Employment

Phase One Consultation: National Strategy to Achieve Gender Equality Introduction

# Introduction

Gender equality is at the heart of the Australian Government’s vision for a better future, and the Government is committed to restoring Australia’s leadership on gender equality.

The Government will develop a National Strategy to Achieve Gender Equality (the Strategy) to drive this ambition.

## What will the Strategy do?

The Strategy will guide whole of community action to help make Australia one of the best countries in the world for equality between women and men. It is an important mechanism to elevate and prioritise actions that will achieve gender equality.

The Strategy will complement other efforts across Government to achieve gender equality, including:

* the [*National Plan to End Violence against Women and Children 2022–32*](https://www.dss.gov.au/women-programs-services-reducing-violence/the-national-plan-to-end-violence-against-women-and-children-2022-2032) (National Plan)
* the Government’s response to the Australian Human Rights Commission’s [Respect@Work Report](https://humanrights.gov.au/our-work/sex-discrimination/publications/respectwork-sexual-harassment-national-inquiry-report-2020)
* the[*National Women’s Health Strategy 2020–2030*](https://www.health.gov.au/resources/publications/national-womens-health-strategy-2020-2030)

It will also support the work of similar state and territory plans.

## How will the Strategy be developed?

The Government will deliver the Strategy by mid-2023.

The Office for Women will develop the Strategy in consultation with women and girls around Australia, with a focus on ensuring that diverse voices are heard and included.

The Government has also established the Women’s Economic Equality Taskforce (the Taskforce) to provide independent advice to Government, ensuring women are at the centre of policy and decision-making. The Taskforce will be a leading contributor to the Strategy, and as part of this will engage broadly with the Australian community to elevate and honour the voices of women in the Strategy.

The six [National Women’s Alliances](https://www.pmc.gov.au/office-women/grants-and-funding/national-womens-alliances) will also play a key role in informing the development of the Strategy.

# Consultation

Consultations will reach people with lived experience of gender inequality, living with disability, First Nations people, people who are LGBTQIA+, migrant and refugee women, those living in regional and remote areas and people from all backgrounds and classes.

The consultation will be undertaken in **two stages.**

Starting in November 2022, the Office for Women will lead targeted national consultations to inform the early development of the Strategy. These will take place across Australia and include discussions with a range of stakeholders including gender experts, academics, economists, women’s alliances, the community sector, unions and business.

In early 2023, broader community consultations will provide an opportunity for people to share their views of how we achieve gender equality and how this should be reflected in the Strategy.

The Strategy will draw from a comprehensive evidence base, and reflect public commentary, recent consultations and submissions to government. It will draw from contemporary research and reports, including those prepared for the [Jobs and Skills Summit and resulting Employment White Paper](https://treasury.gov.au/employment-whitepaper/jobs-summit)

Further information on consultation will be provided on the Office for Women’s [webpage](https://www.pmc.gov.au/office-women/national-strategy-achieve-gender-equality).

For further information or to express interest in being included in consultation, please contact: [OFWengagement@pmc.gov.au](mailto:OFWengagement@pmc.gov.au)

# Current situation

(Note: The research and evidence outlined in this paper are not intended to be comprehensive, instead it is used to facilitate consultation.)

## Gender pay gap

* On average, women earn 86 cents for every dollar earned by men, and earn less for every dollar earned by men as they get older. The gender pay gap (GPG) is 2.5 per cent or $1,413 per year at under 25 years-old, but widens to its largest gap of 31.9 per cent or more than $40,000 per year between the ages of 55–64 years-old.[[1]](#footnote-2)
* Australia’s national gender pay gap is 14.1 per cent (or $263.90 per week) meaning women have to work 60 extra days, on average, to earn the equivalent annual salary to men.[[2]](#footnote-3)
* Women enter the labour market with higher qualifications than men, but earn less on average from the start. In 2021, women undergraduates start their careers earning $2,600 or 3.9 per cent less than their male counterparts. The gap in median starting salaries were significantly larger at $14,000 or 14.1 per cent for men and women with a postgraduate coursework qualification.[[3]](#footnote-4)
* Studies have shown 36 per cent of the gender pay gap is due to gender discrimination, followed by 33 per cent due to care, family and workforce participation, and 24 per cent due to job segregation.[[4]](#footnote-5)

## Workforce participation

* In October 2022, women’s workforce participation rate was 62.3 per cent compared to 70.9 per cent for men – a participation gap of 8.6 percentage points. This gap has persisted over the last 10 years and is narrowing at a slow rate. The workforce participation gap was 13 percentage points in August 2012.
* While women and men’s unemployment rates have remained around 4 per cent (3.6 per cent and 3.2 per cent respectively) over the past two decades, the women’s underemployment rate is 7.1 per cent compared to 4.9 per cent for men. While women working part-time worked slightly more hours (18.9 hours per week) than men working part-time (18.4 hours per week), for those working full-time, women worked considerably fewer hours on average than men) 39.9 hours per week compared to 42.9 hours per week for men.[[5]](#footnote-6)
* Women make up 39 per cent of all full-time workers and 68 per cent of part-time workers.[[6]](#footnote-7) This trend has remained relatively unchanged over the last decade. In August 2012, women made up 35 per cent of all full-time workers and 71 per cent of all part-time workers.[[7]](#footnote-8)
* At every age, less than 50 per cent of women are working full time and they earn less money over a lifetime than men. Following the arrival of children, women typically make significant and long-term adjustments to their paid employment, while men’s employment remains largely unchanged. After age 35, women are more than twice as likely as men to be working part-time and casually.[[8]](#footnote-9)
* Closing the workforce participation gap between women and men would increase Gross Domestic Product (GDP) by 8.7 per cent or $353 billion by 2050. It will create an additional 1 million full-time equivalent workers with post-school qualifications.[[9]](#footnote-10)
* Women are overrepresented in casual work (54.6 per cent), and make up nearly 60 per cent of workers on fixed-term contracts. Part-time and casual work offer flexibility to manage unpaid caring responsibilities, but are also less secure and lower paid, with less opportunity for career progression.[[10]](#footnote-11)
* Rates of insecure work in Australia are higher amongst cohorts who are socially and economically disadvantaged, including women, young people, Aboriginal and Torres Strait Islander peoples, migrants and people with disability.
* Remote working and other flexible working practices can be key enablers of gender equality, supporting more women to stay in the workforce, and more men to take on a greater share of caring responsibilities. During the pandemic lockdown, research showed the additional unpaid care work (e.g. home schooling) was not shared equitably between men and women. Women, especially mothers with school-aged children, undertook most of the new unpaid care work on top of the pre-pandemic care load.[[11]](#footnote-12)
* It is essential that flexible work practices are embraced by business and employers and are normalised and taken up by all genders, senior leaders and people without caring responsibilities to ensure people who work flexibly are not penalised.

## Gender segregation in industries and occupations

* Industry and occupation gender segregation is entrenched in the Australian labour market and has continued over the last 20 years.
* Across the workforce, women and men are concentrated in different industries. Out of the 19 industries in Australia, only seven have gender-balanced workforces (at least 40 per cent women and 40 per cent men). Women continue to be concentrated in Health Care and Social Assistance as well as Education and Training. While men are concentrated in Mining, Electricity, Gas, Water and Waste Services, Construction, and Manufacturing.[[12]](#footnote-13)
* Female-dominated industries often have lower average wages than male-dominated industries, regardless of educational attainment.[[13]](#footnote-14)
* Trade apprenticeships in male-dominated industries are less commonly undertaken by women than men, with women making up only 8.2 per cent of current “traditional” trade apprenticeships (trade apprenticeships excluding hairdressers, animal attendants and trainers, and veterinary nurses).[[14]](#footnote-15)
* Women and girls are more likely to be enrolled in traineeships or apprenticeships for work in feminised and low paid industries with poor job and income security, as opposed to male-dominated trades with high financial remuneration and stable employment.
* Occupations are also gendered. Women are less likely to be in management and technical roles. Just 39.3 per cent of managers and 16.8 per cent of technicians and trade workers are women; compared to 73.7 per cent of clerical workers and 69.3 per cent for community and personal service workers.[[15]](#footnote-16)
* Shifting each industry’s female-to-male employment ratio to an economy-wide average could boost GDP by up to 10 per cent due to higher labour productivity.[[16]](#footnote-17)
* Studies have shown that inclusive workplaces provide stronger value propositions to their employees and customers, have better decision-making processes and stronger financial performance.[[17]](#footnote-18)
* Research by Bankwest Curtin Economics Centre (BCEC) and Workplace Gender Equality Agency (WGEA) for the Review of WGEA Act 2012 found that an increase of female ‘top-tier’ managers by 10 percentage points or more led to a 6.6 per cent increase in the market value of Australian ASX-listed companies, the equivalent of $104.7 million.[[18]](#footnote-19)

## Career preferences in young adulthood

* Girls are outperforming boys in school completion rates. In 2021, 85.5 per cent of girls remained at school in Year 12 compared with 77.7 per cent of boys.[[19]](#footnote-20) However, Year 12 subject enrolment continues to be gender-biased, for example, 68 per cent of Year 12 boys enrolling in at least one maths subject compared with 64.7 per cent of girls.[[20]](#footnote-21) The subject selection bias limits the ability of girls to undertake a wider range of post school study and future career choice.
* Research has shown the top three reasons for wanting to pursue a career were identical for boys and girls. The top three reasons were ‘having a secure job and income, ‘enjoying the tasks I work on and ‘using my talents’. However, girls ranked the need to help others as fourth in their reasons for wanting a job while this reason ranked much lower for boys (at 7th position).[[21]](#footnote-22)
* Research has found that girls’ interest in STEM careers generally decreases as they get older and is lower compared to boys, and this interest is lowest for engineering:[[22]](#footnote-23)
* At 12 to 13 years-old, 23 per cent of girls said they would like to have a STEM career compared to 53 per cent of boys. Only 12 per cent of girls were interested in being an engineer compared to 16 per cent for boys. By 18 to 25 years-old, only 5 per cent of young women were interested in an engineering career, compared to 14 per cent of young men.
* Results from the OECD Programme of International Student Assessment (PISA) show that 15-year-old girls are, on average, 16 times more likely than 15-year-old boys to report that they want to work as preschool teachers or childcare providers in their future career. On average across the OECD, only 0.2 per cent of boys say they expect to work in early childhood education and care at age 30, compared to 3.2 per cent of girls.[[23]](#footnote-24)

# Drivers of gender inequality

Research and stakeholder feedback to date suggest, but are not limited to, the following drivers of gender inequality on employment:

* Gender norms and stereotypes are formed early in childhood and continue to unconsciously influence and limit young people’s learning and career choices. Gender expectations are already evident when boys and girls are choosing secondary school subjects.
* A lack of female role models, under-representation and poor sense of belonging further discourages women and young girls from studying and working in male-dominated industries, such as IT and engineering.
* Even as more women choose to enter male-dominated fields like STEM, organisations and workplaces struggle to retain women. Gender bias, discrimination and harassment (including sexual harassment) are major factors driving women to leave STEM workforces. A lack of flexible work arrangements which are often necessary to balance caring responsibilities, and effective mentoring and sponsoring opportunities contribute to highly skilled and qualified women leaving STEM sectors.
* Female-dominated sectors in Australia tend to be lower paid, particularly in those industries where workforce roles are ‘gendered’ such as child care, disability care, aged care and education.
* The societal undervaluation of women’s work and contributions has carried over to how the care economy workforce are remunerated and valued by employers and institutions. For example, on 4 November 2022, the Fair Work Commission made an interim decision that a 15 per cent increase in the minimum wages for direct care workers under the relevant awards is justified under work value reasons. The Fair Work Commission accepted the valuation of work is influenced by social expectations and gendered assumptions about the role of women as workers.
* The undervaluation of women’s paid care work also influences broader cultural norms and perceptions around the value and role of women in undertaking care.
* Workers in female-dominated industries, such as the care economy, are also more likely to be in casual or insecure work, or working more than one job. This raises issues around sufficient and predictable hours and job security, and how this impacts quality of life with regards to the ability to balance work and family and care responsibilities, connections with community and individual wellbeing.
* Unsafe workplaces discourage women entering and remaining in male-dominated industries. Workplace sexual harassment was notably higher than the national prevalence rate (33 per cent) in male‑dominated industries – 81 per cent in Information, media and telecommunications, 47 per cent in Electricity, gas, water and waste services and 40 per cent in mining.[[24]](#footnote-25)
* Research on intersectionality in the workforce is growing, but fragmented. Overall, it shows that women and men from diverse groups can face multiple and compounding disadvantages when participating and progressing in the labour force. These range from inequitable access and unequal participation in employment opportunities, compounding biases in recruitment and promotion, cultural barriers, and increased likelihood of discrimination in the workplace.[[25]](#footnote-26)

# Discussion

We ask that you contribute your views on:

1. What are the drivers of gender inequitable outcomes across Australia’s workforce?
2. What are the key barriers to lifting women’s participation and closing the gender pay gap?
3. What are the barriers to achieve greater gender equitable outcome across industries and occupations?
4. What are some concrete policy options that should be considered as part of this Strategy to achieve more gender equitable outcomes in Australia’s labour market?
   1. How does occupational segregation contribute to the participation and gender pay gap and how can this be addressed?
   2. How do incentive structures and norms embedded in Australia's tax-transfer and workplace relations systems prevent gender equality in the labour market and how can this be addressed?
   3. Where are the data gaps in understanding women’s employment outcomes and how can we achieve better outcomes with better data?
5. What will success look like and how can it be measured and evaluated?

We are mindful of the need to ensure the rich variety of lived experiences of people in Australia are captured during this consultation process. This includes hearing from those who:

* are living with disability;
* are First Nations people;
* are people who are part of the LGBTQIA+ community;
* are migrants and refugees;
* are people of colour;
* are living in regional and remote areas;
* are of different ages and life stages, education levels, migration status, and/or socio-economic background;
* have experience of trauma; as well as
* all other factors that may impact people’s experience of gender equality or inequality.

1. Workplace Gender Equity Agency (WGEA) (n.d.) [*Age and the gender pay gap*](https://www.wgea.gov.au/age-and-the-gender-pay-gap), accessed on 21 September 2022. [↑](#footnote-ref-2)
2. Workplace Gender Equity Agency (WGEA) (n.d.) [*Gender pay gap data*](https://www.wgea.gov.au/pay-and-gender/gender-pay-gap-data)*,* accessed on 26 August 2022. [↑](#footnote-ref-3)
3. Social Research Centre (2021) [*2021 Graduate outcomes survey*](https://www.qilt.edu.au/docs/default-source/default-document-library/2021-gos-national-report749de703c946469d834f212ba7eb47e0.pdf?sfvrsn=9cdba17e_0)*,* Quality Indicators of Learning and Teaching, October 2021, p 7-8. [↑](#footnote-ref-4)
4. KPMG (2022) *She’s Price(d)less: The economics of the gender pay gap,* A report for Diversity Council Australia and WGEA, Australia [↑](#footnote-ref-5)
5. ABS (2022) [*Labour Force, Australia, October 2022*](https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia/latest-release#data-download), released on 17 November 2022. [↑](#footnote-ref-6)
6. ABS (2022) [*Labour Force, Australia, August 2022*](https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia/latest-release), released on 15 September 2022. [↑](#footnote-ref-7)
7. ABS (2022) [*Labour Force Detailed, Australia, August 2022*](https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia/latest-release), seasonally adjusted, released 15 September 2022. [↑](#footnote-ref-8)
8. WGEA (2022) [*Wages and ages infographic*](https://www.wgea.gov.au/sites/default/files/documents/22_05%20AGE%20INFO.pdf)*,* accessed on 27 September 2022. [↑](#footnote-ref-9)
9. Equity Economics (2021) *Back of the pack – How Australia’s parenting policies are failing women and our economy*, December 2021, p 9 and CEW (Chief Executive Women) (2002) *Addressing Australia's critical skill shortages: Unlocking women's economic participation,* Sydney. [↑](#footnote-ref-10)
10. ABS (2022) *Labour Force, Australia, Detailed, Quarterly*, August 2022, accessed on 9 November 2022. [↑](#footnote-ref-11)
11. Craig L and Churchill B (2021) ‘Unpaid Work and Care During COVID-19: Subjective Experiences of Same-Sex Couples and Single Mothers in Australia’, *Gender and Society*, 35(2), DOI: [08912432211001303](https://doi.org/10.1177/08912432211001303)***.*** [↑](#footnote-ref-12)
12. WGEA (Workplace Gender Equality Agency) (2022) [*Australia’s gender equality scorecard 2020–21*](https://www.wgea.gov.au/sites/default/files/documents/2020-21_WGEA_SCORECARD.pdf)*,* Sydney, February 2022. [↑](#footnote-ref-13)
13. CEW (Chief Executive Women) (2022) *Addressing Australia's critical skill shortages: Unlocking women's economic participation,* Sydney. [↑](#footnote-ref-14)
14. Australia Government (2022) [*Women’s Budget Statement October 2022-23*](https://budget.gov.au/2022-23-october/content/womens-statement/index.htm), 25 October 2022 [↑](#footnote-ref-15)
15. ABS (2022) [*Labour Force, Australia, Detailed, Quarterly*](https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia-detailed/sep-2022#industry-occupation-and-sector)*,* August 2022, accessed on 9 November 2022. [↑](#footnote-ref-16)
16. Goldman Sachs (2019) *Womenomics in Australia – Some progress, but more potential*, Australia, 26 November 2019. [↑](#footnote-ref-17)
17. Catalyst (2020) [*Why Diversity and Inclusion Matter (Quick Take)*](https://www.catalyst.org/research/why-diversity-and-inclusion-matter/), Catalyst, accessed 20 September 2022. [↑](#footnote-ref-18)
18. Department of Prime Minister and Cabinet (2021) *WGEA Review Report: Review of the Workplace Gender Equality Act 2012,* December 2021, p 38. [↑](#footnote-ref-19)
19. ACARA (Australian Curriculum, Assessment and Reporting Authority) (n.d.) ‘2021 Apparent retention rates from Year 10 to Year 12’, [*Key Performance Measures for Schooling in Australia*,](https://www.acara.edu.au/reporting/national-report-on-schooling-in-australia/national-report-on-schooling-in-australia-data-portal/key-performance-measures-for-schooling-in-australia#dataset)Accessed on 20 September 2022. [↑](#footnote-ref-20)
20. ACARA (n.d.) ‘2020 Percentage of Year 12 students enrolled in Mathematics’, [*Year 12 Subject Enrolments*](https://www.acara.edu.au/reporting/national-report-on-schooling-in-australia/national-report-on-schooling-in-australia-data-portal/year-12-subject-enrolments#view1), accessed on 20 September 2022. [↑](#footnote-ref-21)
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22. <https://www.industry.gov.au/publications/stem-equity-monitor/primary-and-secondary-school-data/parents-perceptions-and-attitudes-stem> [↑](#footnote-ref-23)
23. OECD (2019)[*Good practice for good jobs in early childhood education and care*](https://www.oecd.org/education/good-practice-for-good-jobs-in-early-childhood-education-and-care-64562be6-en.htm)*,* OECD Publishing, Paris, p 28. [↑](#footnote-ref-24)
24. Safe Work Australia (2022) [*Workplace sexual harassment statistics*](https://www.safeworkaustralia.gov.au/sites/default/files/2022-01/Stats%20workplace%20sexual%20harassment_infographic.pdf)*,* 31 January 2022. [↑](#footnote-ref-25)
25. WGEA (n.d.) [*Gender equality and intersecting forms of diversity*](https://www.wgea.gov.au/gender-equality-and-diversity). [↑](#footnote-ref-26)