

Discussion Paper

Women and the Future of Work

March 2021

Australian Federation of Business & Professional Women (BPW Australia) has teamed up with the economic Security4Women to survey women on their experiences and expectations on the future of work in Australia.

Part of the background to the results was the disruption to work as a result of the COVID-19 pandemic, which has impacted on employment, hours worked, workplace participation, incomes and in many instances, the workplace. COVID-19 also had a significant impact on unpaid work, with unpaid care work a high-profile issue in the survey results.

There were many important work place themes and structural changes in the labour market unfolding before the emergence of COVID-19 and these are also incorporated into the findings and issues as to how the labour market will evolve in future.

In presenting and assessing the findings, we have endeavoured to come up with concrete policy recommendations to deal with the issues raised. These are presented at the end of the paper.

The survey

There were 144 responses to the survey which asked questions relating to the future of work and financial security. It was a solid response, but we note the following characteristics of the respondents:

- The geographic coverage was excellent, with responses from all States and Territories.
- 70 per cent of respondents had tertiary education.
- Just under 40 per cent were working parents.
- Less than 5 per cent of respondents were from women of ATSI or CALD backgrounds.
- Over 75 per cent were aged 45 years and older.
- 75 per cent of respondents were in paid work – either casual, part-time, full-time or are self-employed.

In preparing this report, we note, where necessary, these above demographic characteristics, in determining the issues and recommendations for change.

The results and analysis

The key findings confirm some unfolding changes in the labour market both prior to the onset of the COVID-19 pandemic and since it hit the Australian economy.

Hours worked:

In response to the question on the number of hours worked, half of the respondents indicated that they were happy with the current hours they worked, only 10 per cent would prefer to work more hours while a substantial 40 per cent wanted to work fewer hours.

Pay:

Approximately 70 per cent of respondents thought it 'unfair' that there were large pay gaps in relativity to the skill set of the worker. This reflected the so-called 'gendered pay gap' which shows that most sectors of the economy, with a high proportion of male workers are paid more per hour than sectors with a high proportion of female workers.

90 per cent of respondents did not have confidence that the current policy settings valued caring work and the value of work in women-led sectors at the same rate as non-care work.

In terms of pay reform, 90 per cent of respondents saw there was an opportunity to change this by lifting the value (pay rates) for female dominated industry sectors.

Pandemic and working from home:

The trend to working from home (remotely) as a result of the COVID-19 pandemic saw respondents judge that the future of work would be at least partly remote. It should be noted that some occupations cannot be undertaken remotely – construction, large parts of health care, transport by way of a few examples.

Only 10 per cent of respondents thought that the future of work would involve no remote working. These could be in the sectors where such work is not possible. The other 90 per cent judged there to be a trend towards some remote working, with a 60 per cent majority judging that 1 or 2 days a week could in future involve remote working. Only 10 per cent thought that work would be fully remote.

Flexibility

There is a broad range of studies that show how women undertake the bulk of unpaid care of a family, including the impacts of the 'sandwich' generation. This highlights the need for flexibility of work hours in the paid workplace. Traditional face to face full time work places constraints on the ability of many women to undertake both paid work and family care, with the result being a lower workforce participation rate for women.

A significant 90% of survey respondents thought that greater workplace flexibility was important when it came to meeting caring responsibilities.

One of the encouraging results from the survey was that 60 per cent indicated that they were 'very satisfied' with their current workplace flexibility with a further 30 per cent neutral on the question, being neither satisfied nor dissatisfied.

Interestingly, only 10 per cent said they were dissatisfied with the lack of workplace flexibility or that there was no flexibility.

Employment levels:

The outlook for employment was broadly neutral with roughly equal numbers of respondents indicating the headcount in their work place would increase or decrease over the next 18 months.

At a time when overall unemployment and underemployment rates, particularly for women, are still well above the pre-COVID-19 levels; this is disappointing as it suggests the path towards full employment is still some time away.

Women's workforce participation:

A particularly interesting aspect of the survey related to women's workforce participation. By way of background, women have a 10 per cent lower workforce participation than men, a gap that is costing the Australian economy tens of billions of dollars each year.

The gap has closed from 20 per cent three decades ago, but for women's economic security to be enhanced, a further increase in female workforce participation is essential.

In terms of the priorities noted by respondents to increase the female participation rate, 80 per cent noted the availability of childcare. This issue has dominated some other work of eS4W and other bodies when looking at ways to increase female participation in paid work.

There was general pessimism about the outlook for childcare reform with just 35 per cent of respondents believing that childcare would be affordable and accessible within the next 5 to 10 years. This is an important and obvious roadblock to boosting female workforce participation and also a constraint on enhancing the economic and financial security of women.

The other major issue cited as a barrier to women's workforce participation, was the growing casualisation of the workforce which was cited by 60 per cent of respondents.

Superannuation:

The future of work was identified to have another challenge, this time in the form of superannuation savings in retirement.

It remains the case that women, across all age cohorts, have significantly lower superannuation balances than their male counterparts. This is because of the persistently wide gender pay gap, women spending time out of the paid workforce to nurture their children and because the predominance of unpaid care work is undertaken by women.

The survey confirmed eS4W's concerns about superannuation with only 55 per cent of respondents judging that they would retire with enough superannuation so that they would not require the age pension.

Home ownership:

Home ownership is a critical issue for women in retirement. Without an adequate level of superannuation, having to pay rent on the pension will see many women in, or on the cusp of, poverty.

According to the survey, only 70 per cent indicated that they were confident they would retire owning their own home debt free. The other 30 per cent will face significant financial stress.

Recommendations relating to the future of work:

The 'right' policy settings will enhance the economic and financial security of women via changes in the way we work.

Key benchmark goals are a zero gender pay gap and a zero-gender superannuation gap.

BPW Australia and eS4W see some of these policies focussing on:

- Further progress in the provision of affordable and accessible childcare. This will boost female workforce participation and improve workplace flexibility, which in turn would alleviate for at risk women, the issues concerning women's income and superannuation.
- Education, skills and training need to be world class. This allows women to fully participate in an ever-changing economy with the skills to access higher remunerated work.
- Increase pay for women in work, through the Fair Work Commission, for sectors of the economy dominated by female workers.
- Funded through the Federal Government, pay superannuation on parental leave and unpaid care work.

Acknowledgement

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economic Security4Women

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