

SUBMISSION TO THE HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON
LEGAL AND CONSTITUTIONAL AFFAIRS INQUIRY INTO EQUAL OPPORTUNITY
AND EQUAL STATUS FOR AUSTRALIAN WOMEN FROM THE NATIONAL PAY
EQUITY COALITION, OCTOBER 1989.

Summary and Recommendations

This submission addresses points 2 and 3 of the inquiry by the House of Representatives Standing Committee on legal and constitutional affairs into Equal Opportunity and Equal Status for Australian Women. These are:

- (2) the extent to which women receive appropriate recognition for their contribution to society, and
- (3) participation by women in the labour force including the efficiency of equal employment opportunity schemes.

Specifically, this submission goes to the question of unequal pay between the sexes.

The submission first examines the gap between male and female wages. The difference in awards rates reflects both discrimination in wage fixing, and occupational and industrial gender segregation. But by far the major contribution to the wages gap are the structural inequalities experienced by women in society which lead to their concentration on part-time work due to lack of childcare and family responsibilities, their lack of access to overtime, over award payments and bonuses, their restricted industrial bargaining power etc. The submission contends that the lack of childcare is a critical obstacle to equal pay, providing women with a crucial resource to be able to participate equally in employment.

A history of the recent struggle for equal pay through wage fixing mechanisms is provided. The submission provides an account of the ways in which award variations made under the 1972 Equal Pay Principle have failed to result in equal pay and establishes that wage fixing systems to date, have failed to eliminate the female/male earnings gap.

The National Pay Equity Coalition contends that the key issue which still needs to be addressed is the assessment of work value in a way that fully recognises the knowledge, skills and experience of the female workforce and the demands of the jobs in which women work.

Award Restructuring currently provides a good deal of scope for addressing employment related discrimination. It presents both opportunities and changes for women. Specific difficulties identified include training, classification systems, skills recognition and job design as well as conditions of work. Approaches necessary to surmount them are then discussed.

Affirmative Action and Equal Employment Opportunity is discussed. It is submitted however that this sort of legislation does not address the fundamental issue with which this submission is concerned, namely, the under valuing of womens work and skills. The question of its application in a number of industries in which women are employed is raised.

The progress of equal pay through wage fixing mechanisms is often rejected because of cost implications. The cost issues addressed by the submission identify the significant economic costs in persisting with pay discrimination. The cost of implementing pay equity, it is argued, would be far less than many commentators would have us believe.

Accordingly this submission puts forward a number of recommendations aimed at ensuring the wages system produces equitable outcomes for men and women workers, and at addressing other structural inhibitors to the achievement of equal pay for women.

These recommendations are;

1. The Wage System

- (1) A centralised wage system should apply, since industry and enterprise bargaining disadvantage less well organised and less industrially powerful groups.
- (2) Wage fixing systems should not be based on productivity bargaining as this disproportionately affects women workers who are clustered in service industries, the public sector and low value-added manufacturing areas.
- (3) Full automatic quarterly CPI adjustment, with additional payments as a flat rate up to average weekly earnings and thereafter as a percentage. It is critically important, especially for low income earners, that wages are tied to the cost of living, in view of the fall in the level of wages relative to the level of inflation.
- (4) Continuing access for claims under the 1972 Equal Pay Principle with the additional provision that both consent and arbitrated claims can be re-opened if there is an arguable case that the Principle was not adequately applied, in that work value inquiries carried out in the normal way were not conducted. In accordance with the 1972 Principles 5(b) should be expanded so as to make explicit that comparisons may be made within awards, within enterprises, within occupations, and within industries, as well as across them, if necessary, in view of the relative lack of traditional comparators and historic relativities in many areas of women's employment. Claims under the 1972 Equal Pay Principle should continue to be outside any ceilings established by the wage fixing.

5. Training

The Federal Government, under the auspices of the National Training Board and the Industry Training Council Networks should develop a Charter for Equity and Training which should include, but not be limited to;

- Training programs which enable progression from entry level jobs to craft, technical, professional and management jobs.
- English language skills training provided in work time for people of non-English speaking background.
- Literacy and numeracy training provided in work time for employees whose formal education has been insufficient to meet changed work requirements.
- Job rotation schemes and transfer/secondment arrangements should be encouraged to enhance on-the-job training.
- Access to career paths and training opportunities for part-time employees of whom the majority are women.
- The special needs of older employees should be taken into account when developing training programs. Adult women, for instance, seeking to take advantage of structured training programs are less likely to have industry experience.
- Arrangements will need to be made in many circumstances to enable physical access to venues for people with disabilities.
- Limitations on access to training via residency requirements should be lifted.

6. Aboriginal Women

Participation of Aboriginal Women in the workforce is artificially depressed by attitudinal and discriminatory attitudes. Particular care should be taken to ensure that sensitivity to culturally and racially based barriers is applied, especially in areas of:

- training
- skills assessment
- wage rates
- equal employment opportunity and Affirmative Action Programs.

- (5) Award restructuring and training packages put forward under national wage guidelines should be required to include an equal opportunity assessment and relative wage impact assessment of the measures proposed. The equity assessment must include evaluation of requirements of existing and proposed classifications, carried out in a non-discriminatory manner, and in accordance with the principles of the Sex Discrimination Act, and which recognises the knowledge, skills and experience of female workers in existing classifications, and takes account of job demands. The equity assessment should also establish whether access to training and promotion and movement from one classification to another is equally accessible to all workers, and how the proposed changes address inequities in the positions of males and females in the workforce.
- (6) Increases in minimum rates in low wage industries as required in order to bring the rates in traditionally female industries (with the discriminatory depression of those rates by the history of unequal pay in those industries) into line with minimum rates in male industries. This is essential for the achievement of an equitable wage base on which to build a more rational wage system.
- (7) The Federal Government should support Recommendation 1-5 in the next National Wage Case.
- (8) Pay Equity Bureaus should be established by legislation within the federal and state industrial commissions to:
- assist the commissions in the area of job evaluation free of gender bias including the development of training packages for all parties;
 - monitor the equal employment opportunity and pay equity implications of award restructuring;
 - develop and promote codes of practice for fair pay practices and equal employment opportunity;
 - investigate claims of discrimination in pay setting and advise the industrial parties (including the commissions) on those cases;
 - conduct an inquiry into work value concepts incorporating measurement techniques which shall include work redesign etc., but not be limited;
 - develop and maintain a Register of Consultants and Job Evaluators who comply skills audits with equal opportunity codes;
 - promote the incorporation of equal opportunity and fair pay clauses into industrial awards and agreements;
 - develop mechanisms for promoting fair pay and equal opportunity practices through government contract compliance schemes (as is currently provided in Victoria).

Resolutions to this effect have recently been supported at the Office of the Status of Women's Conference on Women and Award Restructuring, and the Australian Federation of Business and Professional Women's Conference on Pay Equity. Similar proposals were supported by ACTU Congress in September 1989.

- (9) Federal legislation should require non-discriminatory job evaluation and wage fixing. State governments in NSW, South Australia, Tasmania and Victoria had equal pay provisions in legislation prior to the federal cases. State and federal legislation should require mechanisms for investigating discrimination and promoting fair pay and job evaluation practices.

2. Legislation

The Sex Discrimination Act should be amended to remove existing exemptions for discrimination in employment. A sufficient period of time has elapsed for the parties to take the necessary action to remove discriminatory provisions. The exemptions are offensive to the 40% of the workforce which is female, and an unnecessary structural rigidity in the labour market.

There is a particular need to remove the remaining exemptions for discriminatory superannuation provisions, if women are not to make up an increasing proportion of the aged poor. Any further exemptions should not be granted.

3. Childcare

The overall provision of childcare needs to be expanded with particular priority to affordable work-related childcare. Employers should be required to provide work-related care and to meet their share of the costs. The absence of adequate childcare is the major obstacle to women's equal participation in the workforce. A range of childcare services is required to meet the diverse needs of children and their parents including vacation care. The existing situation, in which childcare costs are privatised to individual women, is both unfair and inefficient in its effects on workforce participation. Cost benefit studies prove that the provision of work related childcare is of benefit to employers.

4. Family Leave

Family Leave provisions should recognise that care for the young, the aged and the ill are not the specific responsibility of women, but a social responsibility which should be shared equally by men and women. This means that paid leave should be available for childbirth, childcare, care for the aged, care for the ill, parental and other family responsibilities. Such provisions reflect changed community attitudes to the role of men and women in the workforce and in the home and are consistent with ILO convention 156 which outlines measures to assist workers with family responsibilities. Further they would bring Australia into line with leave provisions in similar industrial countries.