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Submission – Senate Inquiry into Gender Segregation in the Workplace and its Impact on Women’s Economic Equality

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Executive summary

The Workplace Gender Equality Agency (WGEA or Agency) is pleased to provide its submission to the Senate Inquiry into Gender Segregation in the Workplace and its Impact on Women's Economic Equality.

In preparing this submission WGEA has collated relevant data evidence, reviewed existing research regarding gender segregation and explored the social and economic implications of gender segregation in the workforce. The submission outlines the business case for gender equality in the workplace and highlights measures that can improve gender balance in the workforce.

Gender segregation refers to the unequal distribution of women and men in particular categories, including occupations and industries. It refers to the tendency of women and men to study different fields, to work in different industrial sectors and occupations and it refers to how women and men participate (full-time or part-time) in the labour market.

While women's participation in higher education and paid work has increased significantly in recent decades, patterns of industrial and occupational gender segregation have remained entrenched.

- WGEA data shows that women and men are concentrated in particular industries, showing that six in 10 Australians work in an industry that is dominated by one gender.
- Australian workplaces are segregated vertically, the most senior roles are heavily male-dominated and only 37.4% of all management categories are female.
- Australian women are in part-time employment at three times the rate of men, and women constitute 69.1%¹ of all part-time employees.
- Australian labour markets are highly segregated in terms of what type of work women and men do. Women are more likely to work as Clerical and Administrative Workers or as Community and Personal Service Workers while men are more likely to work as Trade Workers or Technicians.

Occupational gender segregation is linked to wage inequality, as women's work has historically been undervalued and female-dominated industries and jobs attract lower wages than male-dominated industries and jobs.² WGEA data also shows that female employees are remunerated less than male employees across all occupational classification categories in Australia.

- Employees in female-dominated organisations have lower salaries on average, both for base salary and total remuneration, when compared to male-dominated and mixed organisations.
- Female-dominated industries pay the lowest proportion of superannuation, bonuses and other discretionary pay when compared to other industries.

In economic terms, lower salaries and the undervaluation of women's productivity means that women receive lower rewards from investing in their tertiary education and from their work experience than men. Pay inequality also translates into other forms of economic inequality for women, such as:

- contributing to lifelong lower earnings for women
- restricting the accumulation of sufficient superannuation funds and other forms of wealth
- increasing the likelihood of women's reliance on a government pension
- increasing the likelihood of women living in poverty, including living in poverty in retirement.³

Gender segregation is the second largest underlying factor of the gender pay gap. Recent analysis by KPMG for the Diversity Council and the Workplace Gender Equality Agency used economic modelling and the latest HILDA data set to investigate the factors of the gender pay gap. The second biggest contributing factor, after gender bias, is occupational and industrial segregation.⁴

Gender segregation also contributes to a lower rate of female participation in the workforce which affects national productivity and economic growth. In 2016, the female workforce participation rate in Australia¹ was 59.3% compared to 70.4% for men.⁵

The Australian Government has committed to reducing the female-male workforce participation gap by 25% by 2025.⁶ In 2009 Goldman Sachs and JBWere calculated that closing the gap between male and female participation rates would boost the level of GDP by 11%.⁷

ⁱ Participation rate is the sum of the employed and unemployed divided by total population from age 15 onwards.

One of the main barriers to the female participation rate is the disproportionate time spent on unpaid work including taking on a greater share of caring responsibilities.

In Australia women are in part-time employment at three times the rate of men. Women regularly choose part-time and casual employment below their skill level in order to combine unpaid care and paid work.⁸

WGEA data shows that female-dominated workplaces have far greater proportions of part-time and casual workers, but also offer lower wages.

Male-dominated workplaces have smaller proportions of part-time employees and full-time employees tend to work longer hours – attributes that may deter people with family and caring responsibilities.

Addressing the factors that are driving gender segregation in workplaces leads to improved social and economic performance. The interrelated social and economic factors that underlie workforce segregation mean that there is no single solution. Actions that can be taken to decrease segregation include:

- promote gender equality in organisations: encouraging employers to analyse and act on organisational gender pay gaps, to normalise flexible working for women and men, and to educate on discrimination and unconscious bias, creating opportunities for more women to progress into leadership positions
- promote non-traditional career paths: attracting females into male dominated industries and men into female-dominated industries.

There are many programs now encouraging women into science, technology, engineering, and mathematics (STEM) fields, in recognition that the full breadth of talent available will be needed to drive growth and innovation.

There is still little focus on the need to attract men into female-dominated professions including nursing and aged care, despite the forecast jobs growth in human services.

Tackling the stereotypes that women and men face about the kind of work they do and how they engage with the workforce will be critical to breaking down entrenched patterns of segregation.

Introduction

The [Workplace Gender Equality Agency](#) (WGEA or Agency) is pleased to provide its submission to the Senate Inquiry into Gender Segregation in the Workplace and its Impact on Women's Economic Equality. The Agency seeks to address elements of the Inquiry's [terms of reference](#) that are in line with the Agency's function:

"Gender segregation in the workplace and its impact on women's economic equality, with particular reference to:

- a. the nature and extent of industrial and occupational gender segregation in Australian workplaces relative to comparable jurisdictions, including gender segregation in tertiary education courses;
- b. factors driving industrial and occupational gender segregation in the Australian context;
- c. economic consequences of gender segregation for women, including the contribution of industrial and occupational gender segregation to the gender pay gap;
- d. approaches to addressing gender segregation as it relates to economic inequality and the gender pay gap in comparable jurisdictions; and
- e. remedies appropriate for Australia, including, but not limited to:
 - i. measures to encourage women's participation in male-dominated occupations and industries,
 - ii. measures to professionalise and improve conditions in female-dominated occupations and industries, and
 - iii. measures to promote pay equity."⁹

This submission explores gender segregation from the point of preparation for the workforce at universities, to the current state of gender segregation in the workforce and workplaces as well as its implications. The submission also highlights measures that advance a balanced workforce. The key areas that this submission addresses are:

- highlighting the unequal distribution of women and men across industries, occupations, organisations and tertiary education
- features of 'female-dominated' and 'male-dominated' and 'mixed' organisations, such as gender pay gaps, hours worked, leadership pipelines
- factors driving industry and occupational gender segregation
- economic consequences of gender segregation – gender pay gaps, financial insecurity in retirement
- benefits of addressing gender segregation – productivity, innovation and industry growth
- solutions to gender segregation: traditional gender norms, culture, and unconscious bias – closing the gender pay gap.

The data for this submission is sourced from the Workplace Gender Equality Agency's (WGEA) dataset (three reporting periods)¹⁰ and from the Australian Bureau of Statistics' (ABS) Labour Force Quarterly Survey (May 1995 and May 2015 periods).¹¹

The Agency's role

The Workplace Gender Equality Agency is an Australian Government statutory agency charged with promoting and improving gender equality in Australian workplaces. It was created by the [Workplace Gender Equality Act 2012](#) (WGE Act), which requires non-public sector employers with 100 or more employees to report to the Agency annually against standardised gender equality indicators (GEIs):

- GEI 1 – gender composition of the workforce
- GEI 2 – gender composition of governing bodies of relevant employers
- GEI 3 – equal remuneration between women and men

- GEI 4 – availability and utility of employment terms, conditions and practices relating to flexible working arrangements for employees and to working arrangements supporting employees with family or caring responsibilities
- GEI 5 – consultation with employees on issues concerning gender equality in the workplace
- GEI 6 – any other matters specified by the Minister – sex-based harassment and discrimination.

The data collected from these reports (known as the WGEA dataset) can be harnessed and combined with other information to inform the discussion around measuring and understanding gender pay gaps and workplace gender inequality more broadly.

The Agency also has a role in promoting and improving gender equality in Australian workplaces. This role is fulfilled through the provision of advice and assistance to employers. The objects of the *Workplace Gender Equality Act 2012* (s. 2A) are:

- (a) to promote and improve gender equality (including equal remuneration between women and men) in employment and in the workplace; and
- (b) to support employers to remove barriers to the full and equal participation of women in the workforce, in recognition of the disadvantaged position of women in relation to employment matters; and
- (c) to promote, amongst employers, the elimination of discrimination on the basis of gender in relation to employment matters (including in relation to family and caring responsibilities); and
- (d) to foster workplace consultation between employers and employees on issues concerning gender equality in employment and in the workplace; and
- (e) to improve the productivity and competitiveness of Australian business through the advancement of gender equality in employment and in the workplace.

About gender segregation

Gender segregation refers to the unequal distribution of women and men in particular categories, including occupations and industries. In this report, it refers to the tendency of women and men to study in different fields and work in different industrial sectors and occupations.

The under- or over-representation of women and men in certain occupations or industries is also referred to as horizontal segregation. The concentration of women and men in certain professions and economic sectors can be found across OECD countries. This pattern of occupational or industrial segregation by gender links to wage inequality where women's work has historically been undervalued.

The imbalance between women and men in leadership categories (occupational *hierarchies*) can be referred to as vertical segregation. For example, men dominate leadership categories while women are concentrated in non-management roles.

In this report, industries, organisations, occupations, as well as fields of education, are classified according to their gender dominance using the number of employees/students:

- 'Female-dominated' (60% or more women)
- 'Male-dominated' (40% or less women)
- 'Mixed' (41% to 59% women).

Gender segregation in tertiary education Australia

Women's participation in higher education is expanding in Australia and women are more highly represented in overall enrolments. The proportion of women in educational attainment was 53% in 1994 and in 2015, 57.8% of all enrolled students in Australia were female.¹² However, women and men have different educational paths.

Table 1 displays the imbalance between women and men across fields of higher education:

- Women dominate in areas such as Education, Health, Creative Arts and Society and Culture
- Men dominate in areas such as Information Technology and Engineering Related Technologies.¹³

The data also shows that gender segregation across educational fields has persisted since 2001:

- women's participation declined substantially in the male-dominated fields, particularly in Information Technology
- women's participation increased significantly in the field of Agriculture Environmental/Related Studies
- men's participation in female-dominated fields remained unchanged in most fields except in Creative Arts, where men's participation has increased by 5.1 percentage points.

Table 1: Proportion of female students by field of education, 2001 and 2015

	Female students, 2001 (%)	Female students, 2015 (%)	Female students, difference (.pp)	Gender dominance
Education	75.3	75.8	0.5	Female dominated
Health	73.0	72.7	-0.3	Female dominated
Creative Arts	66.1	61.0	-5.1	Female dominated
Society and Culture	65.3	64.7	-0.6	Female dominated
Natural and Physical Sciences	51.8	49.6	-2.2	Mixed
Management and Commerce	48.7	46.9	-1.8	Mixed
Agriculture Environmental/ Related Studies	46.1	52.3	6.2	Mixed
Architecture and Building	38.5	38.9	0.4	Male dominated
Information Technology	25.7	15.9	-9.8	Male dominated
Engineering/ Related Technologies	15.7	15.3	-0.4	Male dominated
Total	56.1	57.8	1.7	Mixed

Note: Domestic Students, Commencing and Continuing Study, Inclusive of both undergraduate and postgraduate study. One enrolment may contribute to multiple fields of education (e.g. double degrees).

Source: Department of Education and Training (2016), Enrolment count, available: <http://highereducationstatistics.education.gov.au/>.

Gender segregation by industry since 1995

Gender segregation across sectors and industries occurs when women and men are concentrated in different industry sectors. Industrial segregation by gender is substantial and contributes to unequal outcomes between women and men, with industries dominated by women being lower paid than industries dominated by men. For example, WGEA data shows that in 2015-16, six in 10 Australian employees worked in an industry which is dominated by one gender.¹⁴

Using data from the ABS, Table 2 shows the extent and persistence of industrial gender segregation over time although there are some positive signs towards gender balance in some industries. Between 1995 and 2015:

- Women are increasingly concentrated in two industries, the Health Care and Social Assistance, and Education and Training.
- The proportion of women in male-dominated industries, including Electricity, Gas, Water and Waste Services, and Transport increased.

- Amongst the mixed industries, Public Administration and Safety, Rental, Hiring and Real Estate Services, and Information Media and Telecommunications in particular have become gender balanced.

Table 2: Proportion of female employees by industry, 1995 and 2015

Industry	Female employees, 1995 (%)	Female employees, 2015 (%)	Female employees, difference (.pp)	Gender dominance (2015)
Health Care and Social Assistance	76.4	79.2	2.8	Female-dominated
Education and Training	65.4	70.6	5.2	Female-dominated
Retail Trade	54.1	54.5	0.3	Mixed
Accommodation and Food Services	54.7	53.9	-0.7	Mixed
Financial and Insurance Services	58.1	51.1	-7.1	Mixed
Rental, Hiring and Real Estate Services	45.7	50.1	4.4	Mixed
Administrative and Support Services	54.1	49.2	-4.8	Mixed
Public Administration and Safety	39.8	49.1	9.3	Mixed
Arts and Recreation Services	48.8	46.1	-2.7	Mixed
Information Media and Telecommunications	39.7	44.5	4.8	Mixed
Other Services	39.5	41.4	2.0	Mixed
Professional, Scientific and Technical Services	43.5	40.4	-3.1	Mixed
Agriculture, Forestry and Fishing	31.9	33.7	1.7	Male-dominated
Wholesale Trade	32.0	31.1	-0.9	Male-dominated
Manufacturing	26.3	27.9	1.6	Male-dominated
Transport, Postal and Warehousing	20.6	23.4	2.8	Male-dominated
Electricity, Gas, Water and Waste Services	15.5	20.8	5.3	Male-dominated
Mining	12.0	12.9	0.9	Male-dominated
Construction	14.8	12.0	-2.8	Male-dominated

Source: ABS (2016), *Labour Force, Australia, Detailed, Quarterly, May 2016*, cat. no. 6291.0.55.003, viewed 27 July 2016, <http://www.abs.gov.au/ausstats/abs@.nsf/mf/6291.0.55.003>

Note: Data is based on May as the reference period.

Gender segregation in organisations

WGEA data (covering non-public sector employers with 100 or more employees) shows that Australian employees are very likely to work in an organisation dominated by one gender. In this section, each organisation of the WGEA data set is categorised according to the relative dominance of male or female employees.

- Only 26.8% of employees work in gender-balanced organisations.
- 42.5% of employees work in male-dominated organisations.
- More women work in male-dominated organisations than men work in female-dominated organisations.

Table 3: Gender dominance across WGEA reporting organisations, 2015

Gender dominance	Female employees (No.)	Female employees (%)	Male employees (No.)	Male employees (%)	Total employees (No.)	Total employees (%)
Female-dominated	895,416	71.3	318,375	28.7	1,213,791	30.7
Mixed	583,671	54.9	478,767	45.1	1,062,438	26.8
Male-dominated	452,951	26.9	1,230,079	73.1	1,683,030	42.5

Source: WGEA & BCEC (2016), *Gender Equity Insights 2016: Inside Australia's Gender pay Gap*, BCEC | WGEA Gender Equity Series, p 33. Available at: https://www.wgea.gov.au/sites/default/files/BCEC_WGEA_Gender_Pay_Equity_Insights_2016_Report.pdf

Gender segregation in leadership by organisation

WGEA data also shows that the representation of women declines steadily with seniority across all female-dominated, male-dominated and mixed organisations and across all categories of management. This means that men dominate the occupational hierarchies across all industry groupings.

The job structures within an organisation and the relationships between these jobs may produce unequal opportunities for women and men to become a Chief Executive Officers ('CEO')ⁱⁱ. Research by Leanin.org and McKinsey found that most CEOs are promoted from line or operational rolesⁱⁱⁱ rather than staff roles^{iv} and women in senior management are likely to hold staff roles.¹⁵ "In 2015, 90% of CEO's were hired and promoted from line roles, and 100% of them were men."¹⁶ The fact that only 20% of line roles are held by women in combination with the fact that the majority of CEOs are appointed from line roles means that women have a significantly reduced chance of getting promoted to CEO positions.

Table 5 demonstrates that the proportion of CEOs and Key management personnel ('KMP')^v positions held by women is lower across all industries.

- Senior management categories are heavily male-dominated, even within the female-dominated industries.¹⁷
- Women are most likely to hold CEO or KMP roles in female-dominated industries.

ⁱⁱ The chief executive officer ('CEO') or equivalent is the head of business in Australia. For corporate structures with one or more relevant subsidiaries, the definition of CEO includes the head of business for each relevant subsidiary in Australia.

ⁱⁱⁱ Line or occupational roles are focused on the core functions of an organisation, including profit -and-loss responsibility and key manufacturing positions.

^{iv} Staff roles include functions that relate to human resource management, legal roles as well as accounting.

^v Key management personnel ('KMP') refers to those persons who have authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Table 4: Proportion of female KMPs and CEOs, WGEA data, 2015-16

	Female CEOs (%)	Female KMPs (%)	Female CEOs (No.)	Female KMPs (No.)
Female-dominated	31.8	44.8	609	3,227
Mixed	10.8	27.0	131	1,729
Male-dominated	5.3	16.3	110	1,442
Overall	16.3	28.5	850	6,398

Source: WGEA (2016), Agency reporting data.

Gender segregation across organisations and part-time employment

It is common in Australia for women to work part-time in order to manage work and family responsibilities. In Australia women are in part-time employment at three times the rate of men¹⁸ and women constitute 69.1% of all part-time employees.¹⁹ Women regularly choose part-time or casual employment below their skill level in order to combine unpaid care and paid work.²⁰ This suggests that the availability of non-full-time work is a contributing factor towards gender segregation in Australian workplaces.

WGEA data shows:

- Female-dominated organisations have the highest proportion of part-time and casual employment as a proportion of all employees.
- Female-dominated organisations have the lowest proportion of full-time employees as a proportion of all employees compared to male-dominated and mixed industries.
- The proportion of part-time employees in male-dominated organisations in 2015-16 is only 5%.

Table 5: Proportion and number of full-time, part-time and casual employees, WGEA data 2015-16

Gender dominance	Full-time employees (%)	Part-time employees (%)	Casual employees (%)	Full-time employees (No.)	Part-time employees (No.)	Casual employees (No.)	Total employees (No.)
Female-dominated	34.7	35.1	30.2	436,394	442,247	379,552	1,258,193
Mixed	47.5	24.2	28.3	688,661	350,366	409,802	1,448,829
Male-dominated	82.6	5.0	12.4	1,088,603	66,525	163,154	1,318,282
All	51.5	19.8	28.6	2,213,658	853,138	95,2508	4,025,304

Source: WGEA (2016), Agency reporting data.

Remuneration in female and male-dominated organisations

WGEA data confirms that female employees are paid less than male employees across all gender dominance classifications. Historically, female-dominated industries and occupations attract lower wages than male-dominated industries and occupations.²¹ The data shows that female employees are remunerated less than male employees across all occupational classification categories in Australia. This contributes to the economic inequality between women and men.

The average base salary and total remuneration^{vi} of all full-time employees is displayed in Table 6. The comparison of gender-dominated organisations shows that:

- Employees in female-dominated organisations have lower salaries on average, both for base salary and total remuneration, when compared to male-dominated and mixed organisations.
- Female-dominated industries pay the lowest proportion of superannuation, bonus and other discretionary pay when compared to other industries.

Table 6: Average full-time base salary and total remuneration by gender dominance, 2015

Gender dominance	Female		Male		Difference	
	Base salary (\$)	Total remuneration (\$)	Base salary (\$)	Total remuneration (\$)	Base salary (\$)	Total remuneration (\$)
Female-dominated	\$67,808	\$77,734	\$82,181	\$95,871	-\$14,373	-\$18,137
Mixed	\$73,445	\$86,509	\$88,094	\$107,494	-\$14,649	-\$20,985
Male-dominated	\$76,702	\$92,317	\$91,774	\$116,802	-\$15,072	-\$24,485

Source: WGEA & BCEC (2016), *Gender Equity Insights 2016: Inside Australia's Gender pay Gap*, BCEC | WGEA Gender Equity Series, p 35. Available at: https://www.wgea.gov.au/sites/default/files/BCEC_WGEA_Gender_Pay_Equity_Insights_2016_Report.pdf.

Gender pay gap in organisations

The gender pay gap (GPG) is the difference between women's and men's average weekly full-time equivalent earnings, expressed as a percentage of men's earnings. Using data from the Australian Bureau of Statistics Average Weekly Earnings series, the national GPG is currently 16.0% and has hovered between 15% and 19% for the past two decades.²² The GPG is a symbol of the overall position of women in the workforce and reflects the high concentration of women in low-paying organisations and occupations.

Gender pay gaps in favour of men exist in female-dominated, male-dominated and mixed organisations. Table 7 displays the base salary as well as the total remuneration gender pay gap across female-dominated, male-dominated and mixed organisations.

- Performance pay and other additional remuneration pay has a greater role in male-dominated industries, leading to higher gender pay gaps for total remuneration.
- The gender pay gap is highest in the manager category in female-dominated industries, reflecting the gender imbalance in leadership roles.
- Female managers working in male-dominated organisations are more likely to earn salaries closer to their male colleagues.

Table 7: Full-time gender pay gaps by gender dominance in organisations, 2015

Gender dominance	All employees		Managers		Non-managers	
	Base salary (%)	Total remuneration (%)	Base salary (%)	Total remuneration (%)	Base salary (%)	Total remuneration (%)
Female-dominated	17.5	18.9	22.4	24.5	12.4	13.2
Mixed	16.6	19.5	17.1	20.9	10.6	12.4
Male-dominated	16.4	21.0	14.3	17.3	14.8	19.7

Source: WGEA & BCEC (2016), *Gender Equity Insights 2016: Inside Australia's Gender pay Gap*, BCEC | WGEA Gender Equity Note: Base salary and total remuneration exclude CEOs/Heads of Business in Australia. Total remuneration includes base salary, superannuation, performance pay, bonuses, allowances and other discretionary pay.

^{vi} Total remuneration includes base salary, superannuation, performance pay, bonuses, allowances and other discretionary pay.

Gender segregation by occupation

Labour markets are highly segregated in terms of what type of work women and men do. Women are more likely to work as Clerical and Administrative Workers or as Community and Personal Service Workers while men are more likely to work as Trade Workers or Technicians. Data also shows that female-dominated occupations tend to be rewarded less than male-dominated occupations.

Gender segregation by occupation in Australia

Occupational segregation in Australia has changed little despite the increase in female tertiary education enrolment and the increasing female workforce participation rate. Between 1994 and 2015 the female workforce participation rate rose from 52.6% to 59.3%.²³ However, female and male employees are not evenly distributed across occupations.

Table 8 highlights the persistence of labour market gender segregation by occupation between 1995 and 2015.

- Occupational gender segregation has remained consistent, with the greatest improvement in the Professionals and Managers occupational categories.
- The most notable movements have been in male-dominated occupational categories where there has been a decrease in female Machinery Operators and Drivers and an increase in female Managers.

Table 8: Proportion of female employees by occupation, 1995 and 2015

Occupation	Female employees, 1995 (%)	Female employees, 2015 (%)	Female employees, difference (.pp)	Gender dominance (2015)
Clerical and Administrative Workers	76.0	74.3	-1.7	Female-dominated
Community and Personal Service Workers	66.2	68.2	2.0	Female-dominated
Sales Workers	59.0	59.1	0.1	Mixed
Professionals	47.1	54.6	7.5	Mixed
Managers	30.1	37.1	7.0	Male-dominated
Labourers	36.9	33.6	-3.3	Male-dominated
Technicians and Trades Workers	12.4	14.7	2.3	Male-dominated
Machinery Operators and Drivers	14.1	9.2	-4.9	Male-dominated
Total employees	43.1	46.0	2.9	Mixed

Source: ABS (2016), *Labour Force, Australia, Detailed, Quarterly, May 2016*, cat. no. 6291.0.55.003, viewed 27 July 2016, <http://www.abs.gov.au/ausstats/abs@.nsf/mf/6291.0.55.003>.

Note: Data is based on May as the reference period. Occupations are ranked from largest proportion of female employees to smallest.

Occupational segregation, earnings and the gender pay gap

Since 2013-14, WGEA has been collecting detailed remuneration data by occupation annually from relevant Australian employers. The data shows that there are large GPGs in every occupation, including female-dominated occupations, such as Clerical and administrative and Community and personal service workers. Table 9 shows:

- Women's total average remuneration is lower than men's in every occupation.
- Women in Community and personal service are on the lowest average full-time remuneration compared to all men's average full-time total remuneration.
- The GPG's (base and remuneration) are lowest in female dominated occupations and highest in male dominated occupations.

Table 9: Average annualised full-time remuneration and gender pay gaps by occupation (WGEA data), 2015-16 (non-manager occupations are ordered from smallest to largest GPG)

Occupation	Women's average annualised base salary (full-time) (\$)	Men's average annualised base salary (full-time) (\$)	Base salary gender pay gap (full time) (%)	Women's average annualised total remuneration (full-time) (\$)	Men's average annualised total remuneration (full-time) (\$)	Total remuneration gender pay gap (full-time) (%)
Clerical and administrative	59,777	64,184	6.9	68,357	74,975	8.8
Community and personal service	53,446	57,262	6.7	62,197	69,827	10.9
Machinery operators and drivers	60,677	69,351	12.5	78,625	93,690	16.1
Labourers	48,313	56,598	14.6	57,739	69,696	17.2
Professionals	85,966	104,025	17.4	100,679	125,366	19.7
Sales	53,748	64,822	17.1	66,336	86,730	23.5
Other	60,970	74,626	18.3	72,913	96,918	24.8
Technicians and trade	63,362	79,843	20.6	75,946	104,178	27.1
All managers	112,317	146,815	23.5	136,626	189,707	28.0
Key management personnel	196,762	248,504	20.8	258,929	352,813	26.6
Other executives/general managers	179,937	219,274	17.9	230,588	305,624	24.6
Senior managers	137,701	165,735	16.9	169,113	215,872	21.7
Other managers	92,521	116,678	20.7	109,893	144,261	23.8

Source: WGEA (2016), Agency reporting data. Notes:

- Gender pay gaps in the table above exclude CEOs/Heads of Business in Australia, and are based on average full-time annualised remuneration in the 2015-16 reporting period.
- Base salary is full-time annual salary before tax, including all salary sacrificed items, but excluding allowances, superannuation and any other additional payments.
- Total remuneration includes base salary, superannuation, performance pay, bonuses, allowances and other discretionary pay.
- Non-manager occupations are ordered from smallest total remuneration gender pay gap to largest. Management categories are ordered from highest to lowest manager level.

Full-time, part-time and casual status by occupation

Female-dominated occupations tend to have a greater share of part-time employees as a proportion of all employees. This means that the availability of part-time work in female-dominated and mixed occupations correlates with escalating gender segregation. Table 10 outlines the percentage of employees in each occupational category by full-time, part-time and casual status.

- Female-dominated occupations have the highest proportion of part-time and casual employment compared to male-dominated occupations.
- Male-dominated occupations have a lower percentage of part-time employees when compared to female-dominated and mixed occupations.
- The high percentage of part-time employees in the male-dominated category of Labourers can be explained by the nature of this work as seasonal or project-related.

This may suggest that part-time work is more likely to be supported by employers in female-dominated occupations, or that women avoid occupations where part-time work is less likely to be available.

Table 10: Occupational workforce by full-time, part-time and casual status, 2015

	Full-time (%)	Part-time (%)	Casual (%)	Gender Dominance
Community and Personal service	18.3	42.0	39.6	Female
Sales	26.9	34.5	38.6	Mixed
Clerical and administrative	57.5	22.0	20.5	Female
Labourers	44.9	17.4	37.7	Male
Professionals	67.8	16.6	15.6	Mixed
Manager	93.1	6.1	0.7	Male
Machinery operators and drivers	78.4	5.8	15.8	Male
Technicians and trade	83.7	5.2	11.1	Male
Total	55.0	21.4	23.7	Mixed

Source: WGEA reporting data (2015-16)

Note: Occupations are ranked from largest proportion of part-time employees to smallest.

Factors driving gender segregation in the workforce

Gender segregation in workplaces and occupations is influenced by many interrelated structural workplace barriers as well as social and cultural dynamics around the types of work women and men normally do. These factors negatively impact on men pursuing employment in female-dominated fields and occupations, as well as women seeking employment in male-dominated fields and occupations.

Pay inequality across occupations

The evidence shows that average annual base salary and total remuneration in female-dominated occupations and industries are relatively low when compared to male-dominated industries and occupations. The connection between low pay and female work has been referred to as an historic and ongoing process of the undervaluation of women's work.²⁴ Undervaluation means that certain types of work or productive characteristics are valued less than others, which is reflected in the payment structure. This means that the segregation of women and men into different occupations and industries is in part driving the imbalances in earnings.

In economic terms, lower salaries or the undervaluation of women's productivity means that women receive lower rewards from investing in their tertiary education and from their work experience than men.²⁵

A longitudinal study of occupational segregation and pay, using US census data from 1950 to 2000, found that when women enter fields in greater numbers the pay declined, controlling for education and skill.²⁶ It showed that when women entered fields such as recreation, design, housekeeping and as biologists the pay declined, suggesting that employers valued work lower if done by women.²⁷

Research from the US also shows that when an industry attracts more men, its average pay increases. In the 1960s computer programming was female dominated; software development was perceived as 'feminine', while hardware design was perceived as 'masculine'.²⁸ Since 1989 the proportion of women in computer programming has fallen by 15 percentage points to 20% in 2009 and during this time pay rates in this profession have become higher.²⁹

The above evidence from Australia and the US suggests that there are links between gender dominance in occupations and industries and the level of pay. When women start to work in an industry, relative pay declines, while pay increases when men start to enter the industry.

Pay inequality, gender segregation and the gender pay gap

Pay differences between occupations and industries link to traditional perceptions of women's work and men's work. Differences between women's and men's average weekly full-time equivalent earnings can be expressed by calculating the gender pay gap.

- Men dominate Mining and Construction, which are relatively high-paid, while women dominate low-paid industries, including Health Care and Social Assistance.
- A high proportion of women are employed in low-paid mixed gender industries, which also have a high gender pay gap.

Table 11: Total remuneration gender pay gap by industry (ordered from lowest average remuneration to highest)

Industry	Female employees 2015 (%)	Average base salary (\$)	Average total remuneration (\$)	Total remuneration gender pay gap (%)	Gender dominance (2015)	Ranked total remuneration
Retail Trade	54.5	60,393	72,741	16.2	Mixed	19
Accommodation and Food Services	53.9	63,564	74,339	11.4	Mixed	18
Administrative and Support Services	49.2	65,702	77,340	14.8	Mixed	17
Health Care and Social Assistance	79.2	72,858	84,064	14.7	Female-dominated	16
Agriculture, Forestry and Fishing	33.7	72,579	85,227	21.8	Male-dominated	15
Other Services	41.4	72,902	87,460	14.8	Mixed	14
Arts and Recreation Services	46.1	77,724	87,625	21.1	Mixed	13
Public Administration and Safety	49.1	77,921	89,939	10.5	Mixed	12
Wholesale Trade	31.1	73,418	92,145	10	Male-dominated	11
Manufacturing	27.9	78,328	96,526	14.2	Male-dominated	10

Industry	Female employees 2015 (%)	Average base salary (\$)	Average total remuneration (\$)	Total remuneration gender pay gap (%)	Gender dominance (2015)	Ranked total remuneration
Transport, Postal and Warehousing	23.4	79,172	100,227	21.9	Male-dominated	9
Education and Training	70.6	91,960	107,038	9.4	Female-dominated	8
Rental, Hiring and Real Estate Services	50.1	92,050	116,219	29.3	Mixed	7
Information Media and Telecommunications	44.5	93,744	116,763	23.5	Mixed	6
Construction	12	98,538	122,657	28	Male-dominated	5
Professional, Scientific and Technical Services	40.4	100,922	122,794	27.5	Mixed	4
Electricity, Gas, Water and Waste Services	20.8	98,960	126,617	20	Male-dominated	3
Financial and Insurance Services	51.1	100,016	132,985	33.5	Mixed	2
Mining	12.9	117,208	161,336	15.8	Male-dominated	1

Source: WGEA reporting data (2015-16)

Economic analysis into the gender pay gap in Australia shows that industry and occupational segregation combined accounts for the second largest factor, after gender bias, impacting on the gender pay gap (Table 11).³⁰

Table 11: Factors contributing to the gender pay gap, 2007-2014

Factors	2007	2014
	(% contribution to the GPG – 2007 data)	(% contribution to the GPG – 2014 data)
Sex discrimination (direct and indirect)	35%	38%
Years not working in the workforce	9%	21%
Industry segregation	10%	19%
Occupational segregation	18%	11%
Age	8%	6%
Share in part-time employment	14%	4%
Tenure with current employment	3%	1%
Share working in government or NGO	3%	0.4%

Source: KMPG (2016), She's Price (d) less: The economics of the gender pay gap. Report prepared for the Diversity Council Australia and the Workplace Gender Equality Agency.

Australian research also shows that occupational segregation is a driving factor of the gender pay gap particularly in high-paid private sector employment where pay is more often set by individual agreements.³¹ This suggests the gender pay gap is lower when pay is set using methods which involve increased external oversight or transparent standards, such as awards and collective agreements.

In addition, current research from the US shows that gender differences in occupations and industries accounts for the largest share of the national gender pay gap (over 50%).³² The study uses data from the prestigious Panel Study of Income Data (PSID) which is based on a sample of 18,000 individuals living in 5,000 families across the US. The study also demonstrates that human capital or education accounts for a small share of the gender pay gap. This means that educational skill level cannot account for occupational segregation reflecting the fact that women and men score equally high in all educational subjects.

Vertical segregation – lack of women in leadership positions

The imbalance between women and men in occupational hierarchies, including in leadership categories contributes to occupational segregation and the GPG.

WGEA data shows a lack of women in senior positions, with women representing just 28.3% of the top three levels of management.³³ Additionally, there is a lack of part-time senior roles,³⁴ with 6.1% of managerial roles offered on a part-time basis.³⁵

Women are more likely than men to work in a part-time because they tend to undertake most of society's unpaid caring work.³⁶ The lack of part-time management roles makes it difficult for women to move into higher paid, more senior roles. In fact, the representation of women in management falls as the level of seniority increases. For example, WGEA data shows that women represent 40.8% of 'other managers', but only 16.3% of CEOs.³⁷

Discrimination and unconscious bias

Gender discrimination remains the largest contributor to the GPG. In 2014, 38% of the GPG was attributable to gender discrimination, up from 35% in 2007. Gender discrimination occurs both directly³⁸ and indirectly in the workplace, and is experienced by both women and men.³⁹

Women are also affected by discrimination where male-dominated networks determine promotions and career development opportunities.⁴⁰ This can lead to individuals hiring and rewarding in their own image. In fact, Mercer recently found that even when women and men received the same low performance rating, the differences in rewards/incentives was 35.2% in favour of men.⁴¹

Discrimination impacts men where they are pressured to be the 'male breadwinner'. These traditional stereotypes result in men working longer hours (on average, four hours more per week than their female peers)⁴², with less flexibility. Therefore men are spending less time with family and in unpaid caring responsibilities.⁴³

Caring responsibilities

Economic analysis also shows that the time women spend out of the workforce contributes to 21% of the GPG. This means that a significant contributor to the gender gap in workforce participation is the time women devote to unpaid caring work for family and other household members.

The time spent in unpaid care work can negatively affect a person's ability to participate fully in paid employment. A cross-country comparison found that inequality in unpaid care work translates to inequalities in female and male labour force participation.⁴⁴

Women consistently spend more time in unpaid work than men. Women in Australia spend 64.4% of the total work per day^{vii} in unpaid care work, compared to 36.1% for men.⁴⁵ This is a 'gender time gap in unpaid care work' of on average two hours and 19 minutes per day, which means that for every hour Australian men commit to unpaid care work, Australian women commit one hour and 48 minutes.⁴⁶ In addition, the more time that all women spend in unpaid care work, the lower the female workforce participation rate. A decrease in the time women spend on unpaid care work is related to an increase in women's labour force participation and thus earnings.⁴⁷

^{vii} Women's average weekly total work hours 56.4 while men's average weekly total work hours are 55.5 hours (based on latest available data 2006). Source: WGEA (2016). International gender equality statistics. Available: https://www.wgea.gov.au/sites/default/files/20160428_International_gender_equality_statistics_factsheet.pdf

In addition to women's caring responsibilities impacting on their ability to move into more senior roles, time taken to care interrupts female work patterns and therefore earnings and superannuation contribution trajectories. Furthermore, the government's paid parental leave scheme does not include superannuation.⁴⁸

Part-time and flexible working

The economic analysis of the GPG shows that the share in part-time employment contributes to the GPG, though this share declined between 2009 and 2016. Evidence also confirms that the share of women working part-time as a proportion of the total workforce is higher than the share of men working part-time.⁴⁹ This suggests that women are drawn to occupations that enable them to work part-time and flexibly.

Economic consequences of gender segregation for women

Gender segregation in the workforce impacts on employees, organisations and the economy as a whole. Pay inequality is a consequence of gender segregation between women and men and this translates into other forms of economic inequality, such as:

- restricting the accumulation of sufficient superannuation funds and other forms of wealth
- increasing the likelihood of women's reliance on a government pension
- increasing the likelihood of women living in poverty, including living in poverty in retirement.⁵⁰

Improving the economic security for women reduces women's financial reliance on governments and this can also reduce stress on partners to conform to the 'male breadwinner' stereotype,⁵¹ while improving women's physical and psychological well-being.⁵²

Superannuation gap

The fact that women earn less than men over their working lives, partly due to gender segregation in the workforce, is a significant contributor to the gender superannuation gap. In fact, it is estimated that, on average, partnered mothers will earn about half that of partnered fathers: \$1.3m compared to \$2.5m.⁵³ The difference in superannuation earnings, where women on average accrue approximately half the level of men's retirement savings,⁵⁴ impacts women's economic security in retirement. The average superannuation balance at retirement in 2011-12 was \$105,000 for women and \$197,000 for men, resulting in a gender retirement superannuation gap of 46.6%.

Presently, women accumulate significantly less savings for their retirement and as a result account for over half of those aged over 65 years receiving the aged pension.⁵⁵

Benefits of addressing gender segregation in the workplace

Addressing gender inequality across workplaces reduces segregation in the workplace and furthermore it has substantial benefits not only for business but for the Australian economy. Gender balance across all industries is important not only to increase productivity and innovation but also to meet future labour market demands.

The business case for gender equality

The aim of gender equality in the workplace is to achieve broadly equal outcomes for women and men, not necessarily outcomes that are exactly the same for all. To achieve this requires:

- workplaces to provide equal pay for work of equal or comparable value
- the removal of barriers to the full and equal participation of women in the workforce
- access to all occupations and industries, including leadership roles, regardless of gender; and
- the elimination of discrimination on the basis of gender, particularly in relation to family and caring responsibilities.

Achieving gender equality is important for workplaces not only because it is 'fair' and 'the right thing to do,' but because it is also linked to a country's overall economic performance. Workplace gender equality is associated with:

- improved national productivity and economic growth
- increased organisational performance
- enhanced ability of companies to attract talent and retain employees.

Economic productivity and growth

Addressing gender segregation in the workforce impacts positively on national productivity and economic growth because productive characteristics of women and men are fully utilised.

The 2015 Global Gender Gap Report published by the World Economic Forum states that gender equality is not only a fundamental human right but is linked to a country's overall economic performance.

*"People and their talents are among the core drivers of sustainable, long-term economic growth. If half of these talents are underdeveloped or underutilised, growth and sustainability will be compromised. Moreover, there is a compelling and fundamental values case for empowering women: women represent one half of the global population—they deserve equal access to health, education, earning power and political representation."*⁵⁶

Increasing female workforce participation is key to boosting Australia's productivity and innovation. In 2016, the female workforce participation rate^{viii} in Australia was 59.3% compared to 70.4% for men.⁵⁷ The Australian Government has committed to reducing the female-male workforce participation gap by 25% by 2025.⁵⁸

In 2009 Goldman Sachs & JBWere calculated that the rise in female employment since 1974 has boosted Australian economic activity by 22% and that a 6% increase in the female participation rate would boost the level of GDP by 11%.⁵⁹ Similarly, the 2012 Grattan Institute argued that increased access to childcare and tax benefits would act as incentives for women to enter the workforce and increase the size of the economy by \$25 billion annually.⁶⁰

Increased organisational performance

Increasing women's participation in the workforce has positive impacts on organisational culture and on operations. A diverse and inclusive workforce regardless of size and industry generates tangible benefits, such as increased efficiency, productivity, innovation, creativity and improved employee engagement.

A diverse workforce tends to produce a more holistic analysis of the issues an organisation faces and spurs greater effort and motivation, leading to improved decision-making.⁶¹

There is significant evidence from across the globe demonstrating the positive impacts on company performance of female representation on boards, in executive management and senior leadership.⁶² Increased gender diversity on boards and senior executive positions is associated with better financial performance.⁶³

Catalyst research from 2011 of Fortune 500 companies shows that companies with the highest proportion of women on their boards performed significantly better than firms with the lowest proportion.⁶⁴

A study from the US examined the performance of 1,500 companies over 15 years and showed that women's representation in senior management is associated with improvement in organisational performance where a company focuses on innovation.⁶⁵ The study showed that at an average^{ix} level of innovation intensity, the presence of a woman in top management amounts to creating extra market value for each firm of about US \$44 million.

Research by McKinsey examined 366 companies across Canada, the UK and the United States and found that companies within the top quartile for gender diversity were 15% more likely to have higher financial returns than their national industry medians.⁶⁶

^{viii} Participation rate is the sum of the employed and unemployed divided by total population from age 15 onwards.

^{ix} Firms where research and development expenses were approximately equal to 3.4% of their assets from the previous year.

Moreover, the correlation between more female leaders in top leadership positions and increased financial profitability was evident in an analysis of the performance of 21,980 firms in 2014 in 91 countries by the Peterson Institute for International Economics.⁶⁷

Diversity, women in leadership and organisational performance

Diverse teams are associated with greater innovative capacity of an organisation. International research examining gender diverse teams suggests that more gender balanced teams are better in promoting an environment where innovation can flourish compared to teams of one particular gender.⁶⁸

A study by Credit Suisse acknowledges that there are a range of reasons why company performance and gender diversity may be linked.⁶⁹ One factor is that well-managed diversity brings together varied perspectives, produces a more holistic analysis of the issues a company faces and spurs greater effort, leading to improved decision-making.

The research by Credit Suisse from 2012 also suggests a link between female directors and performance in businesses, with companies with at least one female director showing better financial outcomes on a range of measures, such as share price, than those where there was no female director.⁷⁰ Similar research by Credit Suisse in 2016 reaffirms that more women in senior leadership leads to greater return for shareholders.⁷¹ A number of other studies show a positive relationship between women in leadership roles and financial performance.⁷²

Improving gender diversity across the entire workforce may be associated with improved company performance. The research into over 500 US companies found a link between a gender diverse workforce and the organisational performance using measures such as sales revenue and number of customers.⁷³

Addressing structural labour market problems

The Australian labour market is changing and projected to change further over the coming years. The Department of Employment's job figures show that since 2010 employment in male-dominated industries declined, including Manufacturing (declined by 12.0% since 2010), Mining (declined by 3.8% since 2014) and Agriculture, Forestry and Fishing (declined by 11.3% since 2010), and employment in traditionally female-dominated industries increased, including Health Care and Social Assistance (increased by 20.3% since 2010) and Education (increased by 10.4% since 2010).⁷⁴ In addition, over the next five years jobs in male-dominated industries are projected to decrease further while jobs in female-dominated industries are projected to increase. Initiatives and programs that encourage men to enter traditionally female-dominated industries contribute to closing the workforce gap, emerging from the changing industrial and occupational landscape in Australia.

In a recent economic simulation study by the UK-based Women's Budget Group showed the effects of investing 2% of GDP in the care industry and the construction industry in the UK, US, Germany and Australia. According to economic modelling investing 2% of Australia's GDP in the care industry (including for training and professionalisation) would create 614,000 new jobs with a higher proportion going to women, while investing in the construction industry would lead to 390,000 new jobs. However, the model suggests that investing in the care industry would mean the female participation rate in Australia would increase by five percentage points which would have positive effects on economic growth in the mid-term.⁷⁵ Investment in the care economy would set a clear signal in relation to the value of care work in general leading to improved employment conditions and therefore may increase the appeal for men to enter the field. In sum, investment in care may lead to a more gender balanced workforce in the Health Care and Social Assistance sector.

Recommendations to address gender segregation in the Australian workforce

The interrelated social and economic factors that underlie workforce segregation mean that there is no single solution. A combination of initiatives and programs that encourage women into male-dominated industries and occupations and men in female-dominated industries and occupations are needed to address gender segregation in the workforce. Some examples by government and employers are showcased below:

Promote non-traditional career paths

The evidence shows that traditional and perceived patterns of where women and men should work are persisting and such patterns can be seen in tertiary education enrolments. This suggests that the causes and consequences of gender segregation should be addressed in primary school, high school and university education. Much focus by state and federal governments has been on increasing the number of women in the science, technology, engineering and mathematics (STEM) fields including by the Australian Human Rights Commission, the [Male Champions of Change in STEM](#) strategy as well as the Science in Australia Gender Equity ([SAGE](#)) project. There are fewer initiatives to encourage boys and men to consider careers in female-dominated industries and occupations.

In 2014 a report by the Health Workforce Australia projected a shortfall of nurses of approximately 85,000 by 2025 and 123,000 by 2030.⁷⁶ Research highlights the challenges men face in female-dominated industries, including low wages and the stigma attached to doing 'women's work', discourage men to enter female-dominated occupations and industries.⁷⁷ Addressing stereotypes and stigmas, negative perceptions surrounding female-dominated industries may lead to men entering the sector and potentially minimising the workforce gaps in nursing.

WGEA - *Women's work | men's work*

In August 2016 the WGEA launched the '[women's work | men's work](#)' initiative.

Women's work | men's work aims to challenge stereotypes and inspires conversations about alternate career paths by portraying women and men non-traditional careers. It displays three men working in traditionally female-dominated roles, including in aged care physiotherapy, in nursing and early childcare education. It also shows three women working in traditionally male-dominated industries, including engineering, science and computer solutions architecture.

Women's work | men's work is targeted mainly at young people and provides a resource for education providers and career advisors. Information material for use in classrooms and at home, including posters, postcards as well as research material and factsheets are available for download or in hard copy. The initiative was well received by industry groups, schools and the media.

Promote gender equality in organisations

WGEA encourages organisations to implement a number of measures and initiatives that contribute to gender equality and to reducing the organisational gender pay gap. These organisational measures and initiatives are not only helping to reduce the gender pay gap but they are also helping to balance gender segregation.

Use gender equality benchmarks

The Agency's customised, confidential gender equality Competitor Analysis Benchmark Reports (CABR) give individual organisations the opportunity to identify areas of strength, along with opportunities to further improve their performance against the six GEIs, by comparing themselves to other organisations of a similar industry or size. The CABRs include the vital gender equality metric of a confidential, company specific, organisation-wide GPG, encouraging employers to improve their gender equality performance in this area.

Encouraging employers to analyse and act on organisational gender pay gaps

The programs that employers introduce to address the GPG in an organisation may also address occupational segregation and result in greater economic security for women. Remuneration data highlights the financial cost to Australian women of not having access to the same opportunities at work as men. Across the WGEA reporting population, full-time working women earn a base salary that is 17.7% less, and total remuneration that is 23.1% less than full-time working men.⁷⁸

Analysing and addressing an organisational GPG requires employers to consider strategies to encourage women into higher-paying roles, which include technical, specialist and manager roles.

The CABRs are the gateway for employers to conduct further analyses of any pay disparities among their female and male employees. In 2016, 27.0% of reporting organisations had conducted a remuneration gap analysis, 21.6% had analysed performance pay to discover gender bias (including unconscious bias) but

only 6.1% of employers set a target to reduce like-for-like GPGs, and 4.4% set a target to reduce their organisation-wide GPG.⁷⁹

WGEA provides a range of [free resources and tools](#) for employers to work towards achieving gender pay equity. While some employers are taking action, many more need to be encouraged to begin.

Encouraging organisations to normalise flexible working for women and men

Encouraging flexible working for women and men is an effective gender equality strategy. Flexible working policies can be the tool to manage family and wellbeing commitments and careers and help balance gender segregated workplaces.

Recent Australian research shows that flexible working along with autonomy and job security is critical for mental health, particularly for fathers.⁸⁰ This suggests that flexible working positively contributes to the time men spend in unpaid care work. Encouraging men to work flexibly would not only enable them to savour the joys of parenthood, but it would also help women to participate more fully in the workforce.

There is much that employers need to do in promoting and encouraging flexible work for both women and men. WGEA data shows that 62.9% of employers have a policy and/or strategy on flexible working arrangements. A similar proportion of employers (56.5%) have a family and caring responsibilities policy and/ or strategy. Over half (53.5%) of employers offer non-leave based measures to support employees with caring responsibilities. The main measures provided are referral services (47.3%), breastfeeding facilities (53.6%) and targeted communications (26.9%).

The WGEA [Flexibility toolkit](#) provides organisations with a roadmap to adopting a strategic approach to flexibility, including education resources to support the flexibility journey.

Encourage women's participation in male-dominated occupations/fields and industries

Some organisations in male-dominated industries, such as Construction and Mining are taking a strategic and systematic approach to workplace gender equality. These approaches are addressing entrenched gender segregation in workplaces and are contributing to closing the gender pay gap. Some male-dominated organisations are focusing on attracting women at graduate level, and promoting women into line and operational leadership roles, which will increase the likelihood of women becoming CEO. Some of these organisations, along with other best-practice examples, have been profiled below.

Attracting female graduates into a male-dominated industry

In 2016, AECOM an engineering and construction company hired around 130 graduates across Australia and New Zealand, with just under 30% being females. CEO Lara Poloni and the executive team wanted to do better and set a target of 50/50 gender split. To attract a wide range of graduates and to elevate AECOM's on-campus profile, a more strategic approach was required for the 2017 graduates' intake. AECOM used Gamification tools^x as part of the short-listing assessment process, with eligible graduates logging in from home to complete an aptitude assessment. Testing numerical reasoning, spatial awareness and mental agility, the assessment comprises of four parts which look and feel like a computer game. The game-based model feels less like a test and reduces the potential anxiety some candidates might feel about completing an assessment.

"Considering the low representation of women studying STEM subjects in Australia, I'm proud of the 2017 graduate recruitment intake of 170," says Poloni. "We have managed to achieve a 46:54 female/male gender split – with 100% gender pay equity."

There is still a real challenge to achieve the 50/50 split, but the undergraduate recruitment strategy continues to evolve and the company continues to develop relationships with female student societies on campus and are also hosting in-house women in STEM events.

Retention of female employees

Alcoa's workforce is made up of 83% male and 13% female employees. To improve the recruitment, development and retention of women at the company, Alcoa has created the global Catalyst for Change

^x Concept of applying game mechanics and design to non-game contexts. E.G. to engage applicants with the companies brand.

(C4C) initiative. The initiative supports the company's strategy to achieve an inclusive work environment, raises awareness of the importance of gender diversity and creates an environment where talented women are supported to progress through the company ranks. The campaign is rolled out on work stations at the refineries, mine sites and head office.

The sponsorship and mentoring program significantly increased women's confidence and as a result more women are putting up their hands for career opportunities. Alcoa also reports that the organisation offered several secondments in areas outside of female operator's expertise. The initiative has had an impact on team managers as they are actively seeking mentoring and sponsorship opportunities for women. In addition, the organisation has employed a record number of female apprentices in 2016.

Promoting women in male-dominated occupations

MYOB is a tax and accounting software service corporation. In 2016 MYOB started the 'DevelopHER' program, a 10 week paid internship program in software development specifically targeting women.

MYOB generally recruits for open software engineering roles on a year-round basis. Very few of these applicants are women. Based in Victoria, the DevelopHER program takes women who have been out of the workforce for some time or have worked in non-software roles and teaches them to code. In their own words – it's aimed at women who didn't have the capacity to retrain themselves through formal study.

Promoting women in leadership

Since March 2015, Mirvac is now one of a handful of ASX-200 listed companies to have 50% or more female directors on the company's board. This was achieved through setting a target of 50% of the board representation to be female. The original timeframe was 2018. The organisation found that the success of targets depends on top-down support and accountability achieved through a reporting progress to management. Thus Mirvac tracks and reports female representation targets on a monthly basis, including the percentage of females at senior and management levels. Mirvac also requires that 50% of candidates on leadership shortlists are female. The percentage of female applicants shortlisted is also reported in a monthly HR scorecard which is reported to the CEO and Managing Director.

Raising awareness – unconscious bias training

Carsales.com has embarked on a journey to promote gender equality within their organisation and industry. A key feature has been unconscious bias training for the executive and senior leadership teams, which is to be extended across the whole organisation. The training has enlightened employers about the subtle ways gender bias can creep in to the workplace and has sparked a new process for reviewing job advertisements so as to be more appealing to women and men – for example highlighting opportunities for flexible work and equal opportunity objectives.

Encourage men's participation in female dominated fields/occupations and industries

Compared with action being taken in male-dominated industries, few organisations in female-dominated industries are taking strategic and systematic approaches to attracting and retaining men into the industry.

The Agency is aware of some examples of female-dominated organisations using strategies to recruit men, including targets, work experience programs for boys in schools and removing gendered language in job listings.

Research into gendered language in job listings confirms that men are less likely to apply for jobs if the advertisements are using a more feminine language, including terms such as "care, fosters, non-profit and families".⁸¹ Aged-care centres in particular are starting to use de-gendered language in job advertisements to attract more men into the sector.

Conclusion

While women's participation in higher education and paid work has increased significantly in recent decades, patterns of industrial and occupational segregation have remained entrenched.

Industrial and occupational segregation by gender is linked to wage inequality, as women's work has historically been undervalued.

WGEA data shows that female employees are remunerated less than male employees across all occupational categories and this contributes to economic inequality between women and men.

This means that women receive lower rewards from investing in their tertiary education and from their work experience than men.

Female-dominated workplaces have far greater proportions of part-time and casual work, reflecting the greater caring and domestic responsibilities borne by women, but also offer lower wages.

This suggests that the availability of non-full-time work is a contributing factor towards gender segregation in Australian workplaces, as male-dominated workplaces have smaller proportions of part-time employees and full-time employees tend to work longer hours – attributes that may deter people with family and caring responsibilities.

Addressing the factors that are driving gender segregation in workplaces leads to improved social and economic performance. Actions that can be taken to decrease segregation include:

- Promote gender equality in organisations:
 - encourage employers to analyse and act on organisational gender pay gaps
 - normalise flexible working for women and men
 - educate on discrimination and unconscious bias, creating opportunities for more women to progress into leadership positions.
- Promote non-traditional career paths: attracting females into male dominated industries and men into female-dominated industries.
- Tackle the stereotypes that women and men face about the kind of work they do and how they engage with the workforce – this will be critical to breaking down entrenched patterns of segregation.

There are many programs now encouraging women into STEM fields, in recognition that the full breadth of talent available will be needed to drive growth and innovation.

There is still little focus on the need to attract men into female-dominated industries including nursing and aged care, despite the forecast of job growth in human services.

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- ¹ ABS (2016), *Labour Force, Australia, Jan 2016*, cat. no. 6202.0, viewed 24 February 2017 <http://www.abs.gov.au/ausstats/abs@.nsf/mf/6202.0/>
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