

Transcript

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 Item: **NATIONAL PRESS CLUB PANEL DISCUSSION ON THE ISSUE OF EQUAL PAY.**

INTERVIEWEES: TANYA PLIBERSEK, MINISTER FOR STATUS OF WOMEN; HEATHER RIDOUT, AUSTRALIAN INDUSTRY GROUP; ILONA CHARLES, NATIONAL AUSTRALIA BANK; PROFESSOR MARK WOODEN, MELBOURNE INSTITUTE OF APPLIED ECONOMICS AND SOCIAL RESEARCH AND UNIVERSITY OF MELBOURNE

Demographics:	Male 16+	Female 16+	All people	ABs	GBs
	N/A	N/A	N/A	N/A	N/A

SPEAKER: Today at the National Press Club a special gender equity forum. Forty years after Australia's first equal pay case, women still earn just 84 per cent of what their male counterparts get paid. A panel of government, business and academic figures including the status of women minister, Tanya Plibersek will today discuss why there's still a pay disparity.

KEN RANDALL: Ladies and gentlemen, welcome to the National Press Club and today's National Australia Bank address. It's a great pleasure to host something a bit different today, not that the subject is different, we've been talking about it for decades but we don't seem to have made the progress that many people think we should have and certainly many people hoped we would.



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For obvious reasons there are people who know far more about this subject than I do, and one of them is Misha Schubert, my distinguished colleague from the board of the National Press Club, and a correspondent - a political correspondent of *The Age* in Melbourne - and she is going to moderate today's event. Please welcome Misha to tell you how it's all going to be run.

MISHA SCHUBERT: Well thank you very much Ken and can I add my welcome to you all to the National Press Club today for this very special forum on gender equity issues. We're very pleased today also to have amongst us Liz Broderick, the Sex Discrimination Commissioner, and Anna McPhee who heads the Agency for Equal Opportunity for Women in the Workplace.

There are a couple of apologies today also, unfortunately Sam Newman was not able to make the event, but we will be thinking of him. Before I begin, we just want to say that we'll have a moderated panel debate at the outset and then draw in our working journalists who will hopefully put our distinguished panel under the grill.

And the background to this issue, is as Ken has said, a very long running one. On the 16 of December 1972, just a couple of months before I was born, the front page of *The Age* for whom I now work, carried the banner headline, Victory for Women in Equal Pay Case.



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The day before the full bench of the then Commonwealth Arbitration Commission had handed down the second of its landmark judgements which enshrined in Australian law, the principles that women should be paid the same wages as men for doing the same work - a shocking leap forward in our history - and for work of comparable value.

In a three stage battle unions pushed first for the basic principle to be recognised, then pursued a test case to eliminate the persistent 25 per cent pay gap between men and women's wages. And finally reopened the national equal pay case represented by barrister Mary Gaudron, who of course would go on to be on our High Court, to extend the principle to ensure that women performing predominantly women's work would get the same pay as men.

Alas, fast forward 35 years, and it remains illegal for an employer to pay women less than men for performing exactly the same job. But, what has stubbornly refused to disappear over these past three and a half decades is the gap between the average earnings of women and men.

The size of that gap has varied over time, closing at times and then opening again in recent years. And we'll spend some time with our panel in a moment discussing why that's been the case, and what, if anything, should be done about it, before turning the floor over to our working journalists.



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But first to set the scene, and to convey the Government's thinking on this issue, we are joined by the Federal Minister for the Status of Women, Tanya Plibersek. Tanya has had a long standing interest in innovative public policy, dating back to her life before being elected to the federal parliament. Those who've known her for quite some time might even assert that she's a bit of a wonk.

So we're keen to hear her prescription for what government can or should do about the gender pay gap. Would you please welcome Tanya Plibersek.

TANYA PLIBERSEK: Thank you very much for that introduction Misha, I think. Fortunately we're living in a world where being accused of being a policy wonk is no longer a crime that you get you know drummed off stage for.

I want to start by acknowledging that we're meeting today on the land of the Ngunnawal people and pay my respects to their elders. I also want to thank Ken for his introduction and for his invitation to be at the National Press Club for the second time in a fortnight. It's always great to be up here being questioned by some of the best and brightest in the country.

We're very lucky today also to have Liz Broderick, the Sex Discrimination Commissioner, Anna McPhee the head of the Office for Equal Opportunity for Women in the Workplace, and Julia



Burns the head of the Office for Women here with us.

You all know, that women earn, on average about 15 per cent less than men. Data sources and income measures vary, but on almost every measure, women are earning less than men.

The impact of that long term inequity is that we now have a generation of women who are retiring, with on average, less than half the retirement savings as men. It's obviously a major economic problem for those women, but it's also a serious issue for our nation.

It's not just a historical problem. The generation of women who are entering the workforce today, continues to face, a career of lower earnings. From the moment a woman enters the workforce, she's likely to earn less than her male colleagues regardless of her career, industry or level. There are exceptions to this, but they are few and far between.

Male graduates are commencing employment on a median salary of \$45,000 a year while female graduates are starting work on about \$3000 per annum less. We know that the causes of pay inequity are complex.

Firstly, women's employment is concentrated in lower paying industry sectors and occupations. The huge pay gap that's opened up in Western Australia,



for example, is due to the mining boom and is largely driven by the fact that men are more likely to work in the mining sector and in related fields.

Secondly, women are more likely to take time out of the workforce to raise children or to care for aging or other dependent relatives. Caring's good, our community relies on carers. But the economic costs to those carers go beyond immediate lost earnings, to lower lifetime earnings and lower retirement incomes.

Thirdly, women's skills are sometimes undervalued with women still being paid less than men for doing essentially the same job in some areas. Our Equal Opportunity for Women in the Workplace Agency released a gender income distribution of top earners report on pay disparity at senior levels of the top 200 companies on the Australian Stock Exchange.

It found that female CEOs earn two thirds of the median wage of male CEOs and female chief financial officers and chief operating officers earn just half the median wage of their male equivalent. So you're talking about, the top earners in the top companies in Australia. That's not about gender segregation in the workforce or seniority or responsibility. That gap is caused by something else, we don't know what that is.

The challenge for the Government is to act where we can. We know that pay equity for women got



worse under WorkChoices and we have to redress some of the drivers of that growing pay gap. The Rudd Government will restore a fair and balanced industrial relations system.

We are providing support for women in a number of ways, including through our national employment standards, 12 months of unpaid parental leave for each parent or if the family prefers, one parent can request an additional 12 months leave which the employer may only refuse on reasonable business grounds.

A parent may request flexible working arrangements until their child reaches school age, which the employer may also only refuse on reasonable business grounds. I'm sure Mark will have something to say about this later.

Bargaining, no more AWAs. We know that AWAs were behind some bad pay results for vulnerable workers, including many women. Also the Australian Industrial Relation Commission must have regard to and promote the principle of equal remuneration for work of equal value in the award modernisation process.

Collective agreements will only be approved where they leave employees better off, over all, than the safety net of the modern award system and the national employment standards.



Women on collective agreements earn higher average rates of pay than women on awards or individual AWAs - agreements. And the gender pay gap is narrower under those collective agreements.

In terms of unfair dismissals; employees who have been unfairly dismissed will be entitled to bring a claim for unfair dismissal subject to minimum qualifying periods.

We're working also on easing the pressure on working mothers and their families by delivering better quality, more affordable, more available childcare. The establishment of an office for work and family, and the Productivity Commission examination into paid maternity leave.

The Equal Opportunity for Women in the Workplace Agency will continue to work with business and I've asked them to focus on pay equity issues in their work.

The Australian Fair Pay Commission has commissioned research into factors influencing gender pay equity in Australia, and in particular, with a particular focus on low paid employment. Next week, we'll see a budget delivered that I hope, and I believe, will encourage greater participation of women in the workforce.

The state governments have been plugging away at this issue for many years and they've been doing it



with not much support from the Australian Government. And I'm pleased to announce, today, that the Australian Government will become party to the Commonwealth States Territories and New Zealand Ministers' Conference on the status of women national pay equity working party, this is a body that the previous government stood aloof from. And I'm happy to say that we have signed up to that recently.

We want to use the best minds of our government and all of the evidence available. And we're looking forward to working with the states and territories on that issue.

Since being appointed the Minister for the Status of Women, I've asked my Office for Women to focus really on providing much more substantial policy advice including in this area. I want the research skills and the information available to OFW to be used to assist my colleagues to get better results on pay equity.

There's no simple way of addressing this issue. It will require a whole of community approach. It will require the input of business and the community more generally. And to start off that process, last week, the Office for Women hosted a round table with people from the community, academics who've worked in this area and others, to discuss ways of progressing gender pay equity.



I'm looking forward to leading many more of those active discussions to focus on the result that we want to achieve, which is a smaller pay gap between men and women.

I also want to say that pay inequality, or pay inequity, determines to a large extent, who does a lot of the work at home, the unpaid work. And I think in many ways, discourages or prevents fathers from playing a more active role with their families and experiencing the fulfilment that that can bring.

It opens up much broader questions about care and unpaid work in our community and how we value carers. Pay equity is fundamental to the strength of our economy. Recruiting and retaining skilled female workers is a solution to the skills shortage and a benefit to the Australian economy and workplaces more generally.

And most importantly, equality between men and women is the principle that lies at the heart of a fair and just Australia, and a productive Australia. And it's one that the Government is committed to supporting. Thanks.

MISHA SCHUBERT: Thank you very much Tanya. Now of course this wouldn't be much of a debate at all if everyone agreed with each other. So we're delighted that Professor Mark Wooden, the Deputy Director of the Melbourne Institute of Applied Economic and



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Social Research at the University of Melbourne has agreed to join us today.

He's written extensively about trends and issues in the workplace, over his long career. And Mark two months ago you leapt into print with an opinion piece arguing essentially that, whilst there was a sizeable gender pay gap in Australia, governments can't really do much about it and that just because some occupations seem better rewarded than others, provides no case for intervening in the market. Why not?

MARK WOODEN:

Misha, well my take on this is that there are a number of reasons for the gender pay gap. The minister's touched on a number of those. But the biggest one, accounts for easily the majority of this, is the lesser rates of career progression among women compared to men - again the minister talked about that, briefly.

When you look at, for example the unskilled, there really is no gender pay gap, okay amongst people on low pay. The gaps start to emerge as we move up the income spectrum and look at high paid occupations. And essentially it's because the earnings we earn - our earnings power grows as we accumulate experience and skills and the simple fact is that men, on average, accumulate these things at a faster rate than women do.



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So one of the factors that causes the problem, childbirth; so there are career interruptions that occur there. And that is something that the Government can do - can help with and of course we all know about what's happening re maternity leave at the moment, so there is moves afoot there.

And the other area is just simply that men work longer hours on average. So you tend to find that high achievers; and it's the high achievers where these big gaps occur, are working these 50, 60, 70 hour work weeks.

A quarter of men work more than 50 hours.

TANYA PLIBERSEK: [Indistinct].

MARK WOODEN: Exactly, exactly. So then we have a look at the gender segregation amongst politicians and we tend to find there's not so many women as men, presumably, though that's changing gradually.

So the question is, how can - what can we do to presumably promote women more rapidly in their careers. Now that leads down the path of affirmative action I guess. But in Australia at least, of what I understand affirmative action to mean, is really equal opportunity. And I think we do have equal opportunity by and large in our workplaces.

If I take my employer, University of Melbourne, it's continually winning awards as employer of choice,



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you know for equal opportunity. But the facts are that the professoriate is overwhelmingly male and remains so. And while the professoriate is overwhelmingly male, it's going to create a gender pay gap.

So they're all professors, men and women are paid the same roughly, you know lecturers, senior lecturers they're all paid the same, but there's fewer women who are getting to the top, okay. And it's got a lot to do with the women are not prepared to put in those 50 hour work weeks.

So what can they do about that, what can they do? The second thing we can - so affirmative action isn't going to work, because what you need is inequality of opportunity. The programs have to promote women over men irrespective of who's the better person for the job. I think that's actually illegal at the moment, is it not minister? So that's not going to happen. I don't think it's consistent with the values of Australians.

The second thing - the other thing that people talk about is making work more family friendly. So if we can combine, make it easier for women to combine family and work, then maybe they can pursue careers. And I think that is - there is an element there that's going to help, particularly with career interruptions.



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But at the end of the day, it isn't going to turn so many women into pursuing these long hours jobs. You only have to look at economy like Sweden which is widely regarded as having the most family friendly policies in the world, yet their gender pay gap is very little different from here.

And in fact, in terms of females cracking into the boardroom, very few Swedish women are in senior management positions, far less than in America for example, which is not known for its family friendliness. So a very difficult thing to tackle.

MISHA SCHUBERT: Thank you so much for that Mark. And we will come back to some of those points and pick them up in conversation. Looking more broadly across the industrial landscape, unions and businesses have at times worked together on some of these issues, and at times had pretty significant differences with each other about how these issues should be pursued.

And when unions were leading those charges in those early cases, industry often took the opposite view about the merits of doing so. Heather Ridout, from the Australian Industry Group, you're a woman who has broken through the glass-ceiling yourself to take the reigns of a major industry lobby; why has industry traditionally been hostile to these developments and is there any evidence that that's changing?



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HEATHER RIDOUT: Look I think as a woman who works more than 50 hours a week, feeling every hour of it, I think there's been a huge change of view by industry over the years on these sorts of issues. And just a couple of weeks ago, Liz Broderick and even Sharon Burrow and I put a joint opinion piece together in *The Age*, your paper, on paid maternity leave and it's a good thing.

And I remember when Pru Goward was in Liz's job, Natasha Stott Despoja and myself and her, we had another go at paid maternity leave and as a result, the baby bonus was introduced. And so I think we can actually claim some of the credit for that. But you know, the interesting thing about that debate was that there was this view that all women should get it, not just working women. And women didn't serve themselves well, I don't think, in a lot of that debate. But that's a subject for another time.

But in terms of businesses approach to these things, I think business is really growing up around it. I mean a lot of the discrimination I think against women, that Mark's talking about, is unconscious. I think they don't really realise a lot of it's happening.

They then have to make a conscious decision to review a lot of their pay structures and their remuneration structures, with that front of mind. And that means, looking at just not pay, but overtime access, a whole lot of bonus arrangements. So those sorts of things have to be looked at.



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The other thing that I think business has got to have a big look at is, part time work, which women like me had when I had very young children, and did it for quite some time. But we need to give those women access to promotion and to training and skills development. And that needs to be an active strategy by business.

And I think a lot of them are actually learning that, which are in the manufacturing sector, which is a big part of our membership, there's a much more conscious approach on this issue, and that's a very conservative industry.

Companies like General Motors are extremely progressive in this area, even though they only employ 10 per cent of women in their factories. So I think business is getting over this divide. They need smart women; GM want smart engineers - a lot of them are women. And I hope in my small way, as a leader of a very traditional, but very shiny bright industry organisation, I can set a good example.

And we've introduced paid maternity leave into our group when I took over; with the full support of our councils. And I think more than 50 per cent of our senior advisors are now women. And the senior echelon, about a third of them are now women.

And I think, that will change. And I think as more women assume leadership positions, these things will change. If I hadn't assumed that job, I suspect it



would not have changed in our own organisation that much.

So, you know we need to get more critical women at the top, a critical mass of women at the top and business I think, given skill shortages, given the emphasis on talent, I think it can happen. But I'm very - I'm not sanguine, unless we actively manage it, it will, because that's basically what we've seen in recent years; just let education deal with it, it won't.

A number of the women in this room and myself, had the great pleasure last year to host the Women's Leaders Network of APEC and there were a lot of Russian women there. And they said women are more highly educated than any man in Russia; there are more educated women, but the pay equity issues are huge over there.

And it's the same in Canada, there are more women than men who are graduates, but they're still not in the professions where they get access to highly paid jobs. So don't just think education's going to solve the problem. There has to be active management.

MISHA SCHUBERT: Thank you very much Heather. Now we're going to have a quick look at how some of these things are working in practice. Two years ago, in an innovative project, designed to be rather unusually transparent, the National Australia Bank and the Finance Sector Union joined forces to audit gender



pay equity across the NAB operations as part of their enterprise bargaining agreement.

Iona Charles, you're a senior executive with the NAB. Your company has faced the music and found a gap of 63 per cent I think it is, on the face of it, a bit of an eye-opener, but that's on par with the whole finance sector as I understand it, what are you going to do about it?

IONA CHARLES:

A very complex issue. Yes we did take a leading position on doing the audit and deliberately were transparent. I don't think it's something that you can lose on. I think it's really important that we are not directly discriminating against our women in our workplace. And the audit found that we were not directly discriminating, based on like for like roles.

Yes we do have a rather large average pay gap which is consistent with the industry and not satisfactory quite frankly, and we do need to do something about it. I guess similar to what Mark's actually pointed out, the issues are complex, and they're going to take some time to work through.

The prime findings that we came out with, one was around where women are in our workplace. So 60 per cent of NAB's workforce are women; mostly in customer service facing roles, in our teller positions, part time positions.



Most of the men are in our senior management and CEO roles. We do have a few senior executive women, one of which am I, but I'm in HR so you know it's a support function and many of our senior women are in support functions.

So job segregation was actually the biggest issue that we found. And that is not easy to fix. To Heather's point, we need to start to get a critical mass of women into our revenue generating parts of our business. And that needs to be role-modelled by our men and our women in terms of how we recruit, the systems that we have in place and a whole range of things, including flexible work practices.

So it really is for us, it's a cultural change journey; it's not an issue of discrimination. We have an abundance of family flexible work policies. We're not breaking the law in any sense. However, it's really difficult to actually get the role-modelling happening and for our women to actually want to work up into those senior positions that are very long hours. And we have to remove those barriers to enable women to get into those roles.

MISHA SCHUBERT: Thank you very much. Now of course on a day when the Productivity Commission has begun its hearings into paid maternity leave in Australia, and after weeks of budget speculation about whether our various family payments and baby payments might be means tested, I'm sure our working press might have a few questions also on a wider ranging gender equity portfolio. And our first question today is

from Mark Metherell with the *Sydney Morning Herald*.

QUESTION:

Thanks Misha. Mark Metherell from the *Herald*, if I could ask the minister Ms Plibersek, do you - can you undertake that the pay gap under the Rudd Government will close and if so, can you nominate the single greatest influence that will help that?

TANYA PLIBERSEK:

Well Mark it's our intention that over time the pay gap will close. I think that changing the industrial relations system to support the interests of more vulnerable workers will be potentially the most important part of that. I think some of the things that Mark was saying earlier, I guess represent, some of the barriers that we have to overcome.

I think the description that Mark gave of universities and how most of the professorial positions and more senior positions, end up being filled by men, that's not just a matter of women's broken working patterns or caring responsibilities. I think that reflects something that is a challenge for us a community and that is that senior people employ people like them. And you see that in organisations all the time; that people employ younger versions of themselves. That's not something that we can fix from government. But it is something that we need to be aware of as a community.



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And Dale Spender told a good story on International Women's Day at a panel that we had on that day, saying that she had a friend who was doing the pay negotiations for a very senior person in a university; a very good woman that they wanted to come on board, and she took the first pay offer that was made to her.

And Dale's friend who was employing her said, I was sitting there, wishing, wishing that she'd push me for more money because we would have; it was our opening offer, we would have paid her much more than that.

And Dale made the point that that's not how the negotiation should work, if they value her well enough to seek her out and offer a job, the university management should be considering what people in like positions, at their university, are being paid, whether they are men or women.

So there's attitudinal things like that that we need to change. This other issue of long hours equalling productivity I think is something that we - that we need to think about in Australia as well. I think that a lot of people waste a lot of time at work. And not me obviously, but some people I have heard do.

And if we support a long hours culture that says, unless you're working 60 or 70 hours a week, we're not just doing a disservice to women, we're doing a



disservice to men too, and to their families, and to their young children.

We know that a significant proportion of men in Sydney spend more time now commuting than they do with their children every week. That idea that high performers are in the office, you know until nine o'clock at night and every weekend on the weekend as well, I think that that's something we need to challenge.

And I think that modern managers are breaking up work in different ways, because they value the skill-set of a person, they say you are good at this part of this job. I understand your requirement is that you don't want to be here 70 hours a week, so I'm going to give you this part of this job and I'm going to hive off some of the rest of it. Again, that's not something that you do from government. But it is a culture change that we need in our community, so that managers understand that, it is possible to do some jobs that are important jobs; difficult, complex, technical jobs, whatever; three days a week, not five days a week or six days a week as many people are working at the moment. So that issue of managerial creativity I think is a very important one as well.

MISHA SCHUBERT: Our next question is from Sarah Smiles from *The Age*.

QUESTION: Hi, this is a question for the minister and also heather. Yesterday Wayne Swan said he thought paid maternity leave was a good idea. First to the minister, do you also think this is a good idea? And looking at some of the schemes ...

TANYA PLIBERSEK: That's a tough one, yes I do think it's a good idea.

QUESTION: Looking at some of the schemes that are being discussed at the moment, do you think Australian women should be settling for what the ACTU's proposal is; the barebones 14 weeks, on minimum wage, or whether or not they should be pushing for the best possible scheme, for example the one that's been proposed by Julia Perry?

TANYA PLIBERSEK: I'm not going to pick a scheme. We've only had, you know a couple of days really of public hearings. We've got until February when the Productivity Commission reports. I don't know what other information will become available in that time; what other proposals will be made.

I think that it's very important to support people at the time when they have young babies. It's a difficult time financially. We want to keep people attached to the workforce, if we can, by giving them leave and the ability to return to their jobs.

I think that countries that have good provisions for - in the area of maternity leave, but also in the area of childcare and early childhood development, have



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better workforce participation rates for women. We need good participation rates for women, our economy depends on it. So yes I think that we need a system of better support for people with very young children, but I don't want to pick a model today.

HEATHER RIDOUT: We obviously do support a government funded paid maternity leave scheme being introduced and have done so for some time, and I think though, even though that may seem a minimum scheme, when you complement it with the national employment standard issues around unpaid leave, et cetera and the increases in that, it's all part of that. And also I think the whole issue of childcare, it doesn't matter how long your maternity leave is, if you can't get your children looked after at a quality level when you want to go back to work and EOWA did some work on this and almost half of women said they would work more if they could get better access to childcare.

Frankly when you're a mother with babies, dropping them off somewhere that you're not too comfortable with, spending all your money, all the money you earn, on childcare which I did for a number of years, it's tough. You really have to be committed to working. I used to think why am I doing this. It's really hard yakka. So I think we need to get in place a proper paid maternity leave provision. That's a thin edge of the wedge, the ILO standard of 14 weeks on the minimum rate of pay seems to be a reasonable place to start.



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We need to complement that with continued improvements in access and quality to child care for all women. Then we start to build up together with the unpaid leave arrangements under the national employment standards. The right to request part time work is also important. It should be part of the standards. You know, you have to be conscious that a lot of businesses support this in principle and in practice but it's not straightforward for a lot of small companies to have to manage this sort of thing. We can be all very idealistic, that everyone should be able to request part time work. But it is rather difficult for small places to do this and the unreasonable hours case run by the ACTU and the family provisions case run by the ACTU a couple of years ago was very instructive when you read the submissions to that and we put in 21 affidavits from companies. They're all trying hard but it's not easy. So we have to be very balanced about it. There's no one silver bullet on this issue of women being keeping engaged. It has to be a systems approach. Can I also say what Alana said. We need more women in line positions where the money and the power lies. Women are getting into too many support roles like legal counsel and HR, et cetera. That's not good enough, it won't actually achieve the breakthroughs that are required.

But we all tend to go there, and as for the woman, not asking for as much as the bloke, I mean in the end she will leave that job, because someone will bid her away, she will work it out. But women have got to stick up for themselves a bit better and I think



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that woman needed to equip herself better when she went into that negotiation. Hopefully it won't happen to her twice.

MISHA SCHUBERT: Our next question is from Susanna Dunkley (*) from AAP.

QUESTION: Hi, I also have a question for the minister. A lot of the talk ahead of the budget is how the Government is going to focus on ways of helping mothers re-enter the work force and other family friendly measures. I would like to know what the Government is going to do for women more broadly and improving the status of women. Also is there scope to have a national enquiry into the gender pay gap. Is it time?

TANYA PLIBERSEK: We are, so I'm not going to speculate on anything that may or may not be in the budget. The Treasurer said pretty clearly that a target will be improving workforce participation, but beyond that I'm not going to speculate on the budget. Our key areas in the status of women portfolio which I think your question is going to more broadly, is this area, not just the pay gap but generally of financial security and independence for women and pay equity is one part of that, retirement incomes is another part of that. All of the, all of the things that contribute to women being able to make choices about whether they work, how much they work, and you know have a decent quality of life in retirement, even if they happen to have got divorced along the way.



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The other main area of focus for us is the area of violence against women. We will shortly be announcing the membership of our national council on violence against women that will develop a plan of action to reduce violence against women in Australia. We still have unacceptably high rates of domestic violence and sexual assault in this country. Some people think that these issues have been solved in Australia. They certainly haven't. They're the two main areas of focus for us.

MISHA SCHUBERT: Next questioner is Virginia Hausegger from the ABC.

QUESTION: Thanks Misha. Actually I've many, many questions but I will stick to one. Heather you're one of the few women that people like me, journalists, often quote and hold up as a shining light as one of the very few women that have broken through. Unfortunately it is just a handful, not thousands of you which is disappointing.

If we put aside the career disruptions and absence from work because of caring for families and child rearing, and if we put aside choices of professions but if we look at that top level of earners, after the EOWA report came out that shocked most of us to learn that right at that very top level, job for job, CEO for CEO, CFO for CFO women earned much less, considerably much less than their male counterparts. If we look at that and then look at the bottom level with graduates, and again Anna McPhee has often quoted the grad stats that show



that there is a \$3000 disparity between men and women, from day one, of graduating. From day one. If we take the bottom and the top, what is it that you think women are doing, if we put all those other variables aside, what is it that they are doing to work against themselves. Are we our own worst enemy because we don't ask for more, we don't demand more, and do you see women at the top perhaps working really hard assuming that they will be well rewarded and not asking when they should in fact be demanding.

HEATHER RIDOUT: I think there's a lot in that. I think women do believe that if they work hard, do a good job, the rewards will come. There's a lot of evidence to suggest that a male in a similar job will look at what his boss is doing and say I can do that, and usually gets promoted too early. A woman will sit back and say a promotion will happen to me, I will keep working hard making that guy look good and they end up being promoted quite a lot later. So women aren't their best advocates and I think we need to start to educate our girls much more around that.

I think with the CEO issue, it's also boards responsibilities often to appoint these CEOs and a lot of boards, we still haven't made an awful lot of breakthrough in terms of the number of women who are chairing public companies. The number of women on boards are still one to two on average and a lot of them are the same people. So boards appoint these people and set the salaries in many



cases and I think that's an issue that needs to have some focus on it.

At the graduate intake level, I think it's an affront that girls are being offered these lower salaries, and certainly I don't know why it should happen. If it's a different job or a different industry, you can net those sorts of issues out. But I mean I think that's a strange statistic that smacks of some discrimination. But I think women are getting more confident, education will help, it won't guarantee it, but I think women do need to be much more active in their rights. If you're a CFO and you're finding that you're not competitive, you really have to put your hand up and ask. You know, in our organisation, women are just as assertive about their rights as men and it's really good. But you know it takes a long time, Virginia to break down, that natural hesitation, that it will happen for me. I've never had to ask for anything, it will happen because I work hard and do well.

Well, you know a lot of people get promoted over above you who aren't as good but much better at asking. It's tough to do it. It doesn't come naturally to many of us.

TANYA PLIBERSEK: I just wanted to make an additional comment Virginia. I think that saying what are the people who are getting the salaries doing wrong, I know you're asking a provocative question but I think it has the question the wrong way around. The people who are determining those salaries are not being



MEDIA MONITORS

fair as managers but they're also not being smart as managers because we know that the main reason people change jobs is they are looking for more pay. The people that you value, that you've trained up, that you've invested in, will go somewhere else looking for higher pay because as a manager you haven't been smart enough to offer them what they're worth. It's such a waste of time and energy on everyone's part if you make the person responsible for the pay gap the person who's suffering the pay gap, instead of saying what are we doing as managers, that replicates, that continues this system.

QUESTION:

Can I just quickly draw Mark back in on that point and say women aren't in fact being their own best advocates. Is there a case for structural changes in the workplace and in bargaining to try and overcome that cultural difference?

MARK WOODEN:

I don't really have a view on that. I mean I don't know how you implement that sort of thing in a bargaining environment. How you manage it and where the big difference is occurring is these individual negotiations. They're occurring on one on one. It's how do you manage that. How do you as a government control that. I don't really have any insights.

ILONA CHARLES:

But as an employer don't you say I am losing people, it's taking me ages to retrain, every new person I employ it costs me a years worth of their salary to replace them at those senior levels. If I'm a

bit smarter about this I'd be able to keep my good people.

HEATHER RIDOUT: A lot of employers think like that.

ILONA CHARLES: And they do the sums and they work that through which is why a number of them offer paid maternity leave and a whole lot of other arrangements. They want to keep them. On bargaining, I mean I agree with Mark that a lot of the issue is probably around individual contract negotiations et cetera. But in collective bargaining for many years the women's issues really didn't come to the top. The trades based unions, male dominated unions, they'd go in with a set of claims. There'd be a lot of family friendly issues, maybe fifth or sixth, by the time the first round of discussions were over, they'd gone through to the keeper. So you know again the system hasn't always served women well. You know that Tanya.

TANYA PLIBERSEK: Or they'd offer to bargain them away.

ILONA CHARLES: Exactly. I think that's an issue that with the new collective bargaining arrangements and resting, virtually every enterprise agreement we're doing has family friendly work issues now in it. But a lot of the old facilitative clauses and we're talking about all that in this award modernisation, they had to be voted on by all the people in the bargaining unit. So if a woman wanted to start and finish earlier or something, all the blokes had to vote on whether



she was allowed to do it. Absolute rubbish. And that is in one of the major awards in Australia, which we have an interest in. So it's a long way to go on both sides of the divide on this issue.

MISHA SCHUBERT: Our next question is from Stephen Scott from the *Fin Review*.

QUESTION: Stephen Scott from the *Financial Review*. I have a question for the minister and for anyone else who'd like to jump in. I was wondering if you could give us a rough guideline about how much a woman has to earn before she is no longer part of a working family.

[Laughter]

And related to that, is or can there be, should the Government be doing something to help women at the very high echelons of the workforce, those CEOs and CFOs who earn much less than their male counterparts, should the Government for example be regulating or encouraging audits like that conducted by NAB.

TANYA PLIBERSEK: I think I'm going to let the first part of the question pass me by because I don't quite understand it. The question about what governments can do at the very senior levels that were picked up in that equal opportunity for women in the workforce agency report into the ASX top 200 top earners. I think that the main message from that was that companies are



MEDIA MONITORS

going to lose terrific talented people if they don't get their acts together. Knowing, having that information allows people who are going into what are essentially one-on-one negotiations, to push their case better I think. It is difficult for governments to intervene at that top level. I don't think it's where our priorities should lie. I think our priorities should lie in ensuring people who are on collective agreements, who are ordinary wage earners, are part of a system that's fair.

HEATHER RIDOUT: I think Stephen, government shouldn't really be focussed on that group as such compared to other groups that are in a much more needy position but I think they have to create a culture through offices like EOWA and the Office of Women that a lot of this information is around. Also women, the chief executive women's network is a network I'm a part of. They do a lot of good work, they've got a toolkit they make available to companies to do a lot of this sort of area. I think women need to actively be part of these networks. They'll soon find out what the story is and how they're doing against their peers, and often that's part of the issue. They'll get confidence from that. Men are very good at networking. Women aren't so good at networking, but that network is proving to be a very important one for women, for women CEOs and the CFO ones are growing as well. So you know I think over time that issue will hopefully, they'll come back, they'll converge, but women need to get armed with the information I think and the confidence.



MEDIA MONITORS

ILONA CHARLES: I just have a quick comment to follow up. I think it actually doesn't matter what level you are in the organisation, there are still some things that I think through government policy can help in terms of the gender pay equity so if you look at childcare or maternity leave, it actually doesn't matter what level you are in the organisation, those things are actually critical to your earning potential. So I agree with what's been said around the focus is not necessarily going to be on those most senior women but there are policies that I think impact women at all levels and actually not just women but parents in the workforce. That's the other thing.

MISHA SCHUBERT: One of our traditions at the National Press Club is to have visiting groups of school students, come and attend and act as interrogators themselves and we're lucky today to have members of the school, Birchip prep to 12 School in the Mallee of Victoria here and Elsie Coffee will ask a question on their behalf.

QUESTION: My name is Elsie Coffee, I'm 16 years old and I attend the Birchip P-12 school in the Mallee of Victoria and my question to the panel is can you suggest a date when genuine equality will be achieved in the Australian workforce.

MISHA SCHUBERT: And if not why?

TANYA PLIBERSEK: Elsie I think it will be when you're Prime Minister my friend.



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MISHA SCHUBERT: When no child lives in poverty.

HEATHER RIDOUT: Well it's a great aspiration to have and we should have it as an aspiration and we should work towards it but Nirvana is very rarely reached. We might exceed it. We might become more equal than men. Now that would be an ambition.

MARK WOODEN: I have a different take on it. I mean it is an interesting question. But you used the word equality and I take it you mean equal wages. We're going to have zero gap. I'm not sure, unless we have a massive change as a society I'm not sure women will want that. The reason why, the only way we can achieve this is if we have lots of role reversals. So lots of men behaving like women and lots of women behaving like men today. So the minister here talked about, the minister here talked about the role in the home. I think ultimately that's where the differences start and emanate. It comes from in the home. At the moment, what the traditional structure is, the man goes out to work, the woman stays home and does all the house work. Okay. With that sort of model it's always going to be a case where it's efficient for families to structure their arrangements that way. They will make much more money doing it that way.

So what's got to happen is you've got to get more families where the man is the carer, is the prime carer, opts out and the woman takes on a male role. But I don't think women in Australia want that. I don't think that women anywhere in the world want



MEDIA MONITORS

that and the other thing we have to take into account is that over the last, since we had equal pay, the gender pay gap has hardly changed. It's been static between on an hourly pay basis between basically 85 and 89 per cent the whole time. It doesn't matter whether we had the accord, it doesn't matter whether we had enterprise bargaining. It doesn't really matter whether we had WorkChoices, albeit so brief. It's very, very difficult to move that. So anyone who makes a claim that they're going to achieve a significant reduction of that gap into the 95 per cent, let's say. That's a big call. There's no economy in the world that's got there, at least in the Western economy.

TANYA PLIBERSEK: Mark there's another way of looking at it that's not role reversal but role sharing and that actually gives women access to - and not just gives them access but sustains them in the higher paid jobs when they've also got caring responsibilities but also gets men to share some of those caring responsibilities for their own families so that both the paid work in the family and the caring work in the family is more evenly distributed. I'm not saying that that should be imposed upon people but I think that a lot of families would like an arrangement like that if our social institutions supported such an arrangement.

MARK WOODEN: Share care is a fine aspiration. The problem is ...

TANYA PLIBERSEK: ... divorce in Australia at the moment.



MEDIA MONITORS

MARK WOODN: Those households that go the shared carer route end up being penalised in terms of earnings. That's the problem. Okay, so if you're concerned about earnings ...

TANYA PLIBERSEK:: But that's not the natural order of things, it doesn't have to be like that, we weren't born like that, it's not immutable, it's not unchangeable.

MARK WOODEN: Again I'd like to come back to the point the minister made and the crowd again got dismissive which is this issue of high hours. All high achievers in all walks of life, be it sport, be it entertainment, be it business, be it politics okay, work long hours or put in long hours into their activities, be it volunteers. Okay. I will be - I will look forward to the day the prime minister is down to a 100 hour work week let alone a 40 hour work week. I look forward to that day and see how long he lasts.

TANYA PLIBERSEK: I think that there are some roles that you obviously can't split. If you're a doctor on call in the emergency department of a major hospital you're not going to have family friendly working conditions. I think everyone accepts that but there are some roles that can be structured in a different way including some very senior roles and they're not now because we don't think creatively about how that work can be structured.

HEATHER RIDOUT: I think it's changing though. I mean I think, younger women are getting married. They expect their



MEDIA MONITORS

husbands to take a fair share of the load and you see guys with their babies these days. They're very different than they were 30 years ago. So there is a natural...

TANYA PLIBERSEK: [Indistinct]

HEATHER RIDOUT: ...and I agree with Mark - yeah, they do. They change a nappy, a lot of good stuff. But I mean I think the younger generation have got a different attitude than many of us had to that and try to do everything. This idea of a superwoman. I totally dismiss it. I think it's a ridiculous thing. Women just manage a lot of things. There's no such thing as women being super people. I mean they're just normal people struggling with a lot of loads and so that kind of thing I thought was really bad for women. It was a really negative kind of label to put on us who had managed to have children and work. It made us out to be something special. We're not. We're just people who struggle along. But I think these days a lot of the younger guys are much more involved in their families and are much more engaged. My daughter, she wouldn't stand for half the nonsense I did. So it's good.

MISHA SCHUBERT: Before she became sex discrimination commissioner Liz Broderick worked at a major Sydney law firm and pioneered some quite revolutionary new flexible work practices there. Liz have you got a question for the panel?



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LIZ BRODERICK:

Yeah I do. I mean I'm sitting here with so many things, so many things I need to say, I will keep it very short. I mean I do want to say that I've been on a nationwide listening tour, really from the abattoirs in South Australia to the long grass camps in Darwin and this issue of pay equity is a strong resonating theme. I have had women particularly older women who have had compounded years of pay equity, almost sobbing in front of me telling me their story of their retirement savings or lack of retirement savings or really disparity in retirement savings between women and men. And I think it's terrific that it's on the Government's agenda. The fact is all the issues that we've talked about today, flexible work, women's leadership, women progressing in their careers, pay equity, all those things, they will not happen just over time. They will not fix themselves over time. They need to be actively managed. I think it's the complexity of the problem that often means that we haven't been in the past able to find solutions.

But I think we need to start biting off chunk sized pieces and progressively improving things and if I could just look at flexible work, because as you said that's one area that I've been advocating for many years as a credible alternative to full time work, not as a secondary part of mummy-track or daddy-track. But really job redesign at the heart of that.

So putting in place a working environment where jobs come in all shapes and sizes and senior jobs come in all shapes and sizes. Because really where



are the CEOs, where are the people in public life. Where are those people at the most senior levels in our community who are modelling different and innovative working practices? Because I think once we start to do that we will start to see critical mass of women and men with caring responsibilities at the most senior levels of each area of activity in our country and we won't be doing it the same way as we're doing it now. Hopefully we won't be doing 100 hour weeks, we'll be doing it totally differently. But what we need to be doing really is to kind of accept the challenge, step up, actively manage and move forward. I suppose to that extent, this is my question for the panel. Sorry. I had to have an opportunity.

Which countries in the world are doing this well, do we know of any country that is doing it well and if so what are the conditions that exist in that country that means that pay equity is not a significant issue there?

HEATHER RIDOUT: Most people talk about the Scandinavian countries as doing it very well, they've had a long history, the European tradition has been very much around this and you know they've had a lot of access to childcare; they've had mandatory paid maternity arrangements, the whole issue. So they're probably the countries that are doing well but as Mark says it doesn't necessarily translate into progress in the area of gender equity in terms of pay. Which is somewhat ironic.



MEDIA MONITORS

But I think your point though is about the design of part time work, that is a really fundamental issue and the return to work practices. Companies like AMEX, IBM, they've got fantastically progressive arrangements for women, who nurture them through those early months and years and I think there needs to be more exemplars out there and that's a role for Anna and her agency and yours and it's really important because it can be done but it has to be actively managed by the company and has to be taken advantage of by the individual and grasped as an opportunity.

Going back to what I said right at the start, people need to know they get promotion, they get training, they get all the things that go with a full time job even though they work part time. Going to Tanya's point, I think women do fit into a 38 hour week what a lot of blokes and others sat there aren't doing 50 hours, they just get in, get focussed, get it done, and get home.

MISHA SCHUBERT: Ladies and gentlemen, I realise that we are staring hard down the barrel of a deadline. We have one last question from Belinda who is an industrial officer at the ACTU, and as I said before the unions played a pivotal role in pursuing some of these issues on behalf of working women over the last several decades.

QUESTION: Thank you. Am I speaking loudly enough? Is the microphone on?

MISHA SCHUBERT: Tap dance, tap dance.

QUESTION: Thank you Misha, thank you panel. I have a question for Heather and Tanya and it follows on from Liz's comment about the importance of flexible work arrangements in the workplace and my question relates to something that both the Government and employers can do something about immediately and it relates to the national employment standards which are in the process of being settled by the Government and they are reviewing the submissions by the various organisations interested. My question is this.

The national employment standard that Tanya referred to earlier which provides the right to request for employees flexible work arrangements, to better care for their family and combine work responsibilities has two very significant qualifications. One is that the employer is not obligated to tell the employee why their request is refused or provide a reason. The other is even if the employee can figure out what the reason for the refusal may have been, they are specifically denied the right to appeal that refusal. My question is to both Tanya and Heather, will the Government and the AI Group review their current support of those qualifications or will they support the ACTU's request to have those two qualifications removed so that it really is a right to request and not have unreasonably refused flexible work arrangements to better help women balance their work and family requirements?

MISHA SCHUBERT: And if you could do it in 30 seconds that'd be great.

TANYA PLIBERSEK: Look I'm not aware of any proposal to revisit those qualifications. You'd have to speak to Julia Gillard about that but I'm certainly not aware of any proposal. Our attempt is to balance these competing priorities. We don't want employers to be discouraged from hiring women because we scare them off thinking that they're going to have all these additional obligations. That's one of the competing things we need to balance.

HEATHER RIDOUT: In the UK they have a right to a system which is similar to the one we're going to put in place here. It works extremely well and there's very few issues with it. I think our position is pretty well modelled on that and going to what I said right at the start, we can be really idealistic, but a lot of companies with 20 people, 10 people have got to try and implement these things and you've got to be sensible about it but the UK model does work very, very well. That's what we're implementing in Australia.

MISHA SCHUBERT: I'm afraid we've run out of time. But we do need today to thank all of our panel members. We were going to jokingly perhaps pay Professor Wooden 80 per cent of the gift of a token bottle of wine but management assures me that it is illegal, 87 per cent so we do thank each of our panellists for joining us today and we look forward to having your company again at the National Press Club very soon.



* * **END** * *

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