



Australian Women's Coalition

**Barriers to Women's Employment
Women and Recession Project**



**Hobart
consultation notes**



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INTRODUCTION

The Hobart consultation took place on 24 November 2009, and was organised by Unions Tasmania with the assistance of the Tasmanian Office for Women. A list of attendees is at Attachment 1; the invitation is at Attachment 2.

BACKGROUND

Hobart is the capital city of the island state of Tasmania.

The TourTasmania website highlights some of the state's attractions and industries:

The state's pristine environment and diverse attractions are ideal for a burgeoning tourism industry. Accompanying the natural characteristics of the state, a specialty foods industry has grown in size over recent years. Tasmanian cheeses, salmon and fish products, and wine have won national and international awards.

In manufacturing, Tasmania is one of the shipbuilding centres of the southern hemisphere¹.

However, the dominance of particular companies (mining, food processing, for example) can have major impacts on the overall economy when external market conditions change.

Housing is in general more affordable than on the mainland.

Although there have been concerns in the past about long-term unemployment or under-employment in Tasmania, the Tasmanian economy appears to have handled the recent Global Financial Crisis (GFC) better than other Australian states. Even throughout the GFC the long-term unemployment figures for Tasmania have continued to decline.

The Tasmanian labour force was estimated at 245,500 in October 2009², a fall of 5,300 or 2.1% compared to October 2008. All of the falls in the labour market were among males, while the number of females in the labour force increased by 1.5%.

¹ TourTasmania, n.d., 'Frequently asked questions', viewed 18 January 2010, <http://tourtasmania.com/tasfaq/economy/industry.html>

² Department of Employment and Workplace Relations (DEWR), 2009, *Tasmanian Labour Market Review*, viewed 15 January 2010, http://www.workplace.gov.au/NR/rdonlyres/3C9BE4C0-225D-4199-AD1A-6D99D9FED6A6/0/Trends_Oct_2009.pdf

The participation rate in Tasmania for October 2009 was 60.4%, down from the 62.4% recorded in October 2008, and below the national rate of 65.2%³.

This is impacted to a large extent by the rapid ageing of the population.

There is now a need to encourage people back into the workforce as much as possible to lift participation and productivity⁴.

Total employment fell marginally in Tasmania during October 2009, and in November was 3.2% cent lower than it was in November 2008. Full-time employment fell by 6.1% over the year, while part-time employment partially off-set these falls with a growth of 3.4% since October 2008. Total male employment fell by 7.4% over the year, comprising a fall of 4.7% in full-time employment, and a 6.4% fall in part-time employment⁵.

Total female employment is the reverse of trends of male employment, in that it experienced an annual growth of 2.0%. Female full-time employment fell by 2.7%⁶.

The Tasmanian Government has developed a 'Tasmanian Skills Strategy' to guide investment to match the state's skills needs. An initial framework document was released in 2008⁷.

Throughout 2009, the government built on the framework to develop four themes for investment: Increasing Opportunity; A Better System for Clients; Workforce Development; and Skills for the Future. These will be launched in January 2010.

The issue of barriers to women's employment sits in the 'Increasing Opportunity' theme, and increasing participation, retention and achievement from disadvantaged groups (in training) is one of the areas identified for improvement.

Skills Tasmania implements the strategy (for disadvantaged women in training) through equity programs, which target funding towards

³ *ibid.*

⁴ *Private communication*

⁵ Department of Employment and Workplace Relations (DEWR), 2009, *op. cit.*

⁶ *Ibid.*

⁷ Skills Tasmania, 2008, *Tasmanian Skills Strategy 2008–2015*, viewed 15 January 2010, http://www.skills.tas.gov.au/___data/assets/pdf_file/0011/246368/thetasmanianskillsstrategy.pdf

accredited and non-accredited training for equity groups, including women entering or re-entering the workforce. When applying for funding, training organisations (who are a mix of registered training organisations and community groups) are required to include the costs of addressing barriers in their applications, for example, the costs associated with child-care, transport etc.

Despite the mechanisms identified in the skills strategy to address equity issues, it appears that disadvantaged groups still tend to uptake training at the lower level of the scale such as Certificates I & II. This problem is also endemic in other jurisdictions, not just in Tasmania.

Furthermore, few people transfer into higher level qualifications. Consequently, disadvantaged women are under-represented in higher level qualifications such as Certificate III and IV, diplomas, and advanced diplomas.

Skills Tasmania has an equity committee to advise the organisation on priorities for training assistance and funding for areas of disadvantage in access to and delivery of training. The committee, like many areas of government, has had to fight to retain its future funding and is relying on complex negotiations with public providers to do so.”

It is interesting to note that the Tasmanian Government does not have a designated Minister for Women.

SUMMARY OF DISCUSSION POINTS

Superannuation and retirement incomes

- HESTA reported that the average female superannuation account balance in the fund is \$17,791 nationally and \$22,143 in Tasmania. This is well below the estimated \$37,822 required for retired singles and \$50,771 per annum for couples to live comfortably in retirement. While Tasmanian balances in HESTA are higher than the national average, this figure is expected to decrease in the next 10–15 years when a significant portion of the state's nurses reach retirement age. The largest area of employment for Tasmanian women in HESTA is in aged care and predominantly nursing, where the average age is 50 years and women have the benefit of accumulated superannuation over their lifetime.
- The figures for TASPLAN, the Tasmanian multi-industry superannuation fund that has over 100,000 members, are not comparable because many of TASPLAN members are young women (and men).

- Studies show that women believe that they are unlikely to have sufficient money in retirement and will be reliant on their partner for support. However, factors such as divorce or the female living longer than a male partner means that many women now need to look after themselves in retirement.
- Women are less likely to know how to manage their superannuation funds. It is important for women to understand the importance of compound interest on superannuation and the benefit of putting as much money into super prior to stopping work for family responsibilities.
- According to Australian Human Rights Commission, the gap between men and women's superannuation begins to change at 25 years, where one in four men aged 35–44 have in excess of \$100,000 of superannuation compared to one in twelve women of the same age. It is projected that men will have saved double the amount of superannuation than women by 2019, yet women generally outlive men⁸.
- In the recession, young women in strong employment may be able to make voluntary contributions to superannuation, however it is difficult for older women, and those working in aged care or in casual or part-time work.
- It is important for women to be encouraged to make superannuation contributions at an early age and to continue making contributions throughout their lifetime as this is currently not happening. Women need to contribute twice as much as men to get the same outcome due to their different earning power. Women on average earn \$200 less per week than men, and 15–20% less than their male counterparts. Time out of the workforce to look after children and older parents who are living longer also affects women's ability to accumulate superannuation.
- Any superannuation tax reforms need to take into account the needs of older women workers and recognise that the system is 25 years off maturity. The majority of the workforce has not accumulated 9% of superannuation throughout their lifetime.

⁸ see for example: Queensland Office of Women, n.d., 'Women and Superannuation', *Focus on Women Information Paper3*, viewed 22 January 2010, <http://www.women.qld.gov.au/Resources/focus-on-women/documents/information-paper-3.pdf>

- Concerns were expressed about students in the tertiary sector whose entry to the labour market is significantly delayed by years of study; and that when they do start paying super, any chance of making voluntary contributions is reduced because they usually have a Higher Education Contribution Scheme (HECS) debt.
- It is important to examine ways of providing benefits in the last decade of working, as this is the point where the majority of women are able to make voluntary contributions after they no longer have dependent children and have paid off their mortgage. Currently the government limits the amount of funds that can be contributed when women are finally in a position to make voluntary contributions.
- There is also a loophole in the salary sacrifice scheme, whereby an employer doesn't have to pay superannuation on the gross salary. Salary sacrificing is also deemed to be an employer contribution and if the sacrifice is above the 9% superannuation contribution, the employer can be considered to have met their obligations.

Migrant and refugee women

- Migrant women who work part-time are under-unionised and may not be in a position to negotiate fair working conditions and are more vulnerable to exploitation. A significant number of African and other Non-English Speaking Background (NESB) female migrants, in particular, are moving into aged care and often taking up nightshifts. It also appears that they are not staying long in the state due to cultural challenges in the workplace. For example, decreased resources and staffing results in a decreased level of care which is in conflict with cultural attitudes and respect for older people. In terms of the aged care sector many migrant women are also being forced to accept jobs below the level of past employment in their home country.
- There are programs in the state focused on training refugees and migrants in areas such as computer literacy and driving courses, although there is a high demand for the small number of programs being offered. However, before further training, many need to learn English to a sufficient level to study. The federally funded six months English training is inadequate. There are particular concerns over the way the university sector is funded on the basis of the number of people. This often means that some students are accepted even if their English is not at an academic standard. Some refugees are also given scholarships but find it difficult to succeed without sufficient English skills. There is no gateway for entering tertiary education.

Mental health

- Mental health is an issue for women participating in the workforce, including migrant women where mental health may not be a culturally relevant concept. Mental illness is more prevalent among women than men: 22% of women compared to 18% of men (national average).
- There are challenges in accessing services, particularly for the 'worried well' who experience conditions such as depression and anxiety, which are more prevalent among women.
- For people who are very unwell accessing employment is difficult due to the episodic nature of mental illness. The workforce does not adapt to physical and mental disabilities. The community sector also faces issues due to too many clients and not enough resources to respond to their needs.

Young mothers and single parents

- Young mothers wanting to get into the workforce face challenges due to an inability to afford child-care. Most of the Jobs, Education and Training (JET) funding available to them for child-care is used to complete year 11 and 12 and therefore they are unable to get sufficient child-care assistance to get into TAFE, university or employment. Generally they are paying \$5 an hour for child-care and receiving \$13.52 per hour in the workforce, plus they have additional costs associated with travel and food. This is a particular issue for Tasmania with the highest rate of teen pregnancy of any state, exceeded only by that in the Northern Territory, and also an issue for single parent families.
- There is a successful program run at Claremont for young mums up to the age of 20 years, but it is the only one in the state. A likely reason for the program not being replicated in other areas is the high cost of program delivery with three staff. It is run in a low socio-economic area where young women are likely to go ahead with the pregnancy, often because their parents have had similar circumstances. Young mums in these areas are also a transient workforce population and may have lost successive jobs as their parents often do not work and they are not socialised into workforce expectations.
- Some young mothers undertake distance education, however this further isolates them and often they don't complete studies due to a lack of support. Some undertake flexible learning programs through the college system but these are not aspirational. Their family backgrounds may also mean that there is no support at home for their study. Some

young mothers can also experience mental health issues due to their social isolation.

- There is a significant issue with JET child-care funding cutting out. There are also issues for young mothers who are partnered and are unable to access this funding unless both partners are not working, which presents a challenge to maintain child-care.

Women with disabilities

- Women with disabilities are generally less employed or working in community services where salaries are lower. As a result of this and the costs associated with living with a disability, this group is unlikely to have a lot of disposable income to put into superannuation.
- Women with disabilities also face challenges in the job market due to discrimination and non-acceptance in the workplace. As a result, many are overqualified for the jobs they are working in. Generally speaking, the broader community often does not accept diversity and particularly disability and cultural difference.
- Anti-discrimination laws are in place but they mean little unless employers are aware of the laws and are given incentives to employ migrants and people with disabilities.

Women outside the workforce

- Getting workforce participation from those not currently involved requires a focus on addressing numeracy and literacy. This requires early intervention during schooling years. There are also geographic trends where some schools require greater intervention than others. More resourcing is needed to address these issues.
- Women require additional inputs before joining the workforce, including confidence building, training, etc. Eligibility criteria for Employment Services Agencies shut out many women.
- There is an under-resourcing of services that would assist women move into work. Some become volunteers as a pathway but receive no income or superannuation. Tasmania has a problem of scale. Services are often clumped together to get a reasonable bureaucratic response. Good practice programs are isolated and there is not enough money for these programs.

Women on low incomes

- There are concerns over the 'poverty trap', whereby low-income women receive support while studying but when they enter the workforce they are no better off financially. They are working full-time but facing increased expenses.
- The original JET model should be reviewed with a view to reinstating expanded support – such as counselling and child-care funding – for low-income women aiming to join the workforce.

Women with parental responsibilities

- Another challenge is the availability of child-care for women working in on-call jobs or who are required to work extended shifts. Some employers are considering whether they can provide child-care onsite; this should be encouraged as a positive move.
- Child-care should be a government responsibility. The current system doesn't support quality wages for child-care workers, so there is no guarantee of quality care. While families continue to pay, there will be problems.
- Attaching the child-care rebate to eligibility criteria would be a backward step for women and could stop many women from returning to the workforce.
- Models that enable funding to go directly to centres rather than families should be explored, although the experience of the aged care sector should be taken into account. In aged care, funding goes directly to the centre, however this has been cut back due to the financial crisis. Of the 87 aged care facilities in Tasmania, 27 have restructured and lost funding in the financial crisis. In both aged care and child-care, funding needs to be linked to staff ratios.

Other issues

- One of the trends in Tasmania is that part-time and casual jobs for women are increasing and full-time male jobs are being lost as a result of the recession.
- The recession has led to a reduction of hours for staff in the aged care sector, which is predominantly made up of women. In some rural areas, salaries have been cut by half and employees are unable to find other work to meet their financial commitments. A recent study by the Health and Community Services Union in Tasmania found that 46% cent of staff in aged care would take more hours if offered, and the

equivalent percentage have had their hours reduced due to the recession. Over a quarter of staff believe this has decreased care for residents and increased workloads⁹.

POLICY ISSUES

The following issues are identified as areas requiring action to overcome barriers to female workforce participation.

- In aged care, where 90% of the workforce is female, a ratio of workers to residents needs to be introduced to ensure quality care and reduce the stress and overworked nature of the current workforce. The hourly rate for aged care workers (currently \$16.30 per hour) also needs to be increased to get ratios up in order to encourage people to work in the sector. Aged care workers in Tasmania receive lower rates of pay than their mainland counterparts.
- Mentoring programs for women of all ages should be encouraged to provide options and support for entering the workforce.
- Micro-credit and micro-finance programs should be encouraged to promote entrepreneurial opportunities that women can make for themselves and encourage women into non-traditional areas.
- There should be a review of the JET child-care assistance in order to support young mothers to pursue work and further study options, beyond years 11 and 12. The program needs to be revamped (taking into consideration the original model) to ensure long-term benefits in terms of breaking women out of the poverty cycle and achieving educational outcomes.
- Compulsory financial literacy should be introduced into schools. The government should expand good practice programs operating around the state to support young mothers to complete their education and enter the workforce.
- Efforts should continue to raise the status of caring professions and the value this has to a well-functioning society.
- Due to the limited current research and data available in Tasmania on female workforce participation, more local research should be commissioned on women and work with a view to establishing a

⁹ Unpublished survey of aged care hours conducted by Health and Community Services Union in 2009.

permanent 'women and work' research group similar to that in other states.

- Sex and relationship education for young people, and particularly young women, should be incorporated into the national curriculum to reduce the number of teen pregnancies. A broader focus on health and well-being, including body image and self-esteem development, should also be integrated into the curriculum.
- The government should abolish the \$450 threshold for superannuation and the 15% contributions tax as both have a detrimental impact on women. If superannuation contributions are to be taxed, this should occur at the end and not in the middle to maximise the benefit of accumulated superannuation for women. Superannuation should also be payable on paid parent leave contributions.
- Education programs for women in high school and tertiary education should be in accessible formats for women with disabilities to access information about employment and superannuation.
- Funding to support women with disabilities to obtain employment should be given to employers rather than women, as many women don't know how to contribute and need support to get into work.
- An holistic, whole-of-government approach should be taken to improve women's workforce participation. There should be a focus on reducing barriers for people living with disadvantage with interventions aimed at improving access to transport, increasing language skills and improved access to child-care.
- Incentives should be offered to employers to overcome perceived barriers associated with offering employment to people with disabilities, mental health issues or parenting responsibilities as this will lead to greater productivity.
- Recognising that the GFC has increased the level of crisis among the population and increased the demand for community services, there needs to be an increased injection of funds into related areas.
- There needs to be pay parity for the community sector (a female dominated sector) to encourage more people to enter the sector, and to ensure services continue to be provided for those most in need – many of whom are women.
- There is a need for increased resourcing for schools in disadvantaged areas, including JET schemes. Early intervention with literacy and

numeracy should commence in pre-school and will have benefits for women later in life.

- Paid parental leave is essential to improving women's workforce participation.
- Respective relationships programs and assertiveness for women should be promoted, as well as programs that expand the choices available to women.
- The 20% wage difference between men and women needs to be addressed, as well as the 'ghettoing' of women into caring roles and the devaluing of these professions.
- Employers should be encouraged to think more creatively about ways to support women with family responsibilities to take on management positions, including those wanting to work part-time and requiring additional leave during school holiday periods.

REFERENCES

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ATTACHMENT 1

Attendees:

Alison Dixon – HESTA Super Fund

Marette Corby – Women With Disabilities Australia (WWDA)

Adele Spencer – Mental Health Council of Tasmania (MHCT)

Elida Meadows – Tasmanian Council of Social Services (TasCoss)

Debbie Hindle – National Disability Coordination Officer (NDCO) –
University of Tasmania

Megan Alessandrini – School of Government – University of Tasmania

Angela Briant – Independent Education Union

Helen Gibbons – Liquor, Hospitality and Miscellaneous Union (LHMU)

Amy Murphy – Women Tasmania, Department of Prime Minister and
Cabinet

Michelle Higelin – WomenSpeak/YWCA

Maralyn McVilly – Health and Community Services Union (HACSU)

Sue Le Mesurier – Claremont College Young Mums Program

Rhiannon Salter – HACSU

Miranda Jameson – HACSU

Cassy O'Connor – MLA, Tasmanian Greens

Glynis Flower – Hobart Women's Health Centre

Susan Wallace – Unions Tasmania

ATTACHMENT 2

Invitation

Hello

I have spoken to many of you or emailed over the last week about the "Women and the Recession" Workshop in Hobart on Nov 24th. The workshop is now confirmed and I wanted to provide some further information.

I'm sorry I can't personalise this email but this is now a distribution list situation!

You may be aware that the national women's organisations commissioned the attached report from The Australia Institute- it was launched by Sharan Burrow on 24 August at the IIRA World Congress in Sydney.

I understand that the Commonwealth Minister for Women Tanya Plibersek has placed the matter on the agenda for the upcoming MINCO in Perth in early October.

The National Foundation of Australian Women is following this publication with consultation workshops around the country and the Unions Tasmania Womens' Committee is assisting them, as is Women Tasmania.

The planned Hobart based consultation is on the morning of Tuesday 24th Nov 10am to 12.30 here at Unions Tasmania, 379 Elizabeth St Hobart at and we'd very much like to involve your organisation in it. There will be a light sandwich lunch available after the workshop.

We are hoping that the workshop will draw out Tasmania-specific information on:

- services in Tasmanian to allow women access to programs to gain skills & join or rejoin the workforce and any data available on the performance of these services
- access to childcare, before & after school care & holiday programs
- access to employment & training for women with disability or mental illness etc
- any local research that has been undertaken on issues of women's income, employment, retirement income, economic security,
- Workforce participation by women and any factors which may be limiting it
- Issues & analysis of data concerning Tasmanian woman and precarious employment or underemployment

It is important we have a wide range of stake-holders present who can contribute to the workshop. If your organisation would like to make a formal short presentation please let me know.

Your thoughts would be most welcome and I would appreciate it if you would distribute this invitation to any other stakeholders who may have an interest.

kind regards

Susan Wallace

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