



Economic Security for Women

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This policy paper "Economic Security for Women" was prepared by the Security 4 Women (S4W) consortium in association with Kay Boulden, Researcher.

Security 4 Women comprises the following members;

- Australian Federation of Business and Professional Women (BPWA)
- Certified Practising Accountants Australia (CPA)
- Australian Federation of University Women (AFUW)
- Association of Women Educators (AWE)
- Voice, Interests and Education of Women (VIEW)
- Women and Vocational Education (WAVE)
- National Association of Women in Construction (NAWIC)
- Koori Women Mean Business (KWMB)
- Victorian Immigrant and Refugee Women's Coalition (VIRWC)
- Positive Women
- Working against Sexual Harassment (WASH)
- Women with Disabilities Australia (WWDA)

S4W is funded through the Office of the Status of Women (OSW), Department of Prime Minister and Cabinet. We focus on factors that can either advance or impede women's economic security during the various stages of their lives. We aim to engage with Australian women to identify and evaluate the current issues they face and establish those of primary importance. Our research and surveys into economic security for women over their lifecycle contributes to national policy reform and can enhance and improve results for all Australian women.

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Economic Security for Women

Recommendations

While a range of critical issues continue to demand attention to establish a solid basis for women's economic security (issues such as housing, countering discrimination and providing adequate levels of income support and protection) a targeted and monitored focus on the following issues is likely to generate change that is sustainable in the long term for all women:

- affordable education and training for women of all ages;
- work arrangements that help balance family and other responsibilities; and
- equality of male and female wages and salaries.

These are complex issues that will require commitment over time. However, the opportunity exists to develop strategic interventions in these areas, which will produce visible and measurable changes in the short as well as the medium and long terms. There is also considerable capacity for initiatives around these key issues to cross-fertilise, especially in the areas of education and training, and work/family balance.

Education and Training

A renewed focus on affordable education and training for women of all ages should be at the heart of a long-term strategy for improving women's economic security. Our recommendations are to;

- Provide a critical appraisal of the needs of girls in schools which looks beyond the "gender divide" and assesses the needs both of all girls, and most particularly, of those groups of girls most at risk of not completing school, or of not completing school with access to secure and financially rewarding pathways.
- Undertake detailed research to determine the factors impacting on girls' choices in school subjects and post-school courses, to inform the development of effective strategies to broaden the range of options girls consider in their future lives.
- Include education programs for all girls and boys which challenge persistent myths and stereotypes about life in the future in relation to both the labour market and to issues of partnering, marriage, divorce and family life. Comprehensive work education programs (which understand work as both paid and unpaid) should be available from pre-school to Year 12, and should focus on preparing all students for a changing labour market, changing patterns of family relationships, and the development of equitable attitudes to the sharing of unpaid work between men and women. Programs targeted at parents and community members to ensure that clear and unequivocal messages are shared with the entire school community should support such programs.
- Monitor the gender equity outcomes of the National Strategy for vocational education and training 2004-2010, *Shaping our Future*. There is a critical need to ensure that as the action plans for the Strategy are developed, they include:
 - a gender impact statement as required by the VET Women policy.
 - the collection of gender segregated data in age and ethnic groups.
 - a requirement for all schools to offer a minimum range of VET programs to all students, irrespective of gender.
 - processes for monitoring gender equity outcomes.
- Develop financial education programs for girls and young women encouraging an awareness of the need for lifelong financial independence, and for establishing savings and superannuation planning.
- Ensure quality financial information, education and advice is made available to women in all age groups and in all locations in innovative ways that respond to the diversity of background and need among Australian women. Such programs should encourage women to take control of their financial lives, to establish as secure a financial future as possible, and to engage in long-term strategies to maximize savings and superannuation.
- Develop a system of monetary incentives/penalties for employers and training providers based on gender equity achievements in education and training e.g. the base payment an employer/ training provider receives for an employee in training could be adjusted by bonuses depending on the level of gender equity achieved. This would also create incentives to attract girls into non-traditional areas.

Work and Family

While noting the changes announced in the recent budget to improve access to maternity leave and to enhance women's capacity to move between paid work and family caring, more needs to be done to ensure that women's skills, knowledge and abilities can be productively used both for the benefit of themselves and their families, and for the benefit of the nation.

New processes are needed to encourage employers to vary work arrangements in critical ways. Our recommendations are to;

- Develop specific policies and practices to enable workers supporting aged parents or other family members to take leave without penalising promotional opportunities.
- Develop ways to overcome the fact that income enhancement, promotional and skill development opportunities are currently forgone when women leave the workforce temporarily to meet family responsibilities.
- Promote and encourage better work and family arrangements for men *and* developing creative ways to support workplaces to encourage men to access those arrangements.
- Encourage the development of unique models for workplace flexibility that are specifically tailored to suit local circumstances and responsive to changing local workforce needs.
- Develop creative ways to foster family friendly workplace cultures where the long term cost benefits of a workforce supported to achieve a work/family balance are understood, acknowledged and celebrated.

A national community education initiative is needed to encourage men and boys to take on a fair share of unpaid work in the family and the community. It needs high profile support and needs to be sustained over the long-term and accompanied by a range of local level activities and events. It also needs to target women and girls in relation to changing habituated patterns of behaviour in the family and household.

Such an initiative should be accompanied by programs developed for schools to encourage shifts in attitudes and behaviours among younger boys and girls. Such programs would also need to be cross-cultural to encompass men and boys in cultural groups where male/female roles are heavily proscribed.

Wages, Salaries and Incomes

There is a need for collaboration between the commonwealth and the states to develop a coordinated approach to resolving long standing inequities between men's and women's earnings. Such a process should give practical expression to the valuing of women's work by developing national work value standards for women's work. Our recommendations are to;

- Convene a national forum to address the unpredictability of casual work in relation to both income and hours worked, as well as its potentially negative consequences for employers in terms of loss of skill and experience¹; and investigate the means by which the use of casual workers could be reduced/eliminated in a range of workplaces.
- Develop approaches to assist women who have been working part-time to accommodate family demands to move back into full-time employment.
- Identify effective ways to break down the gender segregation of industries, and to ensure women do not remain clustered in the lower pay scales, is vital to achieving pay equity for women in Australia.
- Develop labour market change programs on the basis of such research that are focused around addressing those elements critical to shifting workplace cultures and creating a climate conducive to success.
- Develop strategies to monitor and review the level of support for women running small businesses under the *Shaping our Future* national strategy in vocational education and training.

Economic Security for Women

How economically secure are women?

Economic security means, at a minimum, having stable access to an income sufficient to support oneself and one's dependents in ways that are conducive to physical and mental health. It also means that every adult is able to achieve a sufficient measure of financial independence throughout life to live safely and with dignity, whether partnered or unpartnered.

Women's wealth

The report, 'Women's Economic Status: Distribution of Assets — Australia, 1993', estimated that on average women hold only 84 per cent of the wealth held by men.²

However, the distribution of wealth is uneven in Australia, and many have little or no wealth. When this is factored into the equation to give a comparison of the *median* wealth of Australians, a different picture emerges, dropping women's holdings to 80% of men's.

Historically women's economic security has been strongly tied to their partners' incomes. This is still the case for many women, especially when their participation in the paid workforce is broken by demands on their time to meet family responsibilities. The report *Women's Economic Status: Distribution of Assets — Australia, 1993* shows, in fact, that "mean wealth holdings are far higher for members of couples than for singles (sole parents and single persons)".³

Marriage and Divorce

Lower marriage rates and higher divorce rates mean women can no longer safely make the assumption that a partner will contribute to their long-term economic security.

(T)ypically, divorce has a very detrimental effect upon women's future retirement income. Many women who are at home raising children or working in low-paid part-time jobs assume they will enjoy a comfortable retirement because of their husband's superannuation. But now that one-third of marriages end in divorce, for a very substantial proportion such an assumption may not prove correct.⁴

ABS data shows that since 1981, marriage rates have been declining and divorce rates rising. Between 1981 and 2001 the marriage rate declined by almost 40%,⁵ although the number of de facto partnerships continues to increase steadily.⁶ According to the Australian Bureau of Statistics, in 2001, 103,000 couples were married and 55,300 were divorced.

It is estimated that a third of all babies born today can expect to divorce during their lives, while 25% will never marry at all.

And it is now much more common for women and men in Australia to live alone than was the case in the past – in fact around 1.6 million adults now live alone.⁷ It is estimated that 23% of those young women currently aged in their late teens will not have married by the age of 50, and nor will many of that 23% be part of a de facto relationship.⁸

Substantial changes in patterns of marriage and divorce mean that paid employment is the most critical component underpinning the economic security of most women over the lifespan.

Financial Independence

Clearly, all women need to be able to provide stable independent incomes for themselves throughout their lives. This is especially the case given that women's life expectancy is greater than men's. Increasing numbers of women, if current trends continue, will need to provide for their own retirement, and will have to make their retirement incomes last longer as life expectancy increases. Given past and current wage disparities, women's (especially single women's) superannuation and retirement savings are less likely to support a comfortable retirement than are men's.

What does "economic security" mean?

On average, women hold only 84 per cent of the wealth held by men.

Mean wealth holdings are far higher for members of couples than for singles.

One third of all babies born today will divorce. 25% will never marry at all.

23% of women currently in their late teens will not have married by age 50.

In Australia, women's average superannuation assets are estimated to be only about a third of men's.⁹ Moreover

*(t)he proportion of the population aged 65+ is expected to increase from 11% in 1991 to 24% in 2051 and the proportion of the population aged 85+ will increase five fold. Two thirds of the 85+ population will be women... While everyone will have some superannuation, the amounts are not likely to take the average woman from 'near poverty' to 'plenty' in the near future.*¹⁰

Women, Paid Work and Economic Security

For most of us, economic security is largely dependent on access to employment that pays well enough to sustain a reasonable standard of living.

It is logical to assume that an increase in the proportion of women in the labour force should lead to an improvement in the level of women's economic security. And there has been a remarkable increase in women's labour force participation over a relatively short period of time, an increase described as "the most significant change in the Australian labour force over the past four decades."¹¹

However, we are still a long way from the *equal* participation of men and women in paid work. In 2000-2001, only 51.8% of women aged 15 and over were employed, compared to 67.6 % of men aged 15 and over.¹²

Moreover, the patterns of men's and women's participation in paid work are very different: in 2002, women held 71.6% of all part-time jobs, but only 34% of all full-time jobs.¹³

Even when women do work full-time, their earnings do not come close to equaling men's. In 2003:

- women's full-time adult ordinary time earnings (i.e. without including paid overtime) were 84.7% of men's.¹⁴
- women's full-time adult total earnings (i.e. including paid overtime) were 81.3% of men's.¹⁵

The report "Lifelong Economic Wellbeing for Women: Obstacles and Opportunities" notes the high levels of gender segregation in Australia's labour force, and observes that women are not only clustered by industry, but that within industries they remain largely concentrated in particular occupations. Moreover, women tend to work at the lower paid levels of those occupations.

The authors conclude that the cause of women's low pay relative to men, despite the 1972 Commonwealth Conciliation and Arbitration Commission equal pay ruling, results from "the fact that women are concentrated in lower job levels and thus are simply paid less".¹⁶

They argue that the two factors accounting for this kind of segmentation of women in the labour force are the impact of women's disproportionate share of unpaid work in the family and the community and what they describe as "persistent structural barriers in the workforce itself".¹⁷

One of the ways women have tried to ameliorate the persistence of the wages gap, the glass ceiling, and the lack of family friendly work environments is by establishing small businesses. In 2001, 33% of all small business operators were women, and there is a faster rate of growth in small business run by women than by men. Over half of all women operating small businesses work part-time¹⁸, suggesting that small business activities may in some cases be used to top up insufficient salaries. The Shaping our Future national strategy in vocational education and training commits governments across Australia to increasing support for women running small businesses, and this is an area that will require monitoring and review.

The Working Poor

Employment of itself, however, no longer necessarily guarantees economic security to men or women. "A hand up, not a hand out: renewing the fight against poverty", the report of the Senate Community Affairs References Committee into poverty and financial hardship in Australia, notes the dramatic increase in the number of "working poor" households.

Women's average superannuation assets are estimated to be only about a third of men's.

In 2002, women held 71.6% of all part-time jobs, but only 34% of all full-time jobs.

Income gaps

Gender segmentation in paid and unpaid work

Dramatic increase in "working poor" households.

(O)ver 1 million Australians... (live) in poverty despite living in households where one or more adults are in employment... due simply to low-wage employment. Driving this change has been the casualisation of the workforce in the last two decades and a more recent weakening of the industrial relations system.¹⁹

Women have been particularly vulnerable to casualisation and precarious employment. And of course those women who have little or no employment are especially at risk.

Who are the women most at risk?

Improvements in the overall economic picture for women can disguise the fact that the benefits of increased access to paid employment have not been shared equally by all women. Data which compares group to group, women to men for example, is useful in providing a broad picture of relative advantage/disadvantage, but does not help us to identify differences within groups and the barriers facing particular groups.

The stark reality is that in Australia today, some women enjoy high levels of economic security while others have none. Some women feel relatively secure and confident about the future. A large proportion is in a position where a slight shift in circumstances could create considerable difficulty.

Women and Poverty

And according to the report, "A hand up, not a hand out: renewing the fight against poverty", 12% of Australian women are living in poverty.²⁰

It identifies women who are sole parents and elderly single women as "overrepresented in groups living on low incomes."²¹ It also identifies Indigenous women and men as being at high risk of poverty.²²

The report says that the key causes of poverty among women include the continuing inequality of wage levels, the nature of the paid work most women do, the high costs of child care and education, the lack of affordable housing, insufficient income support especially for sole parent families, and the lack of wealth accumulation to support retirement.²³

Sole parent families currently comprise 15% of all Australian families, of which 13% are headed by women and 2% by men. Women make up 90.8% of all working sole parents.²⁴ Women who are sole parents, according to the Women's Economic Status report, "exhibit the greatest disparity between male and female wealth holdings".²⁵

Overlapping Factors

Access to paid work is of course a critical element in securing viable economic circumstances.

The reality is that a complex overlapping of factors shapes the lives of many women. Often women at the highest risk of poverty share a range of "background factors" which place them at a distinct disadvantage in attempting to build economic security. They may have had limited access to the kinds of education and training now in demand in the labour market. They may have had limited experience in paid employment, or discontinuous working lives resulting from the demands of family and community. They may have had little opportunity or capacity to build assets or to save for retirement, or access to user-friendly sources of financial advice. They may have faced discrimination on the basis of sex, race, ethnicity, age and/or appearance.²⁶

Many Aboriginal and Torres Strait Islander women, non-English speaking background women, older women, women who are sole parents, women with disabilities and women in rural and remote locations experience greater difficulties in both accessing employment that is secure and fairly paid, and in negotiating a range of other factors that impact on economic well-being.

Women who for one reason or another find it difficult to access regular paid employment are at the highest risk of poverty in both the short and long terms. Women who live on pensions and benefits frequently struggle to move into stable employment, and the paucity of their incomes often exacerbates their difficulties in looking for work. For example, women who have been living on sole parents benefits rarely have the capacity to pay for the retraining they may need to rejoin the workforce, or to attend to issues (such as personal appearance) which are often the basis for discrimination in the job market.

The stark reality is that some women have high levels of economic security in Australia – and others have none.

12% of Australian women are living in poverty.

Sole parents exhibit the greatest disparity between male and female wealth holdings.

A complex overlapping of factors

There is an urgent need to review the levels of income support available to women, especially to sole parents and aged single women, and to re-assess the kinds of support women trying to re-enter the workforce require.

Globalisation

Globalisation is one of the factors impacting most heavily on the labour market.

While it has been argued that in some ways globalisation has resulted in increased opportunities for some women, for others it has eroded an already fragile grip on their position in the labour market.

The changes wrought by globalisation have of course affected male as well as female workers, but given the existing male/female patterns of fulltime and part time paid work, it is women's access to secure full-time paid employment that has been most heavily affected.

The women most likely to be negatively affected by such changes are those already most disadvantaged – women who work in industries where labour can be moved offshore or where work can be casualised, who have little access to education and training, or whose family responsibilities allow little flexibility in terms of hours or location of paid work.

The challenge is to identify broad policy directions which give all women better prospects of economic independence and economic security, while prioritising effective strategies to address the needs of those women most vulnerable to poverty and want.

Why is it so?

While the economic position of many women has improved considerably since the 1950s, all women have not evenly shared that improvement, nor has it been commensurate with the overall increase in their labour force participation.

The Senate's Poverty report argues that the increasing incidence of poverty in Australia is due to increasing casualisation in the labour market over the last two decades in combination with a weakened industrial relations system. These changes have of course impacted on both male and female workers; but given the already unequal participation rates and the deeply gender segregated nature of the Australian labour market, women have been particularly vulnerable to such radical alterations in the industrial landscape.

Gender Segmentation of Work

Doughney et al attribute the gap between men's and women's economic security to factors related largely to the distribution and organisation of work, paid and unpaid.

...the social structures that frame unpaid labour in Australia and other western countries constrain what an average woman is able to achieve economically in the paid workforce... (These) structures... are relatively resilient, and the employment constraints on women's economic achievements can therefore become intractable. There seem to be two general interrelated problems:

- *a persistent division of domestic, voluntary and community labour, reflected in the fact that women still work five more hours than men do each week on average, and, even when they work similar hours in paid work to their male partners, women still perform 60.1 per cent of domestic labour; and*
- *persistent structural barriers in the workforce itself that, even with the best will in the world, impede women's overall progress.*²⁷

It is widely acknowledged that Australia has one of the most gender-segregated labour markets in the developed world, which "has not changed much over the last 20 years".²⁸ An analysis of what men and women do in the labour force reveals a pattern of jobs segregated not only by industry, but also by occupations and job levels within industries.

Doughney et al note that women dominate in the fields of health, community services, and education and make up the majority of workers in retail, finance and insurance (one area, but not the only one, where women's earnings are declining and the wages gap is widening²⁹) and in accommodation, cafes and restaurants. Despite their dominance in a number of major industries women are not proportionally represented in highly paid

Globalisation and changes to the labour market

Negative impact greatest on those already most disadvantaged

All women have not shared the benefits of increased access to employment equally.

Two general interrelated problems

A highly gender segregated labour market

The wages gap is due entirely to the fact that

number of major industries, women are not proportionally represented in highly paid jobs in these fields.

They remain a seriously under-represented in management and administration positions; there are few female associate professionals, and limited numbers of women work in trades. And clustered in the lower levels of the jobs they do occupy, they are therefore paid less.

Education and Training

Although concern has been expressed in recent times about boys' poor performance in school relative to girls, it would be a mistake to assume that all is well in relation to girls schooling.

Leaving aside for a moment the vast differences between the school experiences and achievements of different groups of girls, there is clear evidence that gender differences persist in subject selection and post-school course enrolment, with serious implications for women's equitable participation in the labour markets of the future. Young women's subject choices tend to be wider in range, less tightly grouped than boys' more narrowly clustered choices, and marked by significant gaps in young women's engagement in sciences and information technology.

The evidence suggests that these are not choices that "pay off" in post-school life. The "rewards" girls might expect based on their superior performance to boys (when whole group performances are compared) do not in fact eventuate.

There is surprisingly little apparent carry-over effect from the average girl's better performance... Boys' lower achievement levels in Year 12 subjects and even their lower level of literacy have no evident depressing effects on their employment chances if we are looking for effects across males as a single grouping... What subjects you take appears to matter more than how well you do in them.³⁰

If this is so, a study conducted by Teese et al which showed that the impact of gender on subject choices was stronger among those students from lower socio-economic backgrounds, is of great concern for the future economic prospects of the least advantaged women and girls.³¹

It is clear that particular groups of girls and young women have even less chance of equitable participation in post-school education and training, and in the labour market than do young women generally. The multiple and interconnected factors impacting on life pathways (such as gender, culture, socio-economic status, geographical location, family and individual aspirations) have been the subject of considerable research, but as yet such research has had little impact on the way we approach educating young people about work and the future.

The impact of gender is also clear in the tertiary sector, nowhere more strongly than in vocational education and training.

Women are clustered in some fields of study and the majority are in the lower levels of study. Women continue to be under-represented in apprenticeships in the traditional trades. They are over-represented in lower level apprenticeships, and are predominantly in traineeships in the generally lower paid 'feminised' occupations and industries.³²

In addition, the clustering of women in the workforce, and their high numbers in part-time and casualised work mean that they have much less access to employer sponsored or on the job training than men.³³

Conditions of Employment – Casual and Part-time Work

The fact that women are paid less than men is also affected by the amount of paid overtime they perform. Labour market analyses make it clear that women have far less access to paid overtime than men – that is, that fewer women work in jobs where paid overtime is available - and that this has a substantial impact on the wages gap.³⁴ Women of course may choose not to perform as much overtime as men do, possibly because of factors such as family commitments, but, as Doughney et al point out "whatever the disadvantage involved in earning overtime payments, these payments do increase income".³⁵ On the other hand, recent ABS data shows that 44% of women regularly work overtime for which they are not paid, suggesting that they would appreciate more paid overtime than they currently access.³⁶

women are concentrated in lower job levels and thus are simply paid less.

Gender differences in subject selection and post-school study have serious implications for women's futures.

The impact of gender on subject choices was stronger among those students from lower socio-economic backgrounds.

The impact of gender is clear in VET.

Access to paid overtime

The proportion of women working part time has grown over last twenty years, while the proportion of women working full time has fallen.³⁷ 56.8% of all women in paid work are working part-time.

This is in part because of broad economic changes, which have seen the creation over the last two decades of more part-time than full-time jobs, and in part because those part-time jobs have been created in areas where women have traditionally been employed.³⁸ Part-time work is of course often the option women choose when they are already carrying a heavy load of unpaid work.

Women now also comprise 57.3% of all casual employees, an increase from 54.1% in 1998. In fact, between 1988 and 2001 casual employees accounted for 70% of the growth in the total number of employees in Australia. Fully one third of all women in paid employment work on a casual basis in comparison to just over one-fifth of men. Contrary to popular wisdom, the majority of casual positions are not filled by students and school leavers; the majority of temporary employees (69.3%) are in fact aged over 24.³⁹

One of the most critical factors in the patterns of women's participation in the labour market is what has been described as the "intransigence of the gender dimensions of unpaid work".⁴⁰ Two thirds of all the unpaid work done in Australia is performed by women.

*The increasing significance of women as 'breadwinner' has not been accompanied by a corresponding increase in men's contribution to 'homemaking'. In terms of theories of sex role socialisation there is a pattern of the failure of non-sexist socialisation of young men combined with a pattern of successful re-socialisation of adult women of all ages.*⁴¹

Impacts on Economic Security

The gendered organisation of paid and unpaid work gives rise to factors, which have deleterious effects on women's economic security.

Broken patterns of participation in paid work negatively affect:

- job security;
- the accumulation of superannuation;
- the achievement of seniority and opportunities for promotion;
- women's levels of self-confidence/self-esteem.

The "double shift" which is so often the experience of women in the paid workforce:

- undermines the capacity to accept opportunities for advancement.
- may create levels of tiredness/exhaustion impacting on aspirations.
- may reduce a worker's "flexibility" and contribute to perceptions that the she is not willing to "go the extra mile".

The aging population has added an increased burden on women who now comprise a significant proportion of those caring for aged parents and relatives, as well as caring for their members of their immediate families.

The need for expanded services that support women in these roles, such as childcare and aged respite care, have implications for government policy.

Changing Attitudes and Behaviours

Much more challenging in terms of the development of effective strategies is the need to create lasting shifts in attitudes and actions in relation to men's acceptance of an equal share of unpaid work and family responsibilities. It is clear that those strategies implemented to date have done little to shift the current imbalance.

Clearly, patterns of women's participation in the labour force are seriously constrained by the fact that they continue to take responsibility for the bulk of unpaid work in the family and the community, what Doughney et al 2004 describe as Australia's "highly segregated social division of labour".⁴²

Women's continued disadvantaged position within the paid labour force follows from women's position as society's principal carers...In particular it inhibits

Over the last two decades more part-time than full-time jobs have been created.

One third of all women in paid employment work on a casual basis.

The intransigence of the gender dimensions of unpaid work

The organisation of paid and unpaid work negatively affects women's economic security.

Not only does women's unpaid work limit financial independence, but the low value attached to it undermines their sense of self worth.

Creating lasting shifts in attitudes and actions

Women are seriously constrained by responsibility for unpaid work.

women's full participation in the workforce, especially in the child bearing and child raising years. This in turn affects promotional opportunities and the levels that women can reach within organisations. This in turn affects women's relative earnings and economic independence, security and well-being.⁴³

It is important to note however the suggestions that the attitudes of women as well as men need to change in relation to the division of unpaid work and caring. Doughney et al talk about the *habituation* of women to shouldering the bulk of the household and family care load and the difficulty of shifting such patterns of behaviour within families and households.⁴⁴

It is critical to continue to try however; not only does the unequal load of women's unpaid work limit their capacity to achieve financial independence, but the low value attached to unpaid work also undermines their sense of self worth and confidence in pursuing paid employment.

Moreover, the stark division of unpaid work and the highly gendered nature of the labour force communicates itself intergenerationally, shaping (curtailing?) girls' and women's aspirations. In combination with poor understanding of the realities of the future and limited awareness of the skills and knowledge needed to build future economic security, it is not surprising that many young women sell themselves short even before they commence the search for full-time employment.

Many young women sell themselves short.

Why should we be concerned about economic disparities between men and women?

The legislative framework of equal pay for equal work was established over three decades ago. It is clear however that other barriers (less amenable to legislative intervention) to women's economic security – a security their contribution to both the social and the economic fabric of the community entitles them to - remain entrenched.

The principle underpinning the equal pay decision remains an important part of the value system of the country.

What has changed is our understanding of the ways in which paid work, unpaid work and caring arrangements within families, and the attitudes underpinning them, serve to shape economic outcomes for women and men.

But economic security for women is not simply a matter of principle.

In the complex mix of social and family arrangements that constitute contemporary life, the incomes of both men and women are critical to the well-being of families, and of the nation.

If women are to be economically secure, they must all have the capacity to achieve that security independent of their partners. The reality is that there are no guarantees of lifelong partnerships; the falling marriage rate, rising divorce rate and increased incidence of people who never partner argue for the importance of all women being able to provide financially for themselves. In many families, women are and will continue to be the sole breadwinners.

If women are to be economically secure, they must all have the capacity to achieve that security independently of their partners.

Women live longer than men, although the gap has begun to narrow. Nevertheless, women on average live, and need to provide for themselves, 5 years longer than men.

If current trends continue, women's participation in the labour market will not continue to rise. Unless those circumstances that contribute to current inequities are addressed, those inequities will be further exacerbated.

In many families, women are and will continue to be the sole breadwinners.

What needs to be done?

While a range of critical issues continue to demand attention to establish a solid basis for women's economic security (issues such as housing, countering discrimination and providing adequate levels of income support and protection) in the long term a highly targeted and carefully monitored focus on the following issues is likely to generate change that is sustainable in the long term for all women:

- affordable education and training for women of all ages;
- work arrangements that help balance family and other responsibilities; and
- equality of male and female wages and salaries.

These are the issues identified by women around Australia who were consulted in the preparation of the report *Lifelong Economic Wellbeing for Women*, and their central role in generating higher levels of economic security for women is well supported by existing research.

These are complex issues that will require commitment over time. However, the opportunity exists to develop strategic interventions in these areas, which will produce visible and measurable changes in the short as well as the medium and long terms. There is also considerable capacity for initiatives around these key issues to cross-fertilise, especially in the areas of education and training, and work/family balance.

Education and Training

A renewed focus on **affordable education and training for women of all ages** should be at the heart of a long-term strategy for improving women's economic security. Although improved access to education and training for women in all walks of life and in all parts of the country will not be sufficient of itself to create better economic outcomes, those outcomes cannot be achieved unless women, especially those most at risk of spending their lives in poverty or near poverty, are able to develop and renew the skills and knowledge in demand in a rapidly changing economy.

Moreover, women clearly need much better targeted, and **more user-friendly education, information and advice on building financial security** and this too needs to be a core component of a comprehensive policy response to the marginalized economic position of many women in Australia.

We need:

- A renewed and critical appraisal of the needs of girls in schools which looks beyond the "gender divide" and assesses the needs both of all girls, and most particularly, of those groups of girls most at risk of not completing school, or of not completing school with access to secure and financially rewarding pathways.
- Detailed research to determine the factors impacting on girls' choices in school subjects and post-school courses, to inform the development of effective strategies to broaden the range of options girls consider in their future lives.
- Education programs for all girls and boys which challenge persistent myths and stereotypes about life in the future in relation to both the labour market and to issues of partnering, marriage, divorce and family life. Comprehensive work education programs (which understand work as both paid and unpaid) should be available from pre-school to Year 12, and should focus on preparing all students for a changing labour market, changing patterns of family relationships, and the development of equitable attitudes to the sharing of unpaid work between men and women. Programs targeted at parents and community members to ensure that clear and unequivocal messages are shared with the entire school community should support such programs.
- Monitoring of the gender equity outcomes of the National Strategy for vocational education and training 2004-2010, *Shaping our Future*. There is a critical need to ensure that as the action plans for the Strategy are developed, they include:
 - a gender impact statement as required by the VET Women policy.
 - the collection of gender segregated data in age and ethnic groups.
 - a requirement for all schools to offer a minimum range of VET

Affordable education and training for women of all ages.

Work arrangements that help balance family and other responsibilities.

Equality of male and female wages and salaries.

Better economic outcomes cannot be achieved unless women are able to develop and renew the skills and knowledge.

Women need user-friendly advice on building financial security.

A renewed appraisal of the needs of girls that looks beyond the "gender divide".

Comprehensive work education programs prepare all students for changing labour markets & family relationships, and the equitable sharing of unpaid work.

Monitoring gender equity outcomes of the National Strategy for VET 2004-2010

- o programs to all students, irrespective of gender.
 - o processes for monitoring gender equity outcomes.
- Financial education programs for girls and young women encouraging an awareness of the need for lifelong financial independence, and for establishing savings and superannuation planning.
- Quality financial information, education and advice made available to women in all age groups and in all locations in innovative ways that respond to the diversity of background and need among Australian women. Such programs should encourage women to take control of their financial lives, to establish as secure a financial future as possible, and to engage in long-term strategies to maximize savings and superannuation.
- A system of monetary incentives/penalties for employers and training providers based on gender equity achievements in education and training e.g. the base payment an employer/ training provider receives for an employee in training could be adjusted by bonuses depending on the level of gender equity achieved. This would also create incentives to attract girls into non-traditional areas. Given that over the next five years 170,000 manufacturing tradesmen are going to retire, and only about 70,000 are going to come in, there will be a serious impact on national productivity unless those who would not normally consider these employment options can be attracted to such areas of training and employment. *(Any such program would need to be supported by an ongoing campaign to attract women to non-traditional areas, and serious attention to the issues (such as gender-based harassment) that have been identified in the past as disincentives to women to work in non-traditional areas.)*

Financial education programs for girls and young women.

Quality financial advice available to women in innovative ways, which respond to the diversity of Australian women.

Incentives/penalties for employers and training providers based on gender equity achievements in education and training.

Work and Family

Despite the development of policies over the last two decades to encourage a better balance between work and family responsibilities, there is little evidence to suggest that changes have occurred that are significant enough to build solid foundations for better economic outcomes for women.

While noting the changes announced in the recent budget to improve access to maternity leave and to enhance women's capacity to move between paid work and family caring, more needs to be done to ensure that women's skills, knowledge and abilities can be productively used both for the benefit of themselves and their families, and for the benefit of the nation.

Women continue to perform the bulk of unpaid work in the family and the community. Many workers still perceive that taking advantage of whatever family friendly arrangements are available in the workplace runs the risk of being seen negatively by supervisors and co-workers. Some workplaces have no family friendly arrangements. For many workers, especially those in casual and part-time work, there are few if any family friendly options available.

It is clear that policy itself is not enough to change practices and perceptions normalised and internalised over many years and reproduced inter-generationally in the workplace, the family and the wider community, and that new initiatives are needed in these areas.

New processes are needed to encourage employers to vary work arrangements in critical ways such as:

- creating family friendly practices for casual and part-time workers.
- developing specific policies and practices to enable workers supporting aged parents or other family members to take leave without penalising promotional opportunities.
- developing ways to overcome the fact that income enhancement, promotional and skill development opportunities are currently forgone when women leave the workforce temporarily to meet family responsibilities.
- promoting and encouraging better work and family arrangements for men *and* developing creative ways to support workplaces to encourage men to access those arrangements.
- encouraging the development of unique models for workplace flexibility that are specifically tailored to suit local circumstances and responsive to changing local workforce needs.
- developing creative ways to foster family friendly workplace cultures where the

More needs to be done to ensure that women can contribute productively for the benefit of themselves and their families, and for the benefit of the nation.

Policy itself is not enough to change practices and perceptions normalised and internalised over many years.

Processes needed to encourage employers to vary work arrangements.

long term cost benefits of a workforce supported to achieve a work/family balance are understood, acknowledged and celebrated.

A national community education initiative is needed to encourage men and boys to take on a fair share of unpaid work in the family and the community.

- Such an initiative needs high profile support.
- It needs to be sustained over the long-term and accompanied by a range of local level activities and events.
- It also needs to target women and girls in relation to changing habituated patterns of behaviour in the family and household.

Such an initiative should be accompanied by **programs developed for schools** to encourage shifts in attitudes and behaviours among younger boys and girls. Such programs would also need to be cross-cultural to encompass men and boys in cultural groups where male/female roles are heavily proscribed.

Wages, Salaries and Incomes

The existence of three major pay equity inquiries in Australia over the last decade points to the need for collaboration between the commonwealth and the states to develop a coordinated approach to resolving long standing inequities between men's and women's earnings. Such a process should give practical expression to the valuing of women's work by developing national work value standards for women's work.

In addition, the Commonwealth should convene a national forum to acknowledge the enormous stress created by the unpredictability of casual work in relation to both income and hours worked, as well as its potentially negative consequences for employers in terms of loss of skill and experience⁴⁵; and investigate the means by which the use of casual workers could be reduced/eliminated in a range of workplaces. It has been estimated that about 28% of Australia's workforce is casualised with an average term of employment of 2.6 years⁴⁶. These figures are in excess of the OECD average, and in many OECD countries such rates would not be permitted. Australia should aim to at least achieve OECD averages over the next decade.

Similarly, attention needs to be paid to developing approaches to assist women who have been working part-time to accommodate family demands to move back into full-time employment.

An intensive research focus designed to identify effective ways to break down the gender segregation of industries, and to ensure women do not remain clustered in the lower pay scales, is vital to achieving pay equity for women in Australia.

Labour market change programs should be developed on the basis of such research, and should be focused around addressing those elements critical to shifting workplace cultures and creating a climate conducive to success.

Strategies need to be developed to monitor and review the level of support for women running small businesses under the *Shaping our Future* national strategy in vocational education and training.

A national community education initiative is needed to encourage men and boys to take on a fair share of unpaid work in the family and the community.

Commonwealth & states develop national work value standards for women's work.

Investigate the means by which the use of casual workers could be reduced/eliminated in a range of workplaces.

Assist women who have been working part-time to accommodate family demands to move back into full-time employment.

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