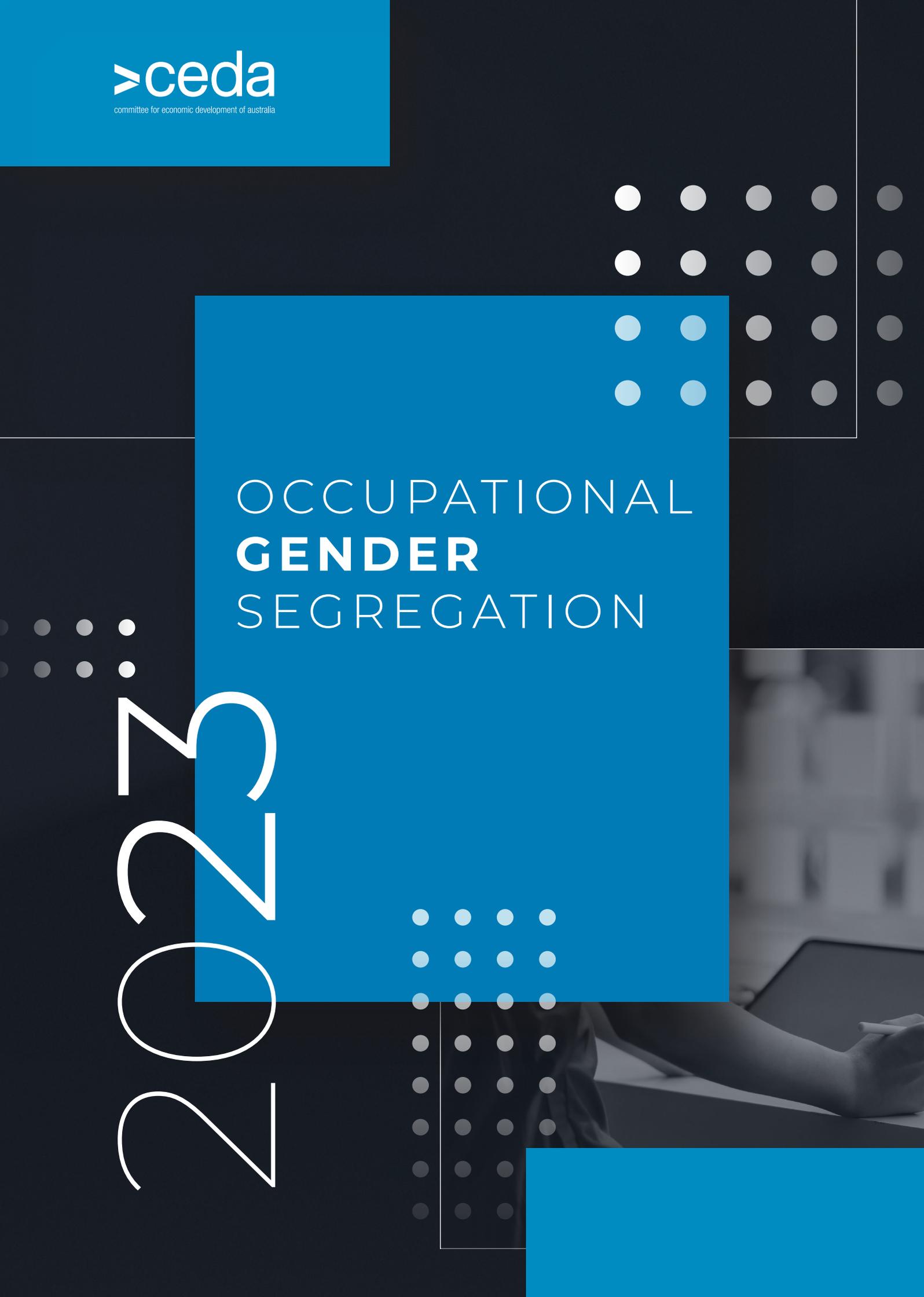
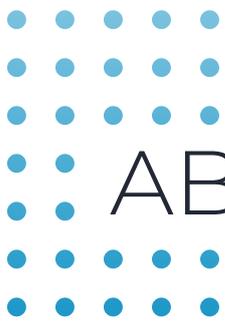


OCCUPATIONAL
GENDER
SEGREGATION

2023





ABOUT THIS PUBLICATION



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Sebastian Tofts-Len commenced his professional career with CEDA in 2022 as its new Graduate Economist, based in WA. Sebastian provides research support to senior economists and undertakes policy analysis across a range of topics relevant to CEDA's research agenda. During his undergraduate studies, Sebastian undertook internships with the Chamber of Commerce and Industry WA, as well as the Mannkal Economic Education Foundation. He also worked as a research assistant at Curtin University, drafting literature reviews on the economics of climate change. Sebastian holds a Bachelor of Commerce (Economics) with Distinction from Curtin University.



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Occupational gender segregation (2023)

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CEDA's objective in publishing this report is to encourage constructive debate and discussion on matters of national economic importance. Persons who rely upon the material published do so at their own risk.

CEDA's submission to the Employment White Paper focuses on policy reforms to deliver a more dynamic labour market – breaking down barriers to workers moving across jobs and to more people participating fully in work. Looming structural adjustments including digital transformation, the energy transition and an ageing population will require an adaptive and agile labour market to deliver labour and skills where and when they are most needed. In preparation for these transitions, Australia needs to reverse long-term trends of declining dynamism and job mobility, while addressing entrenched barriers in the labour market. To this end, the submission will comprise five individual papers on skills recognition, housing market barriers, occupational gender segregation, training for the long-term unemployed, and the structure of unemployment benefits.

Relevant themes for Employment White Paper: Pay equity and equal opportunities for women; productivity; reducing barriers and disincentives to work.

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About CEDA

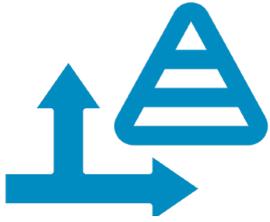
CEDA is Australia's leading member-driven think tank. Our purpose is to achieve sustainable long-term prosperity for all Australians.

Our trusted independence, and a deep and broad membership base that extends across all sectors, states and territories, enables us to bring diverse perspectives and insights to guide and advance policy debate and development in the national interest.

We aim to influence future economic, social and environmental outcomes by:

- Promoting public discussion of the challenges and opportunities facing Australia;
- Enabling members to shape future outcomes through policy and their own actions;
- Partnering and collaborating to tackle emerging opportunities and entrenched challenges; and
- Advocating for policy change based on our independent research insights.

Our work is overseen by our independent Board of Directors and our research is guided and approved by an independent Research and Policy Committee whose members are leading economists, researchers and policy experts.



Occupational gender segregation

is the unequal distribution of male and female workers across and within job types

High **occupational segregation** persists in Australia, despite **increasing female workforce participation**.



Female participation has risen by

41%

since 1980

The **skilled migration** system also contributes to occupational segregation as **female migrants** are more likely to be **secondary applicants** to their partner's visa, and to work in **lower-paid occupations**.

In 2020-21, only

31%

of primary temporary migration applicants were women



High gender segregation **limits job mobility**, stifling labour-market **flexibility** and **productivity**. It is a complex issue, driven by many **economic, social** and **historical** factors.



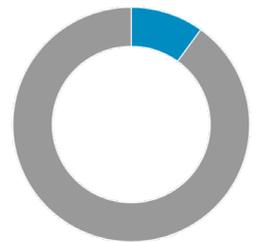
Across the first five years of parenting their first child women's earnings are reduced by

55%

on average while men's earnings are unaffected.

Reducing the **'motherhood penalty'** and changing **workplace cultures** that limit flexible work will **increase equality** of opportunity, helping to reduce segregation.

Employers have a major role to play, including through **blind hiring** and **flexible-work** practices.



10%

of organisations in Australia set flexible-work targets.



Tackling gender segregation directly within occupations requires addressing **disparities in STEM education**, the number of women in **leadership** and **gender stereotyping**.



Recommendations

WHAT THE GOVERNMENT CAN DO (LEGISLATION AND PUBLIC POLICY)



FAMILY-FRIENDLY POLICIES

Strengthen family-friendly policies including:

- Make paid parental leave more gender-equal, with more leave reserved for secondary carers under a 'use it or lose it' system;
- Reduce high effective marginal tax rates for primary caregivers; and
- Increase access to affordable high-quality childcare and monitor how much this improves workforce participation.



CORPORATE DISCLOSURE, COMPLIANCE & REPORTING

Strengthen corporate disclosure, compliance and reporting under the Workplace Gender Equality Act 2012:

- Enable the Workplace Gender Equality Agency to publish key data such as gender wage gaps by employer;
- Strengthen compliance through minimum standards to qualify for grants and government procurement; and
- Improve data collection by supporting digital solutions and government reuse of data.



EVALUATION DATA FOR WOMEN-IN-STEM PROGRAMS

Require evaluation data for women-in-STEM programs to be made public as a condition of federal funding.



STEM MENTORING & LEADERSHIP

Shift the focus of women-in-STEM programs to mentoring and leadership, starting in school and continuing through the transition to work.

Recommendations

WHAT ORGANISATIONS CAN DO (VOLUNTARY AND INTERNAL PRACTICES)



FORMALISE FLEXIBLE-WORK ARRANGEMENTS

Encourage businesses to formalise access to flexible-work arrangements and tackle other workplace culture barriers to participation.



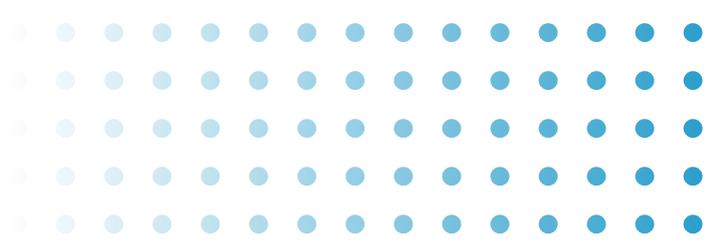
ADOPT BEST PRACTICE IN HIRING & PROMOTION

Tackle gender discrimination in hiring and promotion by adopting blind hiring, standardising interviews and setting targets in heavily gendered occupations, with greater transparency on gender balance in sectors dominated by one gender.



BOARD REPRESENTATION

Update the corporate governance principles to require a minimum 40 per cent male and 40 per cent female representation on company boards.



Occupational gender segregation occurs when an occupation is carried out by either mostly male or female workers. It is divided into two types: horizontal (segregation by sector) and vertical (segregation by seniority).¹

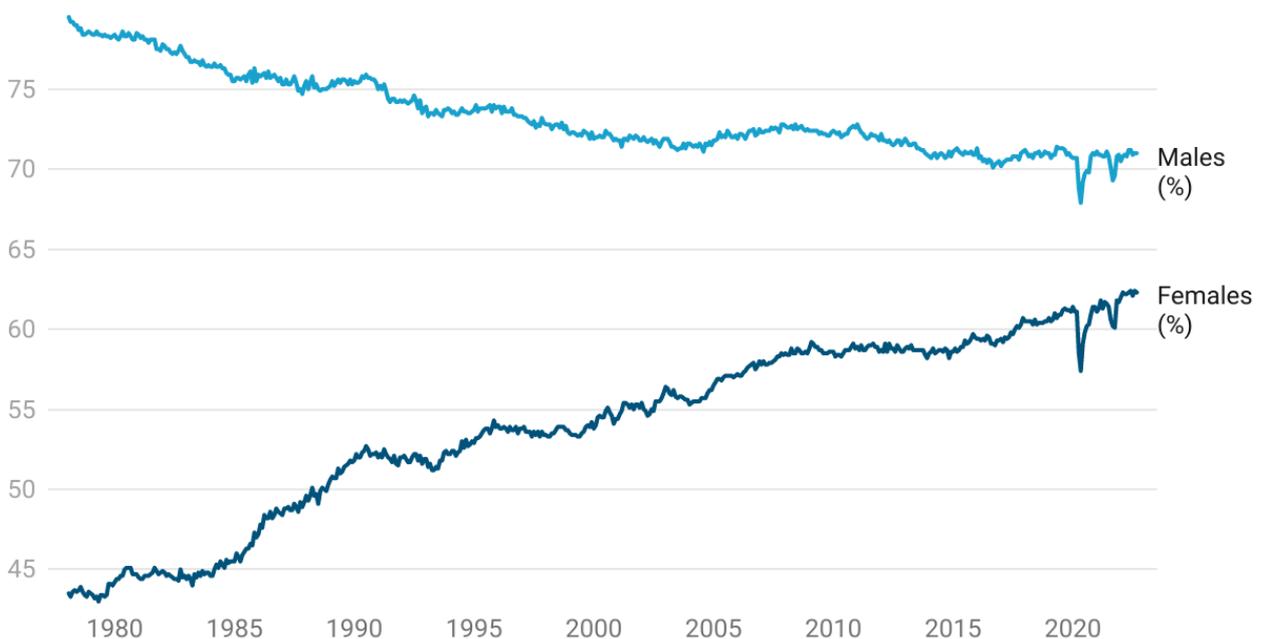
A range of social, economic, cultural and historical factors contribute to the gendering of labour markets, leading to more segregation than if people had chosen their profession based solely on their skills and preferences.²

High levels of horizontal and vertical occupational gender segregation have persisted in Australia for the past two decades, despite increasing female workforce participation (Figure 1). The female participation rate is around 10 percentage points above the OECD average but lags leading countries such as New Zealand and the Nordic countries.³

FIGURE 1

Female labour force participation has increased over time

Labour force participation by gender, per cent

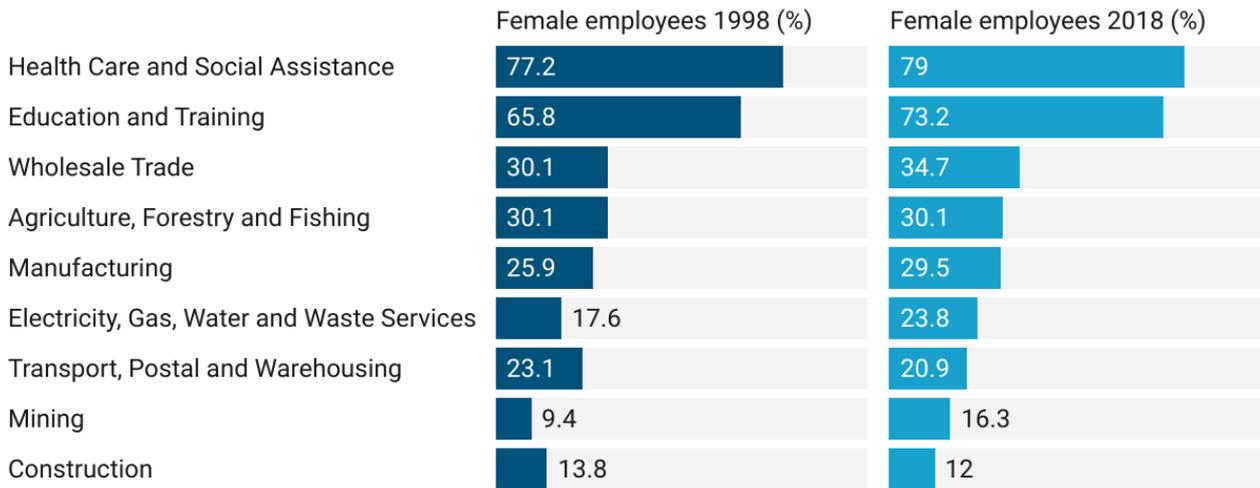


Source: ABS Labour Force status (2022) • Created with Datawrapper

FIGURE 2

Key industries remain highly segregated

Proportion of female employees by industry, 1998 and 2018



Source: Workplace Gender Equality Agency (2019) • Created with Datawrapper

Occupational segregation has declined gradually since the 1960s, and continues to do so, although the differences remain large.⁴ In particular, there is still a low proportion of women in traditionally male-dominated industries such as construction, mining, science, technology, engineering, and mathematics (STEM) and manufacturing.⁵ Conversely there is a low share of men in female-dominated industries such as health and education (Figure 2).⁶ Some common occupations have become even more segregated over time (Figure 3). In 1986-87, 37 per cent of hours worked by women were in female-dominated jobs. In 2021-22 it was almost 44 per cent.⁷ In the same period the share of hours worked by females in male-dominated jobs declined from 16.6 per cent to 11.2 per cent.⁸ And even in female-dominated industries, men still disproportionately hold more of the leadership positions.

"Occupational segregation limits job mobility, stifling labour-market flexibility. The more economic and social barriers prevent flexible movement between occupations, the less dynamic the economy and the lower its ability to respond to change."

Occupational segregation limits job mobility, stifling labour-market flexibility. The more economic and social barriers prevent flexible movement between occupations, the less dynamic the economy and the lower its ability to respond to change.⁹ This translates into lower national productivity. In a tight labour market, segregation can exacerbate labour shortages in heavily gendered occupations such as construction.¹⁰ Reducing segregation also allows people to work in the occupation they they find most rewarding.¹¹ Gender diversity in teams is also associated with better financial performance and productivity.^{12 13 14}

Australia's skilled migration system has also contributed to gender segregation. Men are more often the primary applicant for a skilled visa, meaning success of a migration application is more often determined by the skills of male entrants. Meanwhile, women more frequently enter Australia as a secondary applicant to their partner's visa, with women making up 57 per cent of secondary applicants for permanent visas and 64 per cent of secondary applicants for temporary visas in 2020-21. There is therefore no assessment of their skills or occupation.

Women are also more likely to work in lower-paid occupations. They are the majority among new migrant workers in the fields of community services and clerical work, even when they are the primary visa applicant. They remain the minority among new migrants working as managers, professionals and tradespeople (Figure 4). As Australia restarts skilled migration after the COVID-19 pandemic, we must ensure our migration program finds the best worker for each job regardless of gender.

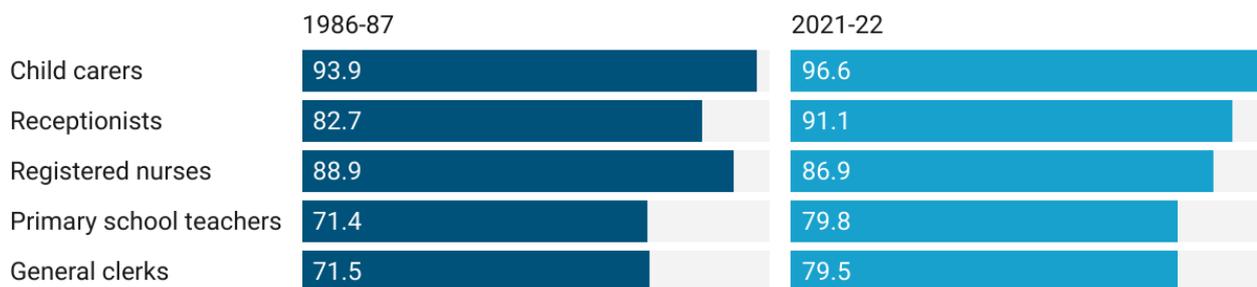
Occupational gender segregation is a complex issue that merits a combination of government, business and individual actions. This paper recommends measures to reduce it by tackling the 'motherhood penalty', vertical gender segregation and gender stereotyping, and removing barriers to women in STEM.

FIGURE 3

Some common occupations have become more segregated

Changes in the percentage of hours worked by Australian women in the five most common female-dominated jobs and the five most common male-dominated jobs

Female-dominated



Male-dominated



A female-dominated occupation is one where at least 70% of hours are worked by women. A male-dominated occupation is one where at least 70% of hours are worked by men.

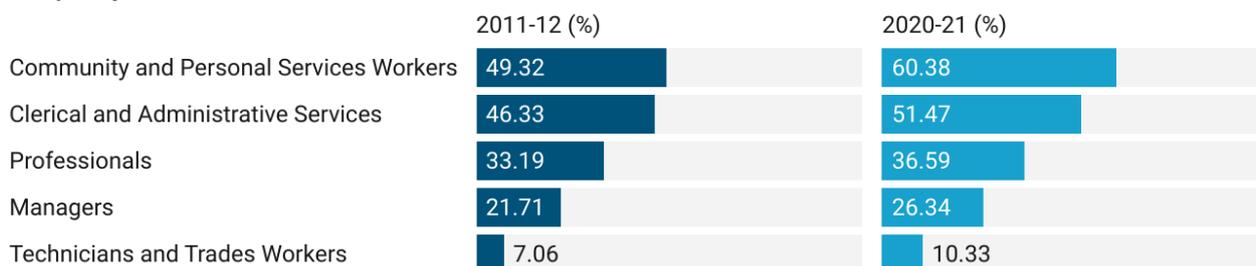
Source: Jeff Borland, *The Conversation* (2022) • Created with Datawrapper

FIGURE 4

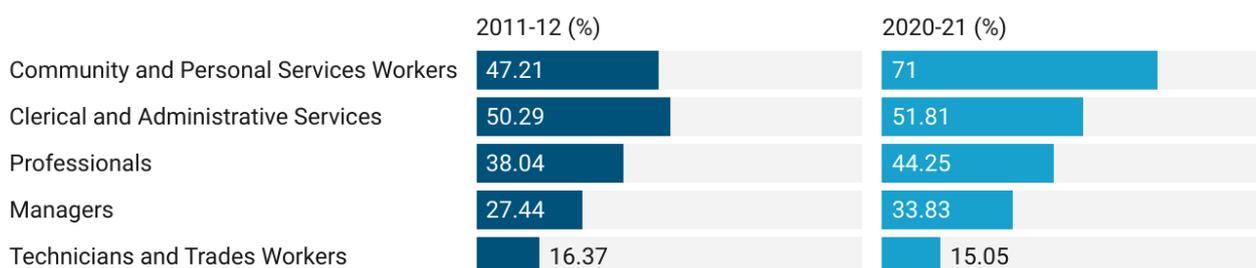
Female migrants are more likely to be in lower paid occupations

Share of women among primary temporary skilled and permanent skilled migrants

Temporary Skilled



Permanent Skilled



Source: Department of Home Affairs, Australian Migration Statistics and Temporary Work (skilled) visas granted pivot table report at 2022-10-31 and Migration Program Expert Panel (Family) and Child Outcomes Since 2011-12 pivot table report at 2020-21 • Created with Datawrapper

The ‘motherhood penalty’ is a major contributor

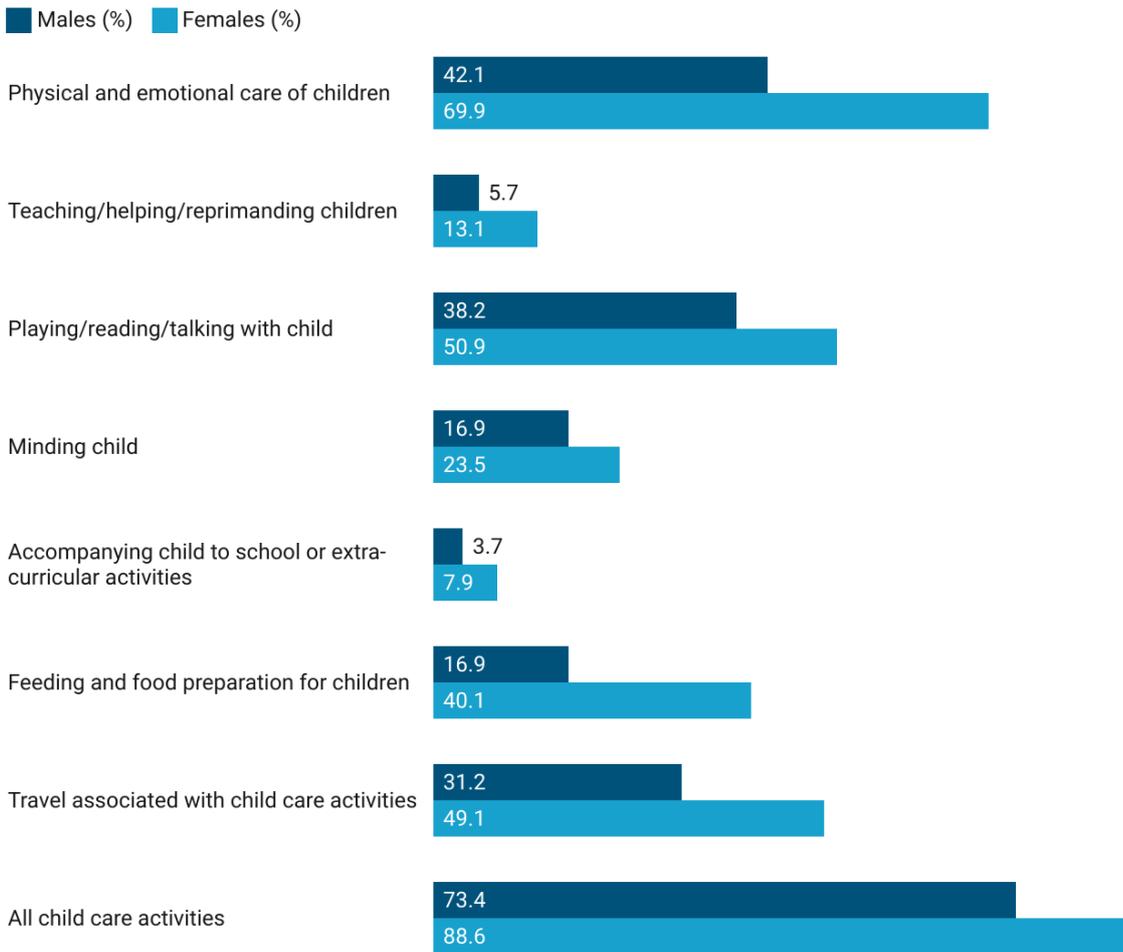
When women have a child, they experience a ‘motherhood penalty’. Across the first five years of parenting their first child, women’s earnings are reduced by 55 per cent on average while men’s earnings are unaffected.¹⁵ The reduction in earnings is more severe for women who have multiple children and it does not recover significantly even after children start school. The fall in earnings is matched by an increase in childcare and other unpaid work (Figure 5), as Australian women spend around 1.7 hours in unpaid work for every hour by men.¹⁶

To balance caring and household responsibilities with paid employment, many women move into more family-friendly jobs once they have children.¹⁷ This includes part-time jobs and lower paying occupations that might require fewer rigid commitments (such as overtime or frequent travelling). Australia has the third highest rate of women working part-time in the OECD (Figure 6). Several countries have similar or higher female labour force participation to Australia along with a lower share of part-time work, including Canada, Denmark, Finland, New Zealand, Norway and Sweden.¹⁸ The high share of part-time work contributes to vertical segregation as women with less time in the labour market are less likely to advance to higher status positions.¹⁹

FIGURE 5

Mothers still do more childcare

Parents of children under 15 years, proportion participating in childcare activities by sex, 2020-21



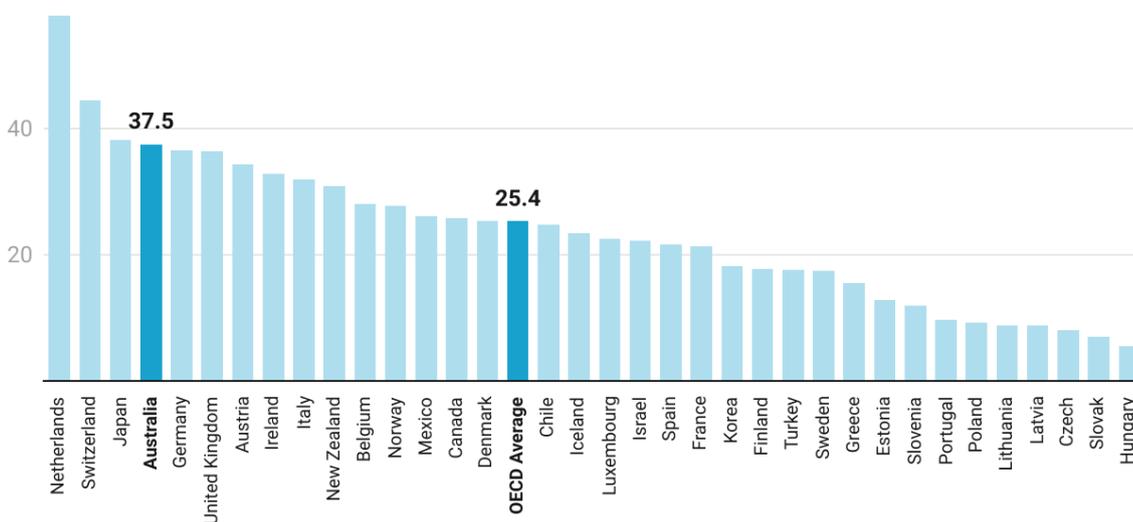
Female parents who participated in child care, spent 3 hours 34 minutes while male parents spent 2 hours 19 minutes.

Source: ABS How Australians use their time (2022) • Created with Datawrapper

FIGURE 6

Part-time work is more common among Australian women

Percentage of employed women working part-time (less than 30 hours per week), 2018



Source: OECD Labour force participation rate, by sex and age group (2018) • Created with Datawrapper

Minimising the motherhood penalty

Policy frameworks can entrench existing workplace, social and cultural norms. Reducing barriers to women working and enabling more even sharing of unpaid work will increase equality of opportunity, allowing women to continue in demanding jobs if they choose.

Australia's current policies around parental-leave entitlements, childcare and effective marginal tax rates contribute to the high rate of part-time work among women, exacerbating the motherhood penalty. Surveys support this finding, showing Australian women's satisfaction with their employment opportunities declines following having children and continues showing a sharp decline four years into parenthood.²⁰

Access to affordable childcare plays a critical role in enabling mothers to work, while high-quality care can also boost children's educational outcomes.²¹ Australian governments have increased childcare subsidies in recent years, the net fiscal costs of which will depend on the extent of increases in workforce participation. High childcare costs contribute to high effective marginal tax rates that disincentivise primary carers (usually mothers) from entering the workforce or extending their hours. They keep less of their income as they increase their hours. This is due to the way the income tax system interacts with the tapering of family tax benefits and childcare assistance. Forward thinking policy could reduce tapers (however, the fiscal cost would be greater) or ensure means testing for payments does not overlap.²²

Australia has had one of the least generous and most unequal paid parental leave schemes in the OECD, with 99.5 per cent of parental leave taken by mothers.²³ Currently, 18 weeks of paid leave is available for the primary carer, while two weeks is reserved for the secondary carer.²⁴

The Federal Government announced an expansion of this scheme from 18 to 26 weeks in its October 2022 Budget, starting in July 2023, with the Women's Economic Equality Taskforce to advise on arrangements for splitting leave between parents. The expansion also introduces much-needed changes, including greater flexibility around the timing of leave taken by both parents.

It will be critical to reserve a greater share of leave for secondary carers (mostly fathers) and ensure this is paid generously enough to enable greater take-up. Along with France, Japan and Korea, Australia is one of several countries where low payment rates coincide with low take-up of parental leave by fathers.²⁵

99.5%

of parental leave is taken by mothers

"International evidence shows that increased workplace flexibility, in particular flexibility around the time of work, reduces motherhood wage penalties."

Better access to flexible work is critical

Rigid workplace structures and cultures that insist on fixed hours, locations and modes of attendance interact with women's caring responsibilities to further entrench occupational gender segregation. Breaking down the rigid job design in male-dominated industries could promote diversity and expand talent pools.²⁶

Economist Claudia Goldin argues that much of the remaining gender pay gap and occupational segregation is caused by the requirement to work long and continuous hours to achieve career progression.²⁷ Recent Australian evidence has since suggested this phenomenon of 'greedy jobs' exacerbates occupational segregation and subsequently gender pay gaps.²⁸ Long hours exclude women from the top ranks in high-paying occupations such as lawyers, accountants and consultants.²⁹ Changing job structures and enhancing temporal and location flexibility could therefore be key to reducing gender segregation, while reducing physical and mental strain on all employees.

The trend towards greater workplace flexibility accelerated in Australia due to COVID-19.³⁰ The share of businesses that promote flexible work rose from 15 per cent in 2017 to 68 per cent in 2021.³¹ This included flexible rostering arrangements, remote working and shift-swapping. Research from LinkedIn has found two-thirds of Australian women desire more flexibility in their work.³² Moreover, it found more than half of women have either left a job or considered leaving due to lack of flexibility.³³

Overall, flexible work arrangements have become the highest priority for Australian jobseekers, overtaking compensation³⁴, which highlights their importance. International evidence shows that increased workplace flexibility, in particular flexibility around the time of work, reduces motherhood wage penalties.^{35 36} Telstra's 'All Roles Flex' initiative is an example of a large organisation mainstreaming and normalising flexibility. It has directly increased the proportion of female job applicants.³⁷

Policies to encourage flexible working could also break down cultural barriers that entrench gender segregation. For example, men tend to be more reluctant to request flexible work or parental leave due to the perceived negative impact it will have on their reputation and career progression.^{38 39}

1 in 10

organisations in Australia set flexible-work targets and only five per cent have targets specifically for men

The limited amount of parental leave currently available to fathers also sets the expectation that they should not be a primary caregiver.⁴⁰ At present only one in 10 organisations in Australia set flexible-work targets and only five per cent have targets specifically for men.⁴¹ Men who do request flexible leave are more likely to be refused.⁴² This 'flexibility stigma' is part of a silent and often ignored workplace culture, which is why it is crucial for organisations to tackle it.⁴³

Companies should look to a flexible and inclusive workplace as an essential investment in their staff. Examples include giving employees discretion over working hours for a fixed period,⁴⁴ compressing working hours or flexitime for employees in the same team who can cover each other when one is away.⁴⁵ Governments can also facilitate a shift in workplace and organisational management design by providing information and fostering networks to determine best practices.⁴⁶

Jobs for the boys? Encouraging women into STEM

Since 1987, women have outnumbered men graduating from higher education.⁴⁷ Today, on average, women in every age group below 70 are more educated than men in Australia.⁴⁸ But gender segregation remains closely linked to the choice of educational stream.⁴⁹ Males are more likely to study university degrees in highly remunerated STEM fields, whereas females are more likely to study arts and humanities degrees.⁵⁰

STEM encompasses a broad range of fields, and according to the Australian Standard Classification of Education (ASCED), refers to the natural and physical sciences, information technology, engineering and related technologies, agriculture, environmental and related studies, and mathematical sciences.⁵¹ Examples of STEM occupations include engineers, computer programmers, physicists, chemists and agricultural scientists. In Australia, women make up only 35 per cent of university enrolments and 37 per cent of university completions in STEM fields (Table 1). This proportion is even lower in vocational education and training (VET) qualifications. Five years after completing a STEM qualification, men were 1.8 times more likely than women to be working in a STEM-qualified field.⁵² This contributes to the gender pay gap, as these fields are typically highly paid and predicted to remain in high demand.⁵³

TABLE 1

The proportion of women studying and working in STEM is little changed

Female proportion of STEM university and VET enrolments and completions, and female proportion working in STEM occupations

| | University enrolments (%) | University completions (%) | University in occupations (%) | VET enrolments (%) | VET completions (%) | VET in occupations (%) |
|------|---------------------------|----------------------------|-------------------------------|--------------------|---------------------|------------------------|
| 2015 | 34 | 37 | 20 | 15 | 16 | 2 |
| 2016 | 34 | 36 | 22 | 14 | 17 | 2 |
| 2017 | 35 | 37 | 21 | 14 | 17 | 2 |
| 2018 | 35 | 37 | 22 | 15 | 19 | 2 |
| 2019 | 35 | 38 | 22 | 15 | 19 | 3 |
| 2020 | 35 | 37 | 21 | 16 | 19 | 2 |

Source: Department of Education, Skills and Employment (2021), Australian Bureau of Statistics (2021) • Created with Datawrapper

"International performance data indicates there is not a significant gender gap in mathematics proficiency between 15-year-boys and 15-year-old girls. Instead, research suggests that gender stereotypes, rather than innate ability, drive segregation in STEM education and employment."

International performance data indicates there is not a significant gender gap in mathematics proficiency between 15-year-boys and 15-year-old girls.⁵⁴ Instead, research suggests that gender stereotypes, rather than innate ability, drive segregation in STEM education and employment.^{55 56} Young girls have lower self-perceived maths ability than boys, and this makes women less likely to major in STEM subjects at university.⁵⁷ This trend continues through university, where men are more likely than women to continue studying a STEM major after failing an introductory calculus class, as women are more likely to attribute poor test performance to a lack of ability.⁵⁸ This has flow on effects to the workforce, as women are also more susceptible to social and structural influences on their occupational choices.⁵⁹

Improving STEM programs

Policy measures to reduce gender segregation in STEM will not only require increasing female interest and confidence in STEM, but also strengthening the pipeline between education and employment.

The Federal Government has spent \$100 million over the past decade on gender-equity STEM programs, but the ad-hoc approach has failed to meaningfully shift the dial. As pointed out by Engineers Australia, the Government does not have a streamlined, national approach to increase the proportion of girls in STEM through primary and high school.⁶⁰ The lack of a coordinated approach across education and employment means high attrition continues between university and the labour market.⁶¹ For instance, the National STEM School

"Government and program providers should focus on the international evidence showing which programs are most effective. Those that facilitate cultural change, particularly direct support programs such as mentoring and leadership, can have the biggest impact."

Education Strategy 2016-2026 focuses heavily on short-term interventions such as camps⁶² that may develop an early interest in STEM, but lacks long-term strategies.⁶³

Gender-equity STEM programs lack a rigorous framework to determine their effectiveness, with only seven of the 337 initiatives offered nationally subject to public evaluation.⁶⁴ The Federal Government recently announced a review into these programs. Evaluation should be made a condition of funding and results should be publicly available to ensure taxpayer funds are being spent effectively. Even more importantly, a statement of objectives should be made clear at the outset to guide evaluation.

Government and program providers should focus on the international evidence showing which programs are most effective. Those that facilitate cultural change, particularly direct support programs such as mentoring and leadership, can have the biggest impact.

Effective mentoring can help to develop interest and confidence in STEM in the education phase, as well as develop the confidence to succeed in the STEM workforce, thereby reducing attrition. In Germany, online mentoring for female high school students had positive effects on interest in STEM.⁶⁵ In the United States, the Leadership Lab for Women in STEM, launched in 2014, had an overwhelmingly positive impact on women transitioning from university to the STEM workforce.⁶⁶ Women consistently benefitted more than men from having a female instructor, emphasising the importance of role models and representation.⁶⁷

Connecting students with authentic female role models from STEM industries counteracts gender stereotypes and promotes the idea that everyone has the potential to succeed in STEM fields.⁶⁸ It was recently found that same-gender peer role models (as opposed to parents and teachers) can reduce the underrepresentation of women in STEM fields by six to nine per cent.⁶⁹ This model can also work beyond the classroom. In engineering, for example, networking across organisations can provide social and career support for women who are isolated within their workplace, helping them to develop generic skills and gain knowledge valued outside their own organisation.⁷⁰

There is no silver bullet to this issue, as employer-led measures must coincide with direct support programs to strengthen the STEM pipeline between education and employment. These measures, such as flexible working, have been discussed throughout this paper.

Addressing vertical segregation

As examined earlier, vertical gender segregation remains entrenched in Australia. Even in female-dominated industries, men hold most leadership positions (Table 2). This contributes to the gender wage gap of 15.3 per cent for full-time workers, above the OECD average of 12 per cent.⁷¹ Women account for just 28 per cent of the top decile of income earners.⁷²

TABLE 2

Who's (still) the boss?

Proportion of female executive leadership and management, per cent

| Gender dominance | Female CEOs (%) | Female KMPs (%) |
|------------------|-----------------|-----------------|
| Female-dominated | 38 | 48 |
| Mixed | 14 | 28 |
| Male-dominated | 6 | 21 |

The Chief executive officer (CEO) or equivalent is the head of business in Australia. For corporate structures with one or more relevant subsidiaries, the definition of CEO includes the head of business for each relevant subsidiary in Australia. Key management personnel (KMP) refers to those persons who have authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Source: Workplace Gender Equality Agency (2019) • Created with Datawrapper

The impact of the career interruptions and concessions women make for family reasons grows over the course of their career. This affects women's ability to build their careers. Less time in the workforce generally means less time to progress and restricts upward mobility.

Women (especially mothers) tend to make fewer in-work transitions (e.g., change of employer, contract, or job type), which are crucial for career progression.⁷³ This can potentially be interpreted as a proxy for employer discrimination, whereby employers view women as less committed to their career than men.⁷⁴ Vertical segregation can also result in fewer female leadership role models, further perpetuating segregation.⁷⁵ Role models play an incredibly important role as effective motivators for behaviour.^{76 77} The OECD has identified four key policies to reduce vertical segregation:⁷⁸

- Laws that set minimum quotas for women on boards;
- Rules on disclosure of companies' gender makeup;
- Comply-or-explain provisions on gender in corporate governance codes; and
- Voluntary targets for gender diversity on boards.

These policies typically apply to company boards, which set the culture of an organisation from the top. Australia's current 'comply or explain' approach to gender diversity on boards facilitates a gradual increase in the proportion of female board directors.⁷⁹ Such regulation can be effective when it both builds on and develops social norms through public disclosure.⁸⁰

"The impact of the career interruptions and concessions women make for family reasons grows over the course of their career."

As of late 2021

32.6%

of ASX300 board members were women, although eight boards still have no female members.

The ASX Corporate Governance Council Principles enshrine a 30 per cent target for women on company boards. It has been effective in increasing the number of women on boards. As of late 2021, 32.6 per cent of ASX300 board members were women, although eight boards still have no female members. Recent consultation with organisations such as the Australian Institute of Company Directors, Chief Executive Women and the Workplace Gender Equality Agency has suggested a new target of 40 per cent women, 40 per cent men and 20 per cent of either gender should be considered.⁸¹

Many European countries have gone further by legislating mandatory quotas for women on boards, with sanctions for non-compliance. Countries that legislate mandatory gender quotas see a more immediate increase in the number of women on boards. Quotas can have trade-offs, however, if they create a perception that women are selected to meet the quota,⁸² or if a company decides to change governance or firm structure to avoid them.⁸³ Moreover, the expected flow-on effects of these policies – such as increasing the proportion of women in senior management – have not always occurred in countries that have implemented quotas, including in Norway, which has a 40 per cent quota for boards.⁸⁴

Gender stereotyping still occurs – and it goes both ways

Surveys of past CEDA members have found that more than half of female respondents had experienced discrimination based on gender, while more than 90 per cent of respondents said they believed barriers to women's equality in the workplace exist.⁸⁵ Recent research on highly segregated occupations shows this goes both ways. A 2022 Australian study found that men received 50 per cent more call backs than women in male-dominated occupations, while they received 40 per cent fewer call backs in female-dominated occupations.⁸⁶ Gender stereotypes were identified as the primary cause and were found to be deeply entrenched in highly segregated occupations. Other factors such as race may compound gender discrimination in the recruitment process.⁸⁷

Governments and businesses should raise awareness of potential for bias.⁸⁸ International research has shown that anonymising applications increases the likelihood of women moving to the next round of a selection process.^{89 90} Government can support this by encouraging the use of new recruitment tools and technologies that conceal the gender of the applicant.⁹¹ Employers should also adopt standardised interviewing processes, which have been shown to reduce gender bias and be more predictive of job performance.^{92 93} However, given the pervasive ways in which gender bias can affect recruitment and promotion decisions,⁹⁴ employers may need to go further with carefully designed affirmative action by setting targets in gendered occupations.

Culture often gets in the way

Some professions have had success in reducing segregation. For instance, recent Census data showed the proportion of female barristers rose from 22 per cent in 2006 to 38 per cent in 2021.⁹⁵ A key initiative is the Law Council of Australia's *Equitable Briefing Policy*, which imposes annual reporting obligations on signatory firms, with firms committing to briefing women as counsel in at least 30 per cent of matters by number and value.⁹⁶ The policy has increased opportunities for female lawyers to develop their careers, which can also make major inroads to vertical segregation. It was also found to have caused a shift in culture by drawing attention to gender-equity issues.⁹⁷

However, some industries have remained more persistently segregated than others. A notable example is construction, where women made up just 10 per cent of the workforce in 2021.⁹⁸ This reduces opportunities for women but also inhibits productivity and contributes to skill shortages.^{99 100}

Research on Australian construction companies has found that leaders tended to develop HR and diversity initiatives based on individual bias and focused on meeting legal requirements, rather than developing a strategic approach that considers structural and cultural inequalities within the sector.^{101 102} Even

A 2022 Australian study found that men received

50%

more call backs than women in male-dominated occupations, while they received 40 per cent fewer call backs in female-dominated occupations.

"Leaders must reshape the culture of an organisation and be willing to recognise structural issues that reinforce inequalities before attempting to implement new initiatives."

when formal rules were in place, such as around flexible-work initiatives, informal cultural rules and norms (such as long working hours) prevented significant uptake.¹⁰³ Leaders must reshape the culture of an organisation and be willing to recognise structural issues that reinforce inequalities before attempting to implement new initiatives.^{104 105}

But it's not only women in male-dominated industries who are affected by culture and gender stereotypes. Men are also discouraged from entering female-dominated industries such as caregiving due to: discrimination by patients and staff; negative stereotypes about male nurses reinforced through television and popular culture¹⁰⁶; hesitance from career counsellors to recommend nursing as a career to men¹⁰⁷; and the perception that men cannot properly belong.¹⁰⁸ From education through to recruitment practices, programs and policies must break down the stereotypical notion that women are more caring than men.

Aged care is a prime example where cultural norms around care work deter men from entering the sector. Although segregation has been declining slowly, women still dominate the sector, making up nearly 90 per cent of the workforce. Previous CEDA research has shown aged care is suffering from chronic worker shortages.¹⁰⁹ Encouraging men into this sector will be a necessary part of a comprehensive plan to alleviate such shortages. Anti-discrimination campaigns that focus on men and tackle the stereotypical norm that care work is women's work could have a positive impact.¹¹⁰

Qualitative analysis has also highlighted that men are more interested in areas of aged care such as dementia care, diversional therapy and home care.¹¹¹ Education and recruitment campaigns should promote awareness of these roles and others viewed favourably by men, as part of a broader strategy to promote career pathways in caring sectors. Over time, as male participation in the sector grows, the focus would shift to other roles within the sector. Indeed, research has shown men are less likely to consider an occupation as a good career path if they are a minority in that occupation.¹¹²

Strengthening compliance with legislation

Governments should lead by example to drive change to the cultural and social norms that entrench occupational segregation. Amending the scope of the *Workplace Gender Equality Act 2012* to include the public sector should better enable this. Government policy should also make it easier for employers to comply with reporting requirements by assisting with digital solutions and allowing reuse of data already provided.

Compliance should be strengthened by requiring measurable targets for large employers and minimum standards to qualify for grants and government procurement.¹¹³ Reporting should be strengthened by requiring the reporting of gender pay gaps by employer. Consideration should also be given to more disaggregated reporting of key statistics by gender, such as the availability and take-up of flexible work and parental leave, and the distribution of average weekly hours.

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