employment market has historically undervalued what women have to offer. The full bench of the Fair Work Commission made this clear in its recent summary decision Aged Care Work Value Case. The Commission's full bench acknowledged the subjective notion of skill and the "invisibility" of skills when assessing work value in female-dominated industries and occupations. Gender-based undervaluation of work in Australia arises from social norms and cultural assumptions that impact the assessment of work value. "These assumptions are impacted by women's role as parents and carers and undertaking the majority of primary unpaid caring responsibilities. The disproportionate engagement by women in unpaid labour contributes to the invisibility and the under recognition of skills described as creative, nurturing, facilitating or caring skills in paid labour." described in the same transfer of the invisibility and the under recognition of skills described as creative, nurturing, facilitating or caring skills in paid labour."

The Department of Employment and Workplace Relations should work with existing and emerging sectors to develop tools to support potential candidates to make their varied skills and qualities more visible, including skills acquired from varied life experiences including unpaid service and caring roles. Such tools would recognise

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⁴³ Summary of Decision [2022] FWCFB 200, page 5.

⁴⁴ Ibid

prior learning and utilize other methods of evaluating interpersonal feminised skills of care.

ERA draw's Treasury's attention to the submission of Women's Electoral Lobby (WEL Australia), which is an ERA member organisation. In its submission, WEL Australia requests that the Government resource the development of an upskilling program with tools and techniques for addressing gender-related undervaluation in the female-dominated care and service sectors. ERA endorses this recommendation.

5.3. Skills, education and training, upskilling and reskilling, including in transitioning sectors and regions.

Education and vocational training as a critical lever for gender equality

Australia's gender segregated labour force is a key element underlying the current low levels of economic security over women's lifecycles in Australia. Creating equal gender representation across all industries, occupations and roles will help close the gender inequality gap. Disruption of segregation must start in the enabling environment of education and vocational training.

We urge the inclusion of a gender advocate at <u>Jobs and Skills Australia (JSA)</u>, a unit focussing on intersectional gender analysis that works closely with other agencies including the Office for Women, DEWR and the Workplace Gender Equality Agency (WGEA) to identify and address inequity in education and vocational training. The new Universities Accord should have a gender lens to reduce gender inequality (knowing that gender inequality imposes both a personal, social and economic cost). And, as the government continues to roll out major programs such as the National Skills and Workforce Development Specific Purpose Payment and the Australian Skills Guarantee and supports nearly half a million free-TAFE places, Gender Impact Assessments (GIAs) and the setting of gendered targets should be mandated for all National Partnership Agreements and government-funded Vocational Education and Training (VET) programs.⁴⁵

JSA should review and supports reform of job training placements to ensure they not discriminate against women, especially those who have dependents or who are on low income.

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⁴⁵ As also recommended by member organisation, the national network Women in Adult and Vocational Education (WAVE).

Case study

Twins Joseph and Jess have finished high school in a regional town and choose different vocational areas to study. Joseph secures a plumbing apprenticeship in a business not far from home where he continues to live with his parents. His employer pays him the minimum wage with standard conditions. Joseph attends local TAFE to study a few days a week. He has no major overheads and is able to save. Jess decides to study social work in a capital city. She receives Commonwealth financial support to study full-time but has little discretionary income after her rising rent is paid. To cover food and transport costs she works a few early morning shifts at a local cafe. Jess is worried that her course requires a term-long unpaid placement. She will have to give up her casual work to maintain the placement.

ERA would like the Commonwealth to review job placements with a gender lens to ensure women enjoy equal access to study and training opportunities and that women are paid for training in the workplace.

Australia has deeply entrenched gender segregated occupations.⁴⁶ As the Federal Government knows, sexist attitudes are commonplace male-dominated sectors such as construction and mining. This hurts the people involved and ultimately reduces productivity. Women are less likely to be recruited and retained in these industries. The case for improving gender balance in male-dominated industries and workforces and improving gender balance in unpaid and caring workforces is well made in earlier submissions and reports by agencies funded by the Commonwealth, namely the Australian Human Rights Commission.⁴⁷ Treasury is urged to revisit those.

ERA recommends the Commonwealth link gendered targets and substantial progress on desegregation to all financial subsidies provided to those sectors where problems persist. Public money should not prop up sectors that resist change and maintain corporate cultures and norms with rigid gender stereotypes. Public subsidies should only continue if companies can show they are measuring progress towards gender equality and gender equity. This would be comparable to the Commonwealth not giving public money to companies that have been found to have modern slavery in their supply chains.

⁴⁷ AHRC, <u>Gender segregation in the workplace and its impact on women's economic equality</u>, 6 March 2017.

Case study

"Two female apprentices were on a construction site. The worksite had no sanitary bins. The women asked for special bins. Their boss told male colleagues about the request, mockingly. The women continue to take their used pads and tampons home in their lunchboxes for fear of being further shamed. A colleague shared this story with me recently. The workplace was not safe for these women." – Kit McMahon (WHISE, ERA member) November 2022.

This case study reflects a 2020 RMIT report for the Victorian Government on Women in Construction which showed female construction workers exposed to unsympathetic attitudes from colleagues and customers.

- "Often people will address a male in my presence, even when I'm superior to that worker and that worker cannot answer anyway."
- "[I was told] I wouldn't be able to make it and that I should get a 'girl's job."

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As the Sex Discrimination Commissioner has made manifest in recent reports, there is plenty of work to do to change cultures in workplaces. It must involve more than 'tick and flick' compliance but building understanding and capacity to prevent harms.

In its *Enough* is *Enough* report into sexual harassment in the FIFO workforce in the Western Australian Mining Sector (in which women account for 74 per cent of mining workers who reported sexual harassment at work), the WA Community Development and Justice Standing heard similar experiences:

• "Often people will address a male in my presence, even when I'm superior to that worker and that worker cannot answer anyway." 49

Ultimately, these concerns are safety and productivity issues.

The Commonwealth can do more to help industries disrupt highly gendered occupations and prevent harm in existing and new, emerging sectors like clean energy. There are good examples of state-based and education sector programs that interrogate social norms and traditional constructions of masculinity and femininity to ultimately promote safe, respectful, inclusive and diverse workplaces

⁴⁸ Sarah Holdsworth, Michelle Turner, Christina Scott-Young and Kara Sandri, <u>Women in Construction: Exploring the Barriers and Supportive Enablers of Wellbeing in the Workplace</u>, RMIT, 2020.

⁴⁹ ENOUGH IS ENOUGH: Sexual harassment against women in the FIFO mining industry, 2022

where problems exist. We recognise that the Commonwealth already supports a number of programs such as <u>Women Building Australia</u> but leveraging the power of public subsidies will expedite culture change required.

Recommendations

- That the Commonwealth ensures work placement training requirements are equitable by funding research into the current requirements for workplace-based training across industries with a gendered lens to identify gendered patterns in the conditions under which such training is offered.
- That the Commonwealth review and leverage subsidies granted to the construction and technology sectors to challenge dominant gender stereotypes and help women overcome barriers in gender inequitable workforces.