



Australian  
Nursing &  
Midwifery  
Federation

Submission to the Inquiry

# Gender segregation in the workplace and its impact on women's economic equality

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## **1. Introduction**

The Australian Nursing and Midwifery Federation (ANMF) congratulates the Finance and Public Administration References Committee for establishing the inquiry into gender segregation in the workplace and its impact on women's economic equality. This Inquiry is of particular relevance to our membership as nursing, midwifery and assistants in nursing (AIN) are heavily female-dominated professions. As a result, the ANMF continuously strives to improve working conditions, promote pay equity and address systemic barriers which impact on women's economic equality.

## **2. About the ANMF**

Established in 1924, the Australian Nursing and Midwifery Federation (ANMF) is the national union for nurses, midwives and AINs, with branches in each state and territory of Australia. The ANMF's core business is the industrial, professional and political representation of over 259,000 members nationally.

Our response represents the views of our members, who are employed in a wide range of settings in public and private health, and aged care sectors, and are situated in urban, rural and remote locations. The ANMF has a membership that is diverse in experience and pay capability, ranging from those at higher-registered nurse levels with reasonable earning capacity, to those members of the workforce who sit at the lower end of the pay spectrum, such as AINs.

## **3. Women in the workforce**

One principle trend of the Australian workforce, in line with most developed countries over the last 50 years, is the steady rise in the number of employed women.

To support the increase of women in the labour force, particularly those with family responsibilities, policy and regulation has been introduced to assist the full and equal participation of women, including equal pay for work of equal value, equal employment opportunity, affirmative action, employment quotas (particularly at senior levels) and paid and unpaid parental leave.

In spite of these efforts, unfortunately, a significant gender pay gap exists, resulting in economic inequity for women. The gender pay gap is the difference between women's and men's average weekly full-time equivalent earnings, expressed as a percentage of men's earnings. Women's average full-time base salary across all industries and occupations is 17.7 per cent, or \$16, 219, less than men's. Furthermore, the pay gap rises once you take into account total remuneration, such as bonuses. Women's average full-time total remuneration across all industries and occupations is 23.1 per cent, or \$26,853 less than their male counterparts.<sup>1</sup>

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<sup>1</sup> <https://www.wgea.gov.au/addressing-pay-equity/what-gender-pay-gap>

The gender pay gap is influenced by a number of interrelated work, family and societal factors, including stereotypes about the work women and men 'should' do, and the way women and men engage in the workforce. Other factors that contribute to the gender pay gap include:

- women and men working in different industries (industrial segregation) and different jobs (occupational segregation). Historically, female-dominated industries and jobs, such as nursing and midwifery, have attracted lower wages than male-dominated industries and jobs;
- a lack of women in senior positions and a lack of part-time or flexible senior roles. Women are more likely than men to work part-time or flexibly because they still undertake most of society's unpaid caring work and, as a result, may find it difficult to access suitable senior roles;
- women's more precarious attachment to the workforce (largely due to their unpaid caring responsibilities); and
- discrimination, both direct and indirect.<sup>2</sup>

It is also important to note that, although women make up 46 per cent of the total Australian workforce, they are strongly overrepresented in lower paid occupations, suggesting that more needs to be done to support women in achieving their full employment potential.

#### **4. Importance of the Inquiry to ANMF members**

The Inquiry is of great importance to our members. Approximately 90 per cent of all nurses and midwives are women, 40 per cent are over 50 years of age and 90 per cent work in clinical roles.<sup>3</sup> Almost half the population of nurses and midwives currently work part-time, that is less than 35 hours per week, with a significant proportion of ANMF members taking time out of the paid workforce to care for children during their careers. These breaks and the need to work part-time while caring for families, means that our members are significantly economically disadvantaged over the course of their working lives.

The continuing gender division of labour and the increasing gap between male and female wages is major area of concern for ANMF membership. This gap is now at a 20 year high and is acute in the health and social services sectors. In November 2015, the gender pay gap for workers in the Health Care and Social Assistance was 26.8 per cent.<sup>4</sup> This is even higher than the national average gender pay gap, which was outlined above as standing at an already unacceptable 17.7 per cent.

It may be argued that nursing, midwifery and caring roles are subject to current and historical gender-based undervaluation, as the associated pay and conditions of the roles fail to recognise, or give proper weighting to the characteristics or value of the work.

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<sup>2</sup> 2016. Gender pay gap statistics. Workplace Gender Equality Agency. Australian Government

<sup>3</sup> AIHW 2015 Nursing and Midwifery workforce

<sup>4</sup> ABS (2016), Average Weekly Earnings, Nov 2015

In September 2008, the (then) ANF submitted to the House of Representatives Inquiry into pay equity and associated issues related to increasing female participation in the workforce.<sup>5</sup> The submission set out in general terms, some of the issues that contribute to the gender based pay gap:

*“Many factors contribute to the gender pay gap including the historical and continuing undervaluing of women’s work, levels of workplace participation, workplace conditions and the way work is organised, tribunal processes and methods of setting wages and conditions, education and training and other workplace factors such as access to overtime and higher levels of casualisation and part-time work for females.”*

The submission noted that the ongoing inequity is demonstrative of an institutionalised lack of respect for work undertaken by women. Lack of respect is also at the core of violence against women. The cost to the Australian economy and the damage to Australian society through the continued failure to place these issues at the core of inquiries such as this one, are extreme.

#### *Equal remuneration under the Fair Work Act (2009)*

The Fair Work Commission established a Pay Equity Unit to undertake pay equity related research and provide information to inform matters relating to pay equity under the Fair Work Act (FWA) 2009. In particular, related matters included:

- annual minimum wage reviews;
- the 4 yearly reviews of modern awards; and
- equal remuneration cases.

The Pay Equity Unit commissioned a report considering the equal remuneration provisions under the FWA authored by The University of Adelaide.<sup>6</sup> The report specifically considers Parts 2-7 of the Act, which enable the Commission to make an ‘equal remuneration order’ to ensure ‘equal remuneration for men and women workers for work of equal or comparable value’ for specified employees. The report considers the historical background to the FWA’s provisions, the adoption in the early 2000s of broader ‘equal remuneration principles’ (ERPs) by the New South Wales and Queensland Industrial Relations Commissions.

The report details the SACS case which was initiated by the Australian Services Union and four other unions in 2010. In May 2011, a Full Bench of the FWC determined that work in the SACS sector was undervalued on a gender basis. In February 2012 a majority of the Bench accepted a joint ASU-Commonwealth submission that increases of between 19 and 41 per cent should be ordered to the minimum wage rates set by the Social, Community, Home Care and Disability Services Industry Award 2010. There was also a special 4 per cent loading, to recognise the ongoing impediments to bargaining in the industry.

In the federal SACS proceedings, the Full Bench made an initial determination that the work was undervalued on a gender basis, through drawing to following conclusions. These were that:

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<sup>5</sup> [http://www.pc.gov.au/data/assets/pdf\\_file/0006/187944/sub0132-workplace-relations.pdf](http://www.pc.gov.au/data/assets/pdf_file/0006/187944/sub0132-workplace-relations.pdf)

<sup>6</sup> <https://www.fwc.gov.au/documents/documents/payequity/er-report-6-dec-2013.pdf>

- much of the work is caring work;
- such a characterisation can contribute to devaluing work;
- the work was in fact undervalued; and,
- given that caring work has a female characterisation, the undervaluation was gender-based.

The FWC failed to adopt an equal remuneration principle (ERP) in the SACS ruling, however there was no impediment had the Commission chosen to do so. There are historical precedents for the Commission regarding the adoption of principles particularly in relation to wage fixing. The authors note that an ERP could emphasise the importance of the concept of equal remuneration and suggest the steps required to demonstrate that undervaluation was gendered or had a gender-associated cause. They suggest an adopted principle should underpin the importance of gender-neutral determinations of work value in ensuring that rates of pay are properly set.

Analysis of the decision in the SACS Equal Remuneration Case performed by MacDonald and Charlesworth (2013)<sup>7</sup> highlighted the:

*“...reluctance on the part of FWA to allow the goal of equal remuneration to challenge the dominance given to the market as the main determinant of wages within the industrial relations system. This reluctance is in keeping with the provisions for equal remuneration orders within the FW Act, which permit an order to be made only following an application by an employee, an employee organisation or the Sex Discrimination Commissioner. Thus the advancement of pay equity through equal remuneration orders is left up to employees and their unions, who must initiate cases, collect evidence and put forward the legal arguments. This is no small task as shown in the SACS Equal Remuneration Case, which ran over a period of 18 months and faced significant opposition from employer groups. Indeed, the process under the FW Act may be seen by some unions as far too costly for the likely benefits it will deliver.”*

MacDonald and Charlesworth (2013) assert that equal pay has been marginalised in the operation of the FW Act. They cite as evidence, the 2012 implementation review of the Act whereby the Review Panel made reference to the provision for equal remuneration orders in their considerations although they made no recommendations for any relevant changes to the Act.

#### *Aged care workers – undervalued and underpaid*

Over the last decade, the ANMF have been campaigning for improvements in aged care with increasing intensity in an attempt to ensure quality care for residents and decent conditions for those working in aged care. But despite multiple reviews, inquiries and investigations no real improvements have been forthcoming.

In aged care, the predominately female nurses and carers experience the double disadvantage of working in an undervalued and underpaid occupation, in a sector that is not adequately resourced or recognised. Despite an attempt by the Gillard Government to address the lower wages by

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<sup>7</sup> Macdonald, Fiona; Charlesworth, Sara --- "Equal Pay under the Fair Work Act 2009 (Cth): Mainstreamed or Marginalised?" [2013] UNSWLJ 21; (2013) 36(2) University of New South Wales Law Journal 563

introducing a workforce supplement directly for employees wages (subsequently removed by the Abbott Government), it is widely acknowledged that this remains unaddressed. On top of this, the recent 1.8 billion in funding cuts in the 2015 MYEFO serve only to exacerbate this wages compression as 70% of the costs in aged care are wages.

Effective bargaining has been difficult in the fragmented and segmented aged care sector, with a large number of facilities spread across the nation. While enterprise agreement coverage for RNs, ENs, AINs and Personal Care Workers (PCWs) employed in residential care has now reached a high level, (753 enterprise agreements covering 90 per cent of facilities), bargaining outcomes can best be described as patchy and wages and conditions continue to remain well below that of nurses and PCWs in other areas of employment such as public and private acute care.

The average hourly rates of pay nationally, for selected classifications are shown in Table One below. The average wage rates are based on a comprehensive mapping of enterprise agreements to residential aged care facilities covered by non-public sector agreements.

Table 1. National averages Aged Care - hourly rates of pay – Feb 2016<sup>8</sup>

AIN/PCW top	AIN/PCW Cert 3 qual top	EN top	RN Level 1 top increment
\$21.95	\$22.73	\$ 27.25	\$35.98

Nationally, the difference between the average base rate of pay for a full time Registered Nurse level 1 at the top of the level 1 structure in the public sector and in residential aged care is 15 per cent or \$207.00 per week calculated on the base rate.<sup>9</sup> Similarly, for an AIN/PCW with a certificate 3 qualification, the difference is currently 15 per cent.

The inferior enterprise bargaining outcomes for nurses and carers employed in the aged care sector not only result in significant wage disparity but also paucity in other conditions of employment including allowances, leave and other entitlements, such as professional development leave.

Further, in both residential and community care, an extremely high percentage of the direct care workforce is part-time or casual, (90.5 per cent in residential and 89.4 per cent in home care).<sup>10</sup> For many part-time and casual workers, uncertainty about the number of hours of work and actual days of work is already a reality, resulting in insecure employment, under-employment and a lack of financial security.

As in the acute health sector, aged care is a 24hour/7 days a week operation where shift allowances and penalty rates make up a substantial part of an employee's income. The growing disparity in this regard as well as in other workplace entitlements such as ratios and minimum staffing levels, compounds the inequity in remuneration overall and the consequent attraction and retention problems in the aged care sector. (N.B. The disparity in penalty rates and shift allowances between the aged care and other sectors is not significant in Victoria). The lack of appropriate provision for other entitlements such as clauses covering staffing and workload management, professional development leave, occupation health and safety and opportunities for career advancement

<sup>8</sup> [http://www.anmf.org.au/documents/submissions/ANMF\\_Aged\\_Care\\_Inquiry\\_2016\\_Report.pdf](http://www.anmf.org.au/documents/submissions/ANMF_Aged_Care_Inquiry_2016_Report.pdf)

<sup>9</sup> Ibid

<sup>10</sup> Ibid

increases the disparity and inequities between the aged care and other sectors of employment for nurses.

A mechanism which ensures the aged care sector achieves and maintains wage parity with the acute care sector must be developed. The pay for the majority of aged workers, both skilled and semi-skilled, simply does not reflect the nature of the work and the level of responsibility required, nor does it value the importance of providing the best care possible to Australia's frail elderly.

Further details can be found in the ANMF's submission to the Senate Inquiry into the future of Australia's aged care sector workforce which can be accessed here:

[http://www.anmf.org.au/documents/submissions/ANMF\\_Aged\\_Care\\_Inquiry\\_2016\\_Report.pdf](http://www.anmf.org.au/documents/submissions/ANMF_Aged_Care_Inquiry_2016_Report.pdf)

The remaining areas addressed in this submission focus on:

- I. Gender impacts resulting in economic inequity;
- II. Gender and cultural barriers; and
- III. Systemic barriers leading to economic inequality for many nurses, midwives and AINs.

### **I. Gender impacts resulting in economic inequality**

Gender plays a key role in the existence of economic inequity in Australia. However, opportunities exist to address this inequity, primarily through making changes and improvements to the balance of family and work life.

As women are typically (but not exclusively) the primary care provider, this often means taking breaks from employment or working less hours in order to meet family responsibilities. The detrimental impact this has on employment prospects, career progression, remuneration, and retirement savings has been well documented.

#### ***Caring and domestic responsibilities***

Informal care is vital to the success and cohesiveness of families and societies. However, there can be substantial costs to carers and their families. The economic costs include the loss of income associated with lower levels of employment, fewer hours worked or the acceptance of less-demanding, lower-paid jobs. In Australia, women undertake most of society's unpaid care work. For example, the Australian Bureau of Statistics (ABS) reports that women spend twice as long undertaking caring responsibilities of children under 14 years than men.<sup>11</sup>

Women's disjointed career trajectories reflect the way the gender pay gap changes over the course of a typical career span. The gender pay gap exists from first entry to the workforce and increases substantially during the years of childbirth and childrearing, a time when many women have reduced their participation in paid employment to take on family care responsibilities. During this time, the cumulative loss of earnings that women experience usually becomes irreversible, regardless of their

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<sup>11</sup> ABS Gender Indicators, Australia, Jan 2012

subsequent paid employment, and there are few women who end their working lives having earned the same as, or more than, men working in similar employment.<sup>12</sup>

As well as impacts from working part-time to meet family responsibilities, mothers may also be subjected to discrimination that impacts both short-term and long-term earning potential. A recent study by the Australian Human Rights Commission (AHRC) found that almost half of mothers (49 per cent) experienced discrimination relating to pay, conditions and duties, while a similar proportion (46 per cent) experienced discrimination relating to performance assessment or career advancement opportunities.<sup>13</sup> In fact, it has been estimated that raising children accounts for a 17 per cent loss in lifetime wages for women.<sup>14</sup>

It may be argued that gender equality in the workplace cannot be achieved without challenging perceptions of primary carer responsibility within the family.

### *Part-time employment and flexible work arrangements*

In Australia, it is more common for women to be in part-time work or not in the labour force than men. As a percentage of the labour force, 44 per cent of women and 16 per cent of men work part-time.<sup>15</sup>

This trend of part-time work is mirrored within the nursing, midwifery and AIN professions. In 2015, almost half (48.8 per cent) of employed nurses and midwives worked part-time hours (defined by AIHW as less than 35 hours per week) The high level of casual work among part-time workers also means that they have less access to many conditions and benefits of full time employment.

Australian research has shown that women who return to part-time work are often subject to a 'part-time penalty', largely because flexible or part-time work is often perceived to be career limiting and of less value. In addition to impacts on direct income, the part-time penalty also includes reduced promotional opportunities, reduced access to education provided in the workplace and career plateaus. Thus, taking career breaks and working part-time not only reduces women's current income, but also constrains their long-term earning potential, and their earning capacities may never fully recover.<sup>16</sup>

Many organisations view part-time workers unfavourably and perceive them as contributing less to a business. However, a study by Ernst & Young has found women working part-time are the most productive in the workforce. Or rather, they waste the least amount of time at work of all employees, just 11.1 per cent compared to 14.5 per cent for the rest of the workforce.<sup>17</sup>

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<sup>12</sup> Parenting, work and the gender pay gap Perspective Paper. Workplace Gender Equality Agency, Australian Government

<sup>13</sup> Australian Human Rights Commission (2014), Supporting Working Parents: Pregnancy and Return to Work National Review – Report, 2014, <http://www.humanrights.gov.au/publications/sex-discrimination>

<sup>14</sup> Adda, J., Dustmann, C., and Stevens, K. (2010). The career cost of children. Paper presented at the 10th World Congress of the Econometric Society 2010. Retrieved from <http://www.eswc2010.com/>

<sup>15</sup> Wilkins, R., Warren, D., Hahn, M., and Houg, B. (2011). Families, incomes and jobs. The Household, Income and Labour Dynamics in Australia (HILDA) Survey. Melbourne Institute, The University of Melbourne ([www.melbourneinstitute.com/hilda/](http://www.melbourneinstitute.com/hilda/))

<sup>16</sup> Chalmers, J. and Hill, T. (2007) Marginalising women in the labour market: 'Wage-scarring' effects of part-time work, Australian Bulletin of Labour, 33(2): 180-201.

<sup>17</sup> [http://www.ey.com/Publication/vwLUAssets/Untapped\\_opportunity\\_-\\_The\\_role\\_of\\_women\\_in\\_unlocking\\_Australias\\_productivity\\_potential/\\$FILE/EY-Untapped-opportunity-The-role-of-women-in-unlocking-Australias-productivity-potential.pdf](http://www.ey.com/Publication/vwLUAssets/Untapped_opportunity_-_The_role_of_women_in_unlocking_Australias_productivity_potential/$FILE/EY-Untapped-opportunity-The-role-of-women-in-unlocking-Australias-productivity-potential.pdf)

Part-time work is less likely to be available at a senior management level. This limits women's capacities to take up or stay in senior leadership roles if they have children. Where they exist, senior part-time roles are often created by negotiating an existing full-time role down to part-time hours with the same employer.

Flexible working arrangements are useful for addressing the gender pay gap because working flexibly can afford women greater involvement in paid work while undertaking unpaid family and caring work. It can allow women to continue to accumulate human capital even if their primary focus is unpaid work for a period of time.

Providing flexible work conditions for both men and women has advantages in terms of retaining staff and improving economic outcomes. A recent study conducted by the University of Adelaide and jointly commissioned by the ANMF (SA Branch) and SafeWork SA has revealed a critical need for greater flexible working arrangements in the nursing and midwifery professions. The report considered flexible work arrangements for nurses and midwives in the acute hospital sector, and identified that inflexible work conditions were a key reason nurses and midwives were looking to abandon the sector. Nearly 48 per cent of all research participants had asked their employer or manager for access to flexible work arrangements, however 22 per cent were refused for a range of reasons including cost or loss of productivity.<sup>18</sup>

### ***Opportunities for career progression***

As previously discussed, many female nurses and midwives' careers are impacted by family responsibilities, the necessity to work part-time, disrupted careers and limited employee-sponsored training and development opportunities. This disruption may lead to limited career progression and less access to senior roles, as women seek to balance careers with informal caring responsibilities.

This is supported by international studies, which have identified that male nurses are more likely to be higher paid and promoted to leadership positions.<sup>19</sup> In the UK, male nurses are twice as likely to hold a senior position as female nurses.<sup>20</sup> This phenomenon is also seen in the Australia, while men make up nearly 10 per cent of the nursing, midwifery and AIN workforce, they are proportionally over-represented in management roles (15.7 per cent). Other principle areas of nursing where men are over-represented include, mental health (30.9 per cent), drug and alcohol (21 per cent), and emergency care (16.4 per cent).<sup>21</sup>

## **II. Gender and cultural barriers**

### ***Promoting nursing as a gender-neutral occupation***

The societal view of nursing as a feminised, nurturing occupation and the existing gender segregation in nursing, midwifery and AIN roles may act as a deterrent for men considering the

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<sup>18</sup> <https://www.anmfsa.org.au/news-archive/report-highlights-need-for-flexible-working-arrangements/>

<sup>19</sup> Brown, B. 2009. *Men in Nursing: Re-evaluating masculinities, re-evaluating gender*. Contemporary Nurse: A Journal for the Australian Nursing Profession 33(2) 120-129.

<sup>20</sup> <https://www.nursingtimes.net/news/hospital/top-hospitals-show-bias-for-male-nurse-directors/5018275.article>

<sup>21</sup> AIHW 2015 The National Health Workforce Data Set

profession. Currently, men represent approximately 10 per cent of the nursing, midwifery and AIN workforce.

However, increased diversity and less gender segregation has many benefits for the professions, which include:

- An improved societal view of nursing, midwifery and AIN professionalism, through challenging the perception that nursing is a female – and therefore subordinate - vocation. It should be noted that although nursing is generally looked upon favourably by the public (Roth and Coleman 2008, USA), women's roles in society continue to be less valued than men's, which is reflected in their lower social status and financial compensation (Meadus2000).<sup>22</sup>
- An enhanced experience for some patients. Research has shown that many patients relate better to nurses who are demographically similar to them, therefore it has been recommended that the workforce should closely mirror the diversity of the population.

Efforts should be made to decrease gender segregation. This may be done through challenging societal gender stereotypes and promoting nursing and midwifery as desirable, gender-neutral professions. Promoting aspects of the role that are more likely to attract men, such as the requirements for technical and medical skills, may also be beneficial.

### **III. Systemic barriers leading to economic inequality for many nurses, midwives and AINs.**

#### ***Superannuation***

Women are at a greater risk of being poor in old age because gender segregation imposes costs on women and families that result in lower-accumulated income over a lifetime. Particularly of relevance are the impacts that disrupted work lives and a career involving part-time employment may have on accumulation of superannuation. This work pattern frequently results in women experiencing less financial security in retirement than men.

Statistically, women live longer than men with fewer financial resources. The average life expectancy for women is 84.4 years compared to 80.3 for men. Recent research has shown that women at retirement have just under half as much superannuation as men. According to Roy Morgan research, an Australian woman typically holds just \$35,200 in super while a man holds \$62,900.<sup>23</sup> The average superannuation balance for women at retirement is \$138,150 compared with \$292,500 for men. Around 60 per cent of women aged 65-69 report have no superannuation at all. Single women are particularly vulnerable. It is estimated that 63 per cent of single women retiring in 2035 will not achieve a comfortable standard of living and 38.7 per cent of single women will retire in poverty.<sup>24</sup>

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<sup>22</sup> Meadus, R.J. (2000) Men in Nursing: Barriers to Recruitment. Nursing Forum 35(3)

<sup>23</sup> <http://www.roymorgan.com/findings/6397-women-behind-men-in-super-but-making-gains-201508192359>

<sup>24</sup> <http://www.actu.org.au/media/886499/the-gender-pay-gap-over-the-life-cycle-h2.pdf>

The design of superannuation favours men. Twice the amount of superannuation tax concessions from government flow to men than to women, despite women clearly needing the most financial support. Further, employers are currently not required to make superannuation contributions in respect of the Commonwealth Paid Parental Leave scheme. This constitutes an additional financial penalty borne by working mothers and has a detrimental impact on equity in the workplace.

### *Paid Parental Leave*

The benefits of paid parental leave (PPL) to mothers, babies, families and communities are now well known and supported by an increasing body of international research. PPL is associated with enhanced workforce participation of women, improvement in the health of mothers, particularly in relation to lower stress levels and incidence of post-natal depression, and better health for babies primarily due to extended breastfeeding. PPL is also known to contribute to increased gender equity and better work-life balance.<sup>25 26 27</sup>

While unpaid parental leave is a universal employee entitlement, paid parental leave benefits have now become a feature of enterprise agreements and vary according to the sector, workplace and tenure of an employee. These industrial advances, along with the government scheme, reflect a desire of the community to improve the health of mothers and babies by providing paid leave. It is also a recognition by most employers that paid parental leave promotes employment continuity and workplace retention, thus helping to preserve job and employer-specific skills, and reduces recruitment and training costs for employers.

However, at present, there is a significant lack of clarity regarding the future of the government PPL scheme, with a number of different policy positions articulated by the government and amendments to the Fairer Paid Parental Leave Bill 2016 currently before Parliament. The amendments propose that the Paid Parental Leave scheme will only be provided to parents who have no employer-provided paid primary carer leave, or whose employer-provided paid primary carer leave is for a period less than 20 weeks (well below the World Health Organisation recommended 26 weeks) or is paid at a rate below the full-time national minimum wage. If these amendments are passed, ANMF members will lose a substantial amount in paid leave entitlements, namely a reduction in the period of paid leave available and a consequent loss of income.

Erosion of benefits and uncertainty around PPL are critical issues for ANMF members. The current PPL design, which does not require compulsory employee superannuation contributions, also has a detrimental impact on the economic equality of our members.

In December 2016, the ANMF developed a comprehensive submission to the Senate Community Affairs Legislation Committee Inquiry into the Fairer Paid Parental Leave Amendment Bill 2016. The submission included the findings of a survey of 1,244 nurses, midwives and AINs who shared their

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<sup>25</sup> 1 Applebaum & Milkman, *Leaves that Pay: Employer and worker experiences with paid family leave in California*, Centre for Economic and Policy Research, 2011 Available online: <http://www.cepr.net/documents/publications/paid-family-leave-1-2011.pdf>

<sup>26</sup> 2 Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses and the Public, Linda Houser, Ph.D. Affiliate Fellow Thomas P. Vartanian, Ph.D., Rutgers Center for Women and Work, 2012, Available online: <http://www.cww.rutgers.edu>

<sup>27</sup> Bulletin of the World Health Organization 2013; 91:398-406. doi:<http://dx.doi.org/10.2471/BLT.12.109363>

views on PPL, experiences of accessing PPL and managing after the birth of a child as well as their intentions to access PPL in the future. The ANMF submission to the Senate Community Affairs Legislation Committee's Inquiry into the Fairer Paid Parental Leave Amendment Bill 2016 is available here: [http://www.anmf.org.au/documents/submissions/ANMF\\_PPL\\_Submission\\_Dec2016.pdf](http://www.anmf.org.au/documents/submissions/ANMF_PPL_Submission_Dec2016.pdf)

#### *Access to affordable childcare and after-school care*

Many challenges exist in regards to accessing and affording childcare and after-school care. These challenges impact on women's ability to fully participate in the workforce and may have long-term detrimental impacts on their economic security. Specific challenges also exist for nurses, midwives and AIN with regards to childcare, due to the high level of irregular hours and shift work typical of the industry.

The Productivity Commission's report into Childcare and Early Childhood (2015) estimated that there may be up to roughly 165 000 parents (on a full-time equivalent basis) who would like to work, or work more hours, but are not able to do so because they experience difficulties with the cost of, or access to, suitable childcare. These are parents (mostly mothers) who are currently either not in the labour force or are working part-time.<sup>28</sup>

The report also notes that Australia's tax and transfer system creates a strong disincentive for some parents to enter the workforce or to increase their hours of work. For some second income earners (usually mothers) who return to work and use childcare, the combination of a drop-off in Family Tax Benefits once family income rises, progressive income tax rates, reduced Childcare Benefit (CCB) assistance at higher income levels and the cap on Childcare Rebate (CCR) assistance, can result in an effective marginal tax rate approaching 100 per cent, particularly once work exceeds three days per week. For more well-compensated workers, including many nurses and midwives, the anticipated longer-term private benefits from maintaining attachment to the workforce means they may continue working, despite facing high effective marginal tax rates whilst accessing childcare.

#### *Attracting, retaining and meeting the demand for nurses, midwives and AINs*

In 2014, The Australia's Future Health Workforce – Nurses Detailed Report was developed by Health Workforce Australia (HWA). The report highlights some critical issues, not least of which is the projection that in medium to long-term, Australia's demand for nurses will significantly exceed supply, with a projected shortfall of approximately 85,000 nurses by 2025, or 123,000 nurses by 2030.<sup>29</sup> Population health trends, combined with an ageing nursing and midwifery workforce, high levels of part-time employment and poor retention rates, all contribute to the nursing shortfall.

The HWA noted a lack of coordinated decision making between tertiary education institutions, governments, employers and the profession, combined with lag-times in implementing changes has resulted in a "boom and bust" cycle in nursing and midwifery education and the resulting number of nursing and midwifery graduates. Recently, a significant proportion of new domestic nursing

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<sup>28</sup> <http://www.pc.gov.au/inquiries/completed/childcare/report>

<sup>29</sup>

[http://www.health.gov.au/internet/main/publishing.nsf/content/34AA7E6FDB8C16AACA257D9500112F25/\\$File/AFHW%20-%20Nurses%20detailed%20report.pdf](http://www.health.gov.au/internet/main/publishing.nsf/content/34AA7E6FDB8C16AACA257D9500112F25/$File/AFHW%20-%20Nurses%20detailed%20report.pdf)

graduates have been unable to secure suitable employment, whilst experienced nurses continue to be recruited from overseas.

A system-wide approach to analysis, planning and response to the emerging nursing shortfall is required.

Recruiting staff to nursing, midwifery and AIN roles is experiencing a number of emerging challenges. Australia's population is ageing, which is resulting in fewer people being available to enter the labour force. Further, nursing and allied roles will face increasing competition for its future workforce supply as women chose to train and enter a broader range of professions than the traditional feminised caring roles. The current low compensation and social status may discourage people from pursuing careers in nursing and caring roles.

One critical component to address workforce demands is through retention of qualified nurses and midwives. As predominantly female professions, nursing and midwifery experience significant movement of registered individuals out of the workforce for extended periods of time, chiefly for child-rearing reasons. To address some of the barriers to re-entering the profession the ANMF has publicly called for:

- increased funding for clinically based nursing/midwifery educators and nurse/midwife clinicians to provide supervision support;
- nationally coordinated, nationally consistent, locally available re-entry to practice competency assessment programs; and
- provision of accessible and affordable re-entry education programs.<sup>30</sup>

Other strategies that may support the retention of nurses, midwives and AINs include:

- the adoption of flexible work practices and adequate compensation for the role and associated responsibilities;
- redesign of roles that meet the needs, and leverage the experience of older nurses who may elect to move out of shift-work and physically demanding roles; and
- the implementation of measures designed to retain recently graduated nurses in the profession by ensuring they receive adequate support in the workplace.

## 5. Recommendations

In summary, the ANMF recommends the following actions:

### *Addressing wage inequities and professional factors in the aged care sector*

- A mechanism, which ensures the aged care sector achieves and maintains wage parity with the acute care sector must be developed. Such a mechanism must respond to changes in wage rates and accommodate an effective indexation system that provides employers with adequate funds when wage rises are negotiated. It must also incorporate a transparent and accountable process framework. Despite being a complex and specialised area, aged care

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<sup>30</sup> [http://anf.org.au/documents/submissions/ANF\\_Sub\\_Health\\_Workforce\\_Innovation.pdf](http://anf.org.au/documents/submissions/ANF_Sub_Health_Workforce_Innovation.pdf)

continues to be regarded as something of a 'poor cousin' within the broader context of the health system in which the majority of nurses traditionally work. The Australian Government must close the wages gap between nurses and assistants in nursing/personal care workers working in aged care and those who work in public hospitals by allocating specific funding for this purpose. Provision of the funding should be conditional on the achievement and maintenance of wage parity.

- That the federal government reverse the aged care funding cuts which, apart from reduction in staffing and skill mix, will exacerbate the gap in wages between aged care and other health sectors.

#### *Changing societal views of caring roles and feminised professions, such as nursing and midwifery*

- Address issues of gender segregation in nursing, midwifery and AIN roles to enhance the status of the profession. This change in status may address economic inequities currently associated with employment in a feminised, caring role. Strategies may include promoting nursing, midwifery and AIN roles as gender-neutral professions.

#### *Addressing barriers to career progression related to disjointed career trajectories and part-time and flexible work statuses.*

Organisations should be encouraged to address barriers to women's workforce participation and economic security through:

- employing policies, strategies and other mechanisms in place that support parents – both women and men – to manage their family responsibilities;
- having part-time and flexible working arrangements (e.g. job sharing) that are available to all employees at all levels of the organisation;
- designing jobs and career paths that consider and encompass flexible work;
- an organisational culture that supports both women and men to adopt flexible working practices or part-time work;
- supporting pregnant women and mothers returning to work to be valued members of the workforce with access to the same opportunities as their colleagues; and
- training managers in how to manage employees who adopt flexible work practices.

#### *Superannuation*

- Seek increased certainty around the PPL scheme that preserves current arrangements and includes employer superannuation contributions and ensure that PPL counts towards service, for example for the purposes of long service leave. The current superannuation system supports those with unbroken careers. The ANMF believes that our members are being financially penalised for leaving the workforce to take on unpaid caring roles, which are not valued by our society. Payment of superannuation should continue in period of paid and unpaid parental leave.
- The ANMF is concerned that the current structural arrangements for superannuation in Australia means that nurses, midwives and AINs simply won't have sufficient savings to support them and give them a decent standard of living in their retirement. Current taxation incentive schemes should be examined and recalibrated to ensure that those people with lowest superannuation contributions are supported to maximise their retirement savings.

### *Health workforce planning*

- A system-wide approach to analysis, planning and responses to the emerging workforce shortfall is required which includes strategies to address recruitment and retention of nurses, midwives and AINs. These strategies should have agreed implementation plans, timelines and funding.

### *Equal Remuneration Principle by the Fair Work Commission*

- The Fair Work Act should be amended to ensure that any reviews on equal remuneration are undertaken by the Fair Work Commission and to require the Commission to address inequities in remuneration based on gender segregation.