



Lifelong economic well-being for women

Summary Paper: What Women Want

This summary paper, July 2004, is an edited version of the 118page report that goes by the same name, which was commissioned by the **Security4Women** consortium in 2003. The report was written by James Doughney, Fiona Macdonald, Joanne Pyke, Anne Lyon, Mary Leahy and Jeannie Rea from the Work & Economic Policy Research Unit (WEPRU) at Victoria University. References for all data analyses and literature reviews are appended to the full document which is available from The Project Office, Security4Women, 288 Brunswick Street, Fitzroy, Victoria 3065.
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Abstract

In 2002-2003, over 3000 Australian women participated in research conducted by the Security4Women consortium. The research was designed to discover the economic measures that women regard as the highest priorities for the creation of economic wellbeing in their lives.

Preliminary research for key concerns was conducted through a literature review and wide-ranging discussion groups. The former identified that the problems existed in the areas of both paid and unpaid labour, which had a negative impact on women's economic wellbeing. The discussion groups identified 22 potential economic measures that women felt needed to be addressed to improve economic equity.

The major research consisted of two stages. In the first, comprehensive literature reviews and analyses of existing data were conducted in the areas of paid and unpaid labour. These produced overwhelming evidence of the inequities in both these areas and concluded that there seem to be **two general interrelated problems** that impede women's progress towards equity:

- a division of domestic, voluntary and community labour, such that even when women work similar hours in paid work to their male partners, they still perform 60.1 per cent of unpaid labour; and
- structural barriers due to Australia's highly gender segregated labour market

The second stage of the major research consisted of a survey that asked women to nominate their top priorities for action among the 22 key concerns identified in the preliminary research. The results of this survey were unequivocal. Australian women, irrespective of age, education and socio-economic status, were remarkably consistent in their choices that three broad economic measures would most to improve their wellbeing. In order their **top three priorities** were:

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

The priorities expressed by participants in this survey and the evidence about women's economic position in Australia today shows us the direction policy must head. While changes have occurred, fundamental progress has been slow to materialise over the past two decades.

We know the problems. We have women's views on what they think are their most important needs. We understand that equity for the diverse women in Australia is essential to the economic foundations of wellbeing and security. The task now is to produce hard policy options and monitor their implementation to ensure that the necessary changes are brought into effect.

Introduction

Economic well being and financial security are essential to achieving equity for women. Historically, women were largely excluded from economic life. However, particularly in recent decades, some women have achieved enormous gains. These include unparalleled access to education and training, fertility control, finance and superannuation, improved childcare provisions and work and family arrangements, anti-discrimination legislation, the removal of restrictive work barriers and increasing professionalisation of many traditionally 'women's jobs'.

The benefits of this progress have not been shared evenly across all women, and can be very different for individual women according to age, ethnicity, physical ability and race. Many women miss out on even basic rights and entitlements, such as maternity leave, training and superannuation, because they work in less regulated sectors or are employed as casual or temporary workers.

There are no simple measures to ensure the achievement of equity as many factors contribute to women's economic status. The relative status of women is enmeshed with global, environmental, economic and social change as well as being defined by the diversity of women's concerns. These concerns take shape according to place, age, gender, ethnicity, indigeneity, religion and personal history.

For example,

- Mature aged women can find it increasingly difficult to access suitable employment due to social stereotypes around age, gender and appearance.
- Immigrant women experience qualitatively different issues from many Anglo-Celtic women, such as gaining recognition of overseas qualifications, racially based discrimination at the point of employment and continuing problems based on ethnic stereotyping.
- Newly arrived immigrant women face the further problem of not having access to a social security net, leading in some cases to major career compromises as they try to earn an income to survive.
- Indigenous women face disproportionately higher unemployment rates, and problems of discrimination in employment, education and training.

The diversity of women's experiences will shape the ways individual women regard the importance of any given issue, although the different issues faced by different women may overlap and be of equal importance in terms of advancing women's overall progress. This complexity can seem overwhelming when seeking to prioritise equally important yet diverse needs for change. Yet achieving some degree of consensus among women is essential in order to set a clear agenda for continuous and progressive change.

A search for this consensus was the impetus for the 2003 Security4Women project which set out to identify the issues that Australian women think are important to lifelong economic wellbeing. Security4Women commissioned the Work & Economic Policy Research Unit (WEPRU) at Victoria University to undertake research on how financial and economic factors affect women's wellbeing throughout their lives. More than 3000 women around Australia volunteered their opinions during this project.

Preliminary Research

Throughout this phase hundreds of women around Australia discussed in detail the sorts of issues the research would cover and considered specific 'key questions' for the research to address. The results of these discussions and a literature review were primary resources in helping to identify the key concerns that shaped the survey.

In all 22 economic measures that were identified as **key concerns** for all women formed the major content of the research that ensued. These measures, each of which can be considered as a policy head, are:

- Work arrangements that help balance family and other responsibilities
- Paid parental leave
- Equal access to secure well paid jobs
- Affordable housing
- Equal superannuation entitlements
- Affordable, flexible quality childcare
- Prevention of violence against women
- Access to work-related training and education
- Adequate incomes for women in groups vulnerable to poverty
- No sex discrimination in employment practices and at work
- Reduced impacts of drug and alcohol abuse and gambling
- Equality of male and female wages and salaries
- Affordable education and training for all ages
- Equal availability of credit and other financial services
- Affordable quality respite and aged care support & facilities
- Fairer sharing of household and childcare work
- Better job opportunities for disadvantaged women
- Fair financial outcomes following family breakdown
- Tax and income support for women who are carers
- Equal representation in management and leadership
- Education about financial and economic issues
- Fair treatment in business and pricing

Major Research Project

The major research phase of the project comprised **Stage 1: Summary of literature reviews and Data Analyses**. This part of the project involved comprehensive reviews of existing literature and extensive analyses of existing ABS data to examine the experiences of women in the areas of paid and unpaid labour. **Stage 2: Survey** involved a survey of Australian women to determine their priorities for action among the 22 key concerns identified in the preliminary research phase

Stage 1: Summary of Literature Reviews and Data Analyses

1.1 Paid Work

A review of the existing literature and an analysis of the most recent data available identified that the most significant change in the Australian labour force over the past four decades has been a profound increase in the proportion of women in paid work.

Despite this increase the economic position of women in Australia has not improved to anything approximating the same degree. Even with the formal equality of men's and women's wages achieved in the landmark equal pay case before the then Commonwealth Conciliation and Arbitration Commission in 1972, it will be more than another 100 years for equal pay to become a reality for women, if the past 20 years' trends continue.

Evidence for conclusions such as these is contained in the following points summary, which describe women's actual position in the paid labour force.

Labour force composition and participation

1. Rising women's labour market participation¹ (from 44.6 per cent in 1982 to 56.3 per cent in November 2002) has been the main change in Australian labour force composition in recent decades
2. Women now comprise 44.0 per cent of the labour force compared with 35.4 per cent in 1982.
3. The increase in women's labour market participation has contained a heavy component of part time employment, with women taking up 67.5 per cent of all part-time jobs created from 1982-2002.
4. Alternative explanations of labour force change, especially those related to baby boomer ageing and early retirement, do not gain strong support from the data.

Earnings ratios for women

5. Women's earnings lag considerably behind men's for all three of:
 - adult full time ordinary time earnings (84.7 per cent of men's),
 - adult full time total earnings (81.3 per cent) and, most importantly for women on average,
 - total earnings (65.4 per cent).
6. While the earnings gap has narrowed, the narrowing has been less than one percent per annum for all three of these key ratios.
7. In some industries with a large proportion of female employees, in particular finance and insurance, the ratios of female to male earnings in all three categories have actually declined.

Labour force status of women

8. Women's share of part time employment remains at 71.6 per cent, compared with men's at 28.4 per cent.
9. The proportion of women working part time has grown from 32.6 per cent to 43.0 per cent in the past two decades. Meanwhile the proportion of women working full time has fallen from 57.0 per cent to 51.1 per cent.

¹ Percentage of women aged 15+ in the civilian labour force.

10. The high proportion of part time work for women is compounded by the problem that women account for a greater proportion of unpaid overtime (53.5 per cent) when compared with men (33.2 per cent).

Labour force characteristics and women

11. Casual employment comprised 74 per cent of the growth in the total number of employees between 1988 and 2001.
12. Women's share of casual employment is 57.3 per cent.
13. The proportion of women employees working casually is substantially larger than that of men (33.6 per cent compared with 22.8 per cent).
14. 35.9 per cent of all women employees are temporary, compared with 24.5 per cent of all men.
15. Women make up 57 per cent of all temporary (non-permanent) employees
16. The higher proportion of casual and temporary work for women helps to explain the gap between ratios of female to male adult full time total earnings and total earnings.

Labour market segregation and women's earnings

17. The ratio of adult women's to men's total earnings in November 2002 was 65.4 per cent.
18. The 34.6 per cent gap between women's and men's total earnings is made up of:
 - A gap of 15.9 per cent is due to women's disproportionate share of part time and casual work
 - A further 3.4 per cent gap is due to men receiving more overtime earnings and women working a disproportionate amount of unpaid overtime
 - An additional 15.3 per cent gap results from the lack of genuinely equal pay
19. Women are segregated heavily by industry of work into:
 - health and community services (ratio of 3.5:1)
 - education (about 2:1)
 - finance and insurance (about 1.3:1)
 - accommodation, cafes and restaurants (about 1.25:1)
20. By occupation women are segregated into the classifications of:
 - advanced clerical and service worker (about 8:1)
 - intermediate clerical, sales and service worker (about 2.5:1)
 - elementary clerical, sales and service worker (about 2:1)
21. In every industry and occupation - even those into which they are segregated - women receive lower earnings than men, which suggests strongly that segregation by industry and occupation alone are not the cause of the remaining 15.3 per cent earnings gap.
22. A significant finding is that the 15.3 per cent gap in November 2002 between the Australia-wide average for non-managerial women's and men's average weekly total ordinary full time earnings is due entirely the fact that women are segregated into lower broadly classified job levels than are men and thus are simply paid less.
23. Moreover women occupy an even lower proportion of managerial jobs (23.5 as against 76.5 per cent), exacerbating the gaps highlighted above.

Despite the significant increase of women's participation in the labour force, women's earnings ratios lag considerably behind those of men. Women predominate in part time, casual and temporary employment. Australia maintains a highly gender segregated labour market, which in turn reflects its highly segregated social division of labour. These factors have profound implications for women's economic security and wellbeing.

1.2 Unpaid Work

It is not possible to understand women's paid work circumstances without understanding women's role in unpaid work. Women's continued disadvantaged position within the paid labour force follows from their position as society's principal carers. Women bear the major share of care responsibilities for dependent children and aged relatives, and they continue to bear most other forms of unpaid domestic labour.

While this care giving status is unquestionably something to honour, it also represents a disproportionate burden that stands as a barrier to women achieving full equality. In particular it inhibits women's full participation in the workforce, especially in the child bearing and child raising

years. This affects promotional opportunities and the levels that women can reach within organisations, which in turn affects women's relative earnings, their economic independence and well being.

Moreover, essential though it is to society, the care given by women to their children, partners, parents and the community goes unrecognised and unrewarded in the economy. If paid and unpaid labour hours are aggregated then women work longer hours than men, yet attain a secondary economic status.

The problem of unpaid labour requires close examination. We need to understand how time is allocated to unpaid and paid labour in Australia, how childcare is apportioned between parents, how elder care is managed and how community activity is sustained. These social issues need to be seen in relation to the 'care trap', as it might be called, in order to understand how the most honourable of all pursuits, care, traps women in a vicious cycle of inferior economic outcomes and lower workforce and social status.

The following points summary describes women's position in the unpaid labour force.

Women's unpaid labour and earnings

1. The value of unpaid labour to the Australian economy in November 2002 was \$250-400 billion, or about one-third to half of Australia's Gross Domestic Product (GDP).
2. Women's share of this was \$151-251 billion per year, or about one-fifth to one-third of Australia's GDP.
3. Women's unpaid labour accounts for 65.8 per cent of the various forms of household work
4. Women also do more (56.5 per cent) of Australia's voluntary, caring and community work
5. In summary, women account for 64.9 per cent of all unpaid household, voluntary and community work (as against 35.1 per cent for men).
6. Women who work similar paid hours to their partners still do 60.1 per cent of domestic work.
7. Women work on average 5 hours more per week than men when we combine paid and unpaid working hours.
8. If earnings are averaged across the total of all women and men who undertake paid and unpaid labour, the ratio women's to men's total earnings effectively falls to 47 per cent.

1.3 Evaluation: what the reviews and data imply

It is important to juxtapose paid with unpaid labour when we try to explain women's relative earnings and their status in paid employment. The social structures that frame unpaid labour in Australia constrain what an average woman is able to achieve economically in the paid workforce. Moreover the structures that frame unpaid labour are relatively resilient, and the employment constraints on women's economic achievements can therefore appear intractable.

There seem to be two persistent and interrelated problems that impede women's progress towards gender equity in economic security:

1. a division of domestic, voluntary and community labour, such that even when women work similar hours in paid work to their male partners, they still perform 60.1 per cent of unpaid labour; and
2. structural barriers due to Australia's highly gender segregated labour market

Decisions made in the context of pre-existing social divisions that disadvantage women could tend to perpetuate the disadvantage. The data on the experience of women in Australia bear this out. The more things change the more they stay the same.

Stage 2: Survey

The aims of the survey were to obtain a representative view of women's thinking about, and a representative view of, women's priorities concerning their lifelong economic well being.

Experienced consultants in survey design, administration and analysis were commissioned by WEPRU to produce a double-sided A4 survey form, to achieve wide distribution and to facilitate efficient processing and analysis of results. Pilot surveys were conducted and improvements were made subsequent to their outcomes.

Two paths of survey administration were employed in order to maximize the number of responses:

1. distribution of hard-copy survey forms - via partner organisations, public advertising in the media, word of mouth and email networks (via attachment) and
2. a web-based survey completion option at www.Security4Women.com - also promoted via partner organisations, public advertising in the media, word of mouth and email networks.

2.1 Sample size and representativeness

2,750 Australian women responded to the survey. Hard copy returns comprised 34.5 per cent of the sample and the remainder were via the internet. Electronic responses via the web site certainly helped to increase the response rate, but tended to skew the sample towards younger, more highly educated women with higher incomes. However, local newspaper articles elicited a good hard-copy response. Yet there is a bias here, too, towards those who are more literate in English. We endeavoured to compensate for this bias in group discussions, by seeking the views of women who would normally be unlikely to be well represented in the survey.

In order to overcome some of the problems regarding the representativeness of the survey sample, the survey responses were weighted to make up for shortfalls of women in older and younger age groups and overproportions in the 25-54 groups. In addition the weighting tried to counterbalance the relatively higher income distribution of respondents and differences in living arrangements from the general population.

2.2 Key Questions

After requesting demographic details the survey questionnaire sought information on two key questions. These questions, listed below asked respondents to rank their top 5 priorities from the 22 economic ‘measures’ designed to improve women’s well being throughout their lives.

2.3 Results

The result of having two questions and (social) sample weighting was to obtain four rankings for survey questions 11 and 12. Weighted and unweighted responses were then compared and few differences were found in the responses.

Given the relatively close correlation between the selected priorities under all four rankings we believe we can legitimately claim to have achieved a representative view of women’s thinking and a representative view of women’s priorities concerning their lifelong economic wellbeing.

Question 11

The wellbeing of women throughout their lives could be improved by a number of economic or financial measures. Which FIVE (5) measures from the list below do you think are most important for ALL women in Australia today? (Please mark 5 boxes only)

Top 5 ranked priorities for ‘all women’, **respondents**

Rank	Proposed economic measure to improve women’s wellbeing	% of respondents nominating this measure
1	Work arrangements that help balance family and other responsibilities	63.8
2	Equality of male and female wages and salaries	41.4
3	Equal access to secure well paid jobs	39.8
4	Affordable education and training for all ages	39.7
5	Affordable, flexible quality childcare	36.6

Top 5 ranked priorities for 'all women', **weighted responses**

Rank	Proposed economic measure to improve women's wellbeing
1	Work arrangements that help balance family and other responsibilities
2	Equality of male and female wages and salaries
3	Equal access to secure well paid jobs
4	Affordable education and training for all ages
5	Affordable, flexible quality childcare

Question 12

Which FIVE (5) measures from the list below do you think would benefit YOU most today in your current circumstances? (Please mark 5 boxes only)

Top 5 ranked priorities for 'you', **respondents**

Rank	Proposed economic measure to improve your wellbeing	% of respondents nominating this measure
1	Work arrangements that help balance family and other responsibilities	45.2
2	Affordable education and training for all ages	39.8
3	Equal representation in management and leadership	38.2
4	Equality of male and female wages and salaries	33.3
5	Education about financial and economic issues	33.2

Top 5 ranked priorities for 'you', **weighted responses**

Rank	Proposed economic measure to improve your wellbeing
1	Affordable education and training for all ages
2	Work arrangements that help balance family and other responsibilities
3	Affordable housing
4	Education about financial and economic issues
5	Equality of male and female wages and salaries

Conclusion

Almost 3000 women around Australia volunteered their opinions during the project. Their voices were clear and unequivocal. Women, irrespective of age, education and socio-economic status, were remarkably consistent in their choices that three broad economic measures would most to improve their wellbeing. In order they were:

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

Next were 'equal access to secure well paid jobs', 'affordable, flexible quality childcare', 'education about financial and economic issues', 'equal representation in management and leadership' and 'affordable housing'. The last was especially important for more disadvantaged women.

A strong message in the personal comments made by research participants is that work arrangements need to undergo significant change to enable a better work-life balance. Some women commented on the need for specific employment conditions including paid maternity leave. A large number suggested more far-reaching changes to paid work arrangements so that

opportunities and incomes afforded by paid work (economic wellbeing) are not dependent on participation in full-time work for 48 weeks of every year. In particular:

- Time out of the paid workforce to have and raise children should not result in severe loss of opportunities.
- 'Women's work' must be given legitimacy. More value must be placed on parenting and caring work and on community work. Skills gained should be recognised by employers.
- Being able to combine participation in paid work with caring and other family responsibilities is a necessity for the economic wellbeing of many women and their families.
- More flexible work arrangements for men can be bring about changes for women. Men must take on greater responsibility for caring and household work.

The research demonstrated that the most significant change in the Australian labour force over the past four decades has been a profound increase in the proportion of women in paid work. Yet the economic position of women in Australia has not improved to anything approximating the same degree.

A significant finding is that the 15.3 per cent gap in November 2002 between the Australia-wide average for non-managerial women's and men's average weekly total ordinary full time earnings **is due entirely the fact that women are segregated into lower broadly classified job levels than are men and thus are simply paid less.**

Moreover women continue to predominate in part time, casual and temporary employment. Australia still has a highly gender segregated labour market, which in turn reflects its highly segregated social division of labour. Women carry disproportionate care responsibilities for dependent children and aged relatives, and they continue to bear most other forms of unpaid domestic labour such as cooking and housework.

The priorities expressed by participants in this research and the evidence on which they are based show us the direction in which the next stage of this research endeavour must head.

We know the problems. We have women's views on what they think are their most important needs. We understand that equity for the diverse women in Australia is essential to the economic foundations of wellbeing and security. The task now is to produce hard policy options.