

Graduate School of Business

**Why and How Does Gender Wage Inequality Persist?
Perceptions of stakeholders in the Australian industrial relations
system**

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Doctor of Philosophy
of
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Declaration

To the best of my knowledge and belief this thesis contains no material previously published by any other person except where due acknowledgment has been made.

This thesis contains no material which has been accepted for the award of any other degree or diploma in any university.

Signature:

Date:

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GLOSSARY

Australian Bureau of Statistics (ABS)
Australian Capital Territory (ACT)
Australian Council of Trade Unions (ACTU)
Australian Conciliation and Arbitration Commission (ACAC)*
Australian Industrial Relations Commission (AIRC)*
Australian Education Union (AEU)
Australian Liquor Hospitality and Miscellaneous Workers' Union (ALHMU)
Australian Manufacturing Workers' Union (AMWU)
Australian Nursing Federation (ANF)
Australian Public Service (APS)
Australian Services Union (ASU)
Average weekly ordinary time earnings (AWOTE)
Australian Workers' Union (AWU)
Chief Executive Officer (CEO)
Commonwealth (Cth)
Commonwealth Conciliation and Arbitration Commission (CCAC)*
Commonwealth Court of Conciliation and Arbitration (CCCA)*
Community and Public Sector Union (CPSU)
Conciliation and Arbitration Reports (CAR)
Construction, Forestry, Mining and Energy Union (CFMEU)
Department of Communications, Information Technology and the Arts (DCITA)
Department of Industrial Relations (DIR)
Enterprise Bargaining Agreement (EBA)
Equal Employment Opportunity (EEO)
Federal (Fed)
Federated Clerks Union (FCU)
Hospital Employees Federation (HEF)
Human Resources (HR)
Internal Labour Markets (ILMs)

* These are all names for the same federal industrial relations tribunal as it changed over time. See the timeline at the end of Chapter 2 for when the names change.

International Labour Organisation (ILO)
Industrial Reports (IR)
Liquor Hospitality and Miscellaneous Workers Union (LHMWU)
Minimum Rate Adjustment (MRA)
Professional Officers Association (POA)
Shop, Distributive and Allied Employees Association (SDA)
Royal Australian Nursing Federation (RANF)
Transport Workers Union (TWU)
Victoria (VIC)
Victorian Industrial Relations Commission (VIRC)
Western Australia (WA)
Western Australian Industrial Gazette (WAIG)
Western Australian Industrial Relations Commission (WAIRC)
Western Australian Workplace Agreements (WAWA)

ABSTRACT

This thesis explores how and why gender wage inequality persisted in Australia during the period 1990 to 2003. A review of the wage data indicated that Australian inequality persisted during this period and even increased in Western Australia.

An analysis of the literature and published tribunal decisions showed that the focus of action relating to gender wage equality was on the formal industrial relations system, through legislation and tribunal decisions. As the literature also indicated that these measures had failed to assist many female-dominated occupations, it was felt useful to examine the views of key stakeholders in the formal industrial relations system.

Given the mainly quantitative and aggregate data analysis of previous empirical literature and the theoretical literature's growing focus on less quantifiable social factors, it was felt that qualitative research would add to the analysis of gender wage determination. This thesis uses in-depth interviews with stakeholders in the federal and Western Australian industrial relations systems to examine the period 1990 to 2003. Their perceptions and observations are triangulated with published wage data from selected occupations.

Interviewees felt that the persistence of gender wage inequality was a complex artifact. An artifact of economic, industrial relations, social and cultural factors, combined with the biological and psychological attributes of all involved in decisions before and in the workplace. While much of the gender wage gap literature has been focused on the economic, industrial relations, or legal aspects of wage inequality, this thesis uniquely demonstrates why and how social and cultural influences also act to create persistent gender wage inequality. As much as action is taken in the legal and political arena to create equality, the players in the industrial relations system, consciously or not, both male and female, say that they have helped to (re)construct the gender wage gap.

The implications are that in order to achieve gender wage equality, action cannot be left only to legislation and activity in the courts, but is also needed at the social and cultural level. Such action could be taken within the enterprise as well as in the school, community and home.

CHAPTER 1 – INTRODUCTION

1.0 INTRODUCTION

This thesis examines why and how women working full-time in Australia between 1990 and 2003 were still paid less than their male counterparts. Female earnings are important because of the influence of wages and salaries on income for both women and men. Employment income makes up the bulk of total income in Australia, with 58 per cent of households having wages and salaries as their principle source of disposable average income and 28 per cent of households having government pensions and allowances as their principal source of income in 2002/3 (ABS 2004).

With an ageing population, income on retirement is increasingly an issue for all Australians and their governments (DCITA 2004:18). Income on retirement is also increasingly likely to be influenced by previous employment income as occupational superannuation has now become the Australian Government's preferred method of financing retirement (Atkinson, Creedy & Knox 1995:24). Women are more likely than men to be in low and medium wage employment (King, Rimmer & Rimmer 1992).

It has long been acknowledged that there has been a wage gap between men and women in Australia (Ryan & Conlon 1975) and this continued into the 21st century (ABS 2005). Thus the original objective of this thesis was to answer the question: Why does the Australian industrial relations system deliver different pay outcomes to equivalent women and men who are working full-time?

It follows that this thesis must demonstrate if equivalent (in terms of productive characteristics such as education and experience) women and men, working full-time ordinary hours in Australia, are paid differently. This is done during the literature review in Chapter 3 where the econometric evidence is analysed. Here only indicative raw data from the Australian Bureau of Statistics (ABS) on female award rates and average weekly ordinary time earnings (AWOTE) relative to male award rates and AWOTE is given, showing how that has changed over time. This chapter then goes on to explain how this thesis is organised, to discuss the research question, to define some parameters and then, very briefly to give the major findings.

1.1 FEMALE PAY 1914 TO 2003 – THE RAW DATA

1914 was the first time a sample of both male and female award rates became available (ABS Labour Report 1915). Table 1 shows how relative female compared to male award rates changed over the time period 1914 to 1984.

It shows that in 1914 Australian women were earning nearly 50 per cent of male minimum award rates. At this time the industrial tribunals, the Commonwealth Court of Conciliation and Arbitration (CCCA) and the Western Australian Industrial Relations Commission (WAIRC), (as discussed in Chapter 2, Section 2.2) were awarding women in women's jobs at least 50 per cent of male wages and women in men's jobs 100 per cent.

By 1955, women were receiving an average of 70 per cent of male award rates, despite the 1949/50 Basic Wage inquiry (68 CAR 759) that set award rates for women's jobs at a minimum of 75 per cent of male award rates (with women in men's jobs still sometimes being awarded 100 per cent). In 1972, when the principle of equal pay for work of equal value was adopted by the CCAC (147 CAR 172), women were earning an average of 77.4 per cent of male award rates. This relativity climbed rapidly as the 1972 decision took effect, with women's average minimum weekly award rates relative to men's rates rising to 79.5 per cent in 1973 and 91 per cent in 1975.

Advances in women's award rates relative to those of men began to slow in the 1980s. By 1980, female award rates rose to 91.9 per cent of male minimum award rates and by 1984, 94 per cent. It is clear that the major pay equity advances were made in the early 1970s and slowed in the 1980s.

The full-time adult average weekly ordinary time earnings (AWOTE) figures used in Figure 1 are a more reliable measure of actual earnings than the weighted average minimum award figures given in Table 1. Minimum award rates do not include over-award pay or extra loadings¹.

¹ The award rates of pay only include base minimum rates – not pay above minimum rates (over-award pay) that would be included in earnings figures. Research (DIR 1992) has shown that men are more likely to receive over-award pay than women. The award rate series (ABS Labour Report 1915; ABS cat. no.s: 6.17 1939-1964; 6.21 1965-1967; 6.16 1972-1983; 6312.0 1974-1984) also involves a weighted sample of selected awards – not the whole range available. The sample and/or weighting may be biased towards male award rates. Hence the full-time average weekly ordinary time earnings series (ABS 63020) more accurately reflects what both men and women are earning. This is particularly true of men. Men also earn more in total (including penalty/weekend work rates) than

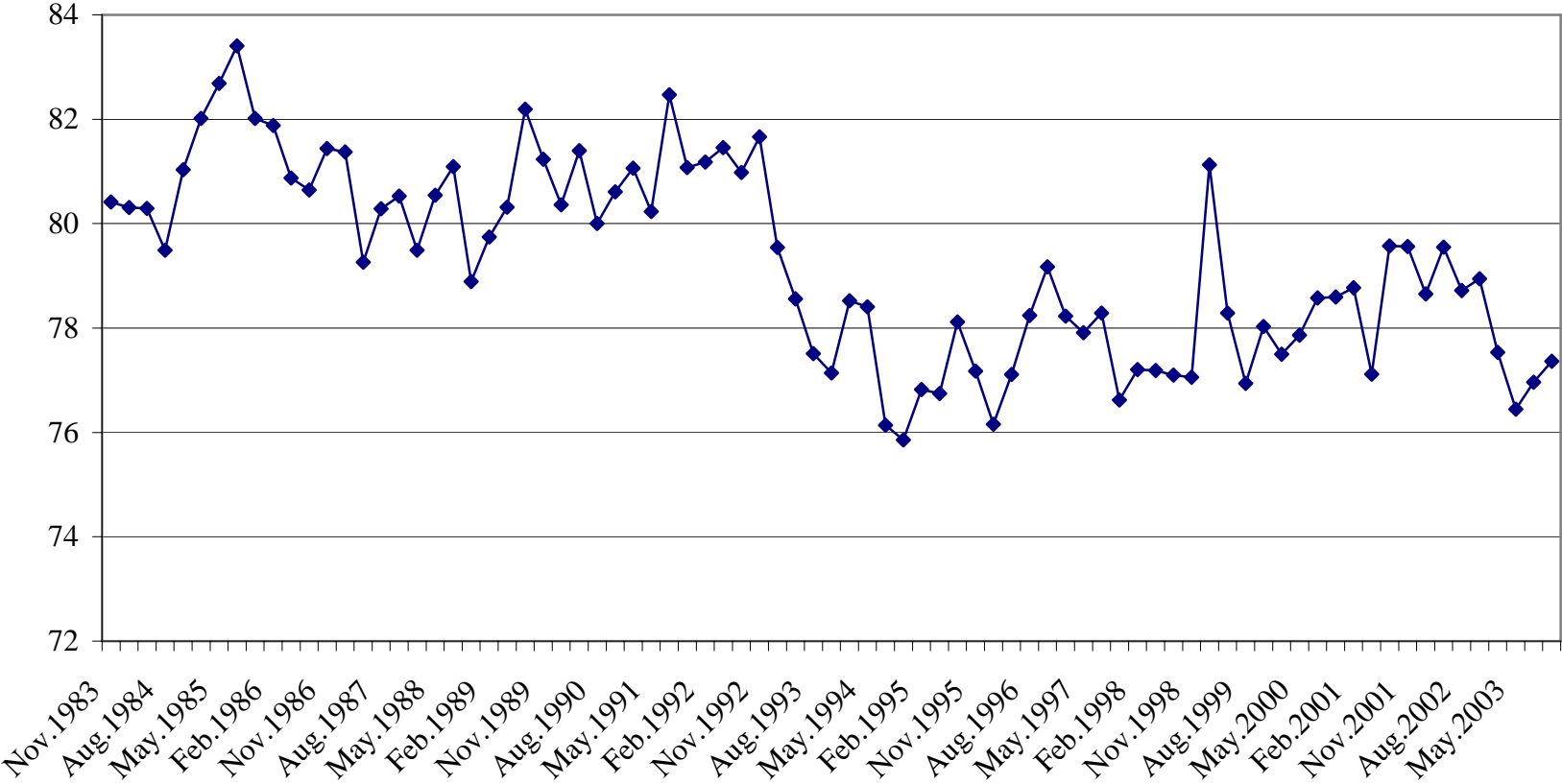
**Table 1 - Weighted Average Minimum Weekly Award Rates -
Female as a Percentage of Male**

Year	Per Cent
1914	49.3
1939	55.2
1945	60.0
1950	65.7
1955	69.4
1964	72.0
1966	71.4
1967	72.6
1968	71.0
1969	72.1
1970	73.2
1971	74.8
1972	77.4
1973	79.5
1974	85.3
1975	91.0
1976	92.4
1977	93.2
1978	93.1
1979	92.2
1980	91.9
1981	93.0
1982	94.0
1983	94.3
1984	94.4

(Source: ABS Labour Report 1915; ABS 6.17 1939-1964; ABS 6.21 1965-1967; ABS 6.16 1972-1983; ABS 6312.0 1974-1984 quarterly/12 monthly average for wage earners. Figures after 1982 calculated on 1982 wage rates, adjusted by post-1982 index changes. Quoted in Short (1986:321))

women (DIR 1992) and this is not reflected in Figure 1 which considers only “ordinary time” earnings. The ordinary time earnings data was not available for women prior to November 1983. ABS award data also has a break in the series in May 1985 (ABS 6343.0) thus not enabling the two series to be run in parallel.

**Figure 1 - Female as a Percentage of Male Full-Time Average Weekly Ordinary Time Earnings
1983 to 2003 Australia (ABS 2005)**



When the award rate index (ABS cat. no. 6312.0) was showing female award rates at 94 per cent of male award rates in 1984, Figure 1 and Table 2 show that, using full-time ordinary time earnings data, the relativity of female AWOTE compared to male AWOTE was considerably lower at 81 to 82 per cent² (ABS 2005).

Figure 1 indicates that female full-time AWOTE rose from 80.8 per cent of male earnings to 84.5 per cent over the period November 1983 to November 2003.

Table 2 also demonstrates that, after 1984, the change in relativities of both award rates and full-time AWOTE slowed to annual averages of less than 0.4 per cent, becoming negative for the first time in 2003.³ Thus, looking at the period under thick study in the thesis, 1990 to 2003, progress on wage inequality had slowed greatly; wage inequality was persistent.

In February 1990, Australian women working full-time ordinary hours earned, on average, 16.8 per cent less than men working full-time ordinary hours (ABS 2005). By the November quarter of 2003, women working full-time in Australia still earned 15.5 per cent less than their male counterparts (ABS 2005).

Within Australia there was considerable variation between male and female full-time earnings. In Western Australia, women not only had the lowest level of pay relative to men of all the states, but the gender wage gap between men and women widened during the 1990s.

As can be seen in Figure A-1 in Appendix 1, in February 1990 Western Australian women working full-time ordinary hours earned 19 percent less than their male counterparts and in November 2003 they earned 23.1 per cent less than their male counterparts (ABS 2005). From 1992 to the end of 2003 Western Australia had the largest gender wage gap of all the Australian states and territories.

As will be shown in Chapter 2, this persistence (and worsening) of the gender wage gap was in the face of a stream of legislative changes aimed at ensuring equal pay for equal work and equal pay for work of equal value between men and women, in one of the world's (previously) most centralised industrial relations systems.

² According to Preston (2001:172) "data from the ABS show that over the period May 1985 to May 1996 award wages as a proportion of total earnings were equal to 87 per cent in the case of males and 96 per cent in the case of females (Cat. No. 6306)."

³ However, in 2004 the average annual rate of change went up to 0.5 per cent and the relativity rose again to 84.9 per cent so this was a temporary change.

Table 2 - Female Pay as a Percentage of Male Pay and Rates of Change⁴

	Average Weekly Ordinary Time Earnings (AWOTE) - Female as % of Male ^a	Annual Average Rate of Change of Female as % male AWOTE % p.a.	Average Weekly Minimum Award Rates (AWMAR) – Female as % of Male ^b	Annual Average Rate of Change of Female as % Male AWMAR % p.a.
1914			49.30	
1939			55.20	0.48
1945			60.00	1.45
1950			65.70	1.90
1955			69.40	1.13
1964			72.00	0.42
1970			73.20	0.88
1975			91.00	4.86
1980			91.90	0.20
1984	81.40		94.40	0.68
1990	83.00	0.33		
1995	83.30	0.07		
2000	84.00	0.17		
2002	84.60	0.36		
2003	84.46	-0.14		

(Sources: a – ABS 2005: cat. no. 6302.0, quarterly average, seasonally adjusted November 1983-2004; b – ABS Labour Report 1915; ABS cat. no. 6.17 1939-1964; ABS cat. no. 6.21 1965-1967; ABS cat. no. 6.16 1972-1983; ABS cat.no. 6312.0 1974-1984 quarterly/12 monthly average. Figures after 1982 calculated on 1982 wage rates, adjusted by post-1982 index changes.)

1.2 HOW THE THESIS IS ORGANISED

The thesis is organised into seven chapters. This chapter, Chapter 1, introduces the problem under study, explains how the thesis is structured, details the research question and briefly explains the findings. Chapter 2 explores the history of equal pay in Australia, using the literature and legislative developments. Chapter 3 reports relevant theoretical literature and some supporting empirical literature.

Chapter 4 discusses the choice of qualitative research methodology and describes the research design. A study (Short 2001) suggested that, as well as differing legal provisions, key industrial actors and processes appeared to have a role in creating a

⁴ Different series are used as the ABS only recorded average weekly ordinary time earnings for females from November 1983. However, the inclusion of both series illustrates the rate of change

wage gap between men and women. The review of the literature reported in Chapter 3, Section 3.2.1, found real or raw wage gaps of between 12 and 20 per cent in the 1990s in Australia.

Regression analysis (adjusting for productivity-influencing factors such as education as well as other factors) in the studies reviewed was able to explain between 21 and 40 per cent of this gap. All studies had an unexplained component to the gap after adjusting for the variables used to account for possible differences between men and women. The unexplained gender wage gap remaining ranged from 10 to 16 per cent. It was felt that qualitative research exploring the realities of key actors within the formal industrial relations system would help to unpack the economists' 'unexplained' portion of the gap and add to the analysis of gender wage determination; hence the rationale for this thesis and methodology.

Chapter 5 reports the results of 43 in-depth interviews with 39 industrial relations stakeholders that were gathered and analysed using grounded research techniques. The majority of interviewees (all those after the first round of interviews with national figures) had been involved in the determination of wages and conditions in nine different employment areas dominated by either men or women.⁵

From this analysis interviewees' explanations of **why** and **how** the gender wage gap occurred begin to emerge. This emergence is reported in Chapter 6 that further examines the principal findings against the related theoretical literature first discussed in Chapter 3, with the objective of finding an emergent framework for discussing the gender wage gap in Australia. The "how" is also illustrated in Chapters 5 and 6 with wages decisions made by both Western Australian and federal industrial relations commissions during the period 1990 to 2003. Chapter 7 summarises and makes conclusions. First, however, the research question must be explained in some detail.

over a longer period.

⁵ Female and male-dominated occupations were chosen for thick study because this is where the literature (Short 1986; Rafferty 1994; Bennett 1988; 1994; Hall 1999; Pocock & Alexander 1999) says inequality persists.

1.3 RESEARCH QUESTION

The original⁶ research question was: **Why did the Australian industrial relations system deliver different pay outcomes to equivalent women and men who were working full-time between 1990 and 2003?**

From this question flowed the objectives for the thesis detailed below. These are, within the system of Australian industrial relations, to explore:

- the possibility of developing theoretical constructs (building on previous theory) for better (than current qualitative work) analysing gender wage determination;
- gender-related differences between male and female pay; and
- how the gender wage gap between women and men is subject to variation;

by examining the perceptions of industrial relations stakeholders and data from published documents.

During the course of the research a new question emerged from the interviewees' responses to the original question. Interviewees were explaining the **persistence** of gender wage inequality rather than just its existence. Hence the final question was: **Why and how did gender wage inequality (for full-time workers) persist in Australia between 1990 and 2003?**

1.4 DEFINITIONS

Thus, the initial focus of the study was "Why did the Australian industrial relations system deliver different pay outcomes to equivalent women and men who were working full-time between 1990 and 2003? This immediately begged for definition and explanation.

Firstly, what does the **Australian industrial relations system** encompass? This thesis takes the widest possible definition of an industrial relations system. This is an expansion of Dunlop's (1958) definition of an industrial system along the lines of Hyman (1975) and Dufty and Fells (1989). The industrial relations system's framework brings in Dufty and Fells' (1989) societal sub-systems – legal, social and economic – as well as Dunlop's (1958) actors, rules, processes and outcomes. Dufty and Fells (1989: 323-5) explain this approach by explicitly including the

⁶ Consistent with the qualitative research method used the final question answered emerged during the course of the research.

employment relationship within their model. As they define it, the employment relationship not only includes external industrial relations processes such as tribunals, but also human resources practices in the enterprise.

While the scope of this thesis thus encompasses interviewees' comments on wage setting at the most informal level of unwritten individual contracts, the main focus is on the formal industrial relations system within the Australian Industrial Relations Commission and its state counterparts. This is due to ease of access to written information and relevant stakeholders as well as the formal system's pervasive influence on Australian wages (Chapter 2, Section 2.2.10; ABS 1991; Wooden 2001).

Australia had a unique system of industrial relations with independent tribunals or industrial relations commissions both assisting employers and employees to reach agreement through conciliation (a form of mediation) and using compulsory arbitration powers to bring down a compromise decision for the parties if an impasse is reached (Sykes 1980). In Australia the commission's arbitration powers are said to overshadow conciliation proceedings and penalties can be applied if orders of the commission are breached (Sykes 1980:302). Wages and conditions are laid out in commission orders called awards or agreements.

As explained in Chapter 2, Section 2.2.8, agreements and awards registered within the formal legal framework of the state and federal industrial tribunals still dominated the Australian scene in 2003, although to a lesser degree than in 1990. In 1990, 23 per cent of the Australian workforce and 25 per cent of the Western Australian workforce had some type of unregistered agreement (outside the formal system) with their employer (ABS 1991).

By 2002, estimates were that unregistered agreements in Australia had increased to cover 39 per cent of employees and in Western Australia, 41.2 per cent (ABS 2003a). However, as explained in Chapter 2, Section 2.2.8, this data underestimated the influence of the formal system as many employers used the award rate as a base and then added a little. This type of wage was then recorded, by the ABS, as an unregistered agreement (Wooden 2001; Interview with employer representative B).

Due to a legislated move away from the previously very centralised system of setting wage rates at National Wage Cases⁷, most bargaining on agreements now occurs directly between employers and employees and their representatives at the workplace level without the intervention of the industrial relations commissions (Ronfeld & McCallum 1995:xix). However, as was made evident in interviews conducted for this thesis, the results of workplace bargaining are still registered with industrial relations commissions and the same employers and union representatives that negotiate awards normally negotiate agreements.

Secondly, what are **pay outcomes**? In this thesis, pay will be defined as actual documented pay rates per hour/week/year, plus any allowances that are paid to all workers in the relevant occupation, e.g. industry and special allowances. The only over-award payments included will be those emanating from formal (rather than informal) enterprise bargaining and workplace agreements. Penalty and shift rates and other payments such as superannuation, which differ according to the individual paid, will not be included as pay outcomes.

Thirdly, why concentrate on **men and women working full-time**? This limitation is applied to the wage data used because of the need to compare like with like. Women are much more likely than men to work part-time and any comparison of total pay without taking into account the different hours worked could be misleading. The data on part-time wages is also less reliable as the sample size is smaller.

As a result, most previous studies of the gender wage gap (e.g. Chapman & Mulvey 1986; Wooden 1999) have concentrated on those working full-time. It is felt that a concentration on wage data from the full-time labour market will be more convincing when examining reasons for pay differences between men and women. Nevertheless, interviewees' views on part-time work and its interaction with the full-time labour market for women in the areas under study are reported later.

Finally, what is meant by **equivalent** men and women? This is covered in more detail in Chapter 3, Section 3.2.1, but means equivalent in terms of human capital characteristics or characteristics likely to have an influence on productivity at work. Human capital theory suggests wages are affected by investment in the form of education and training (Becker 1957) and this is due to the greater individual

⁷ As explained in Chapter 2, the different state industrial relations systems mostly just adopted these National Wage Case decisions in their own State Wage Cases.

productivity created by this type of investment. Many of the studies reviewed in Chapter 3 also adjust for other differences between men and women that affect wages, such as geographic location and union membership, in order to study equivalent men and women.

1.5 FINDINGS

The principal finding of this thesis is that key actors interviewed believe the persistence of the gender wage gap is socially constructed. This is underlined by the fact that, even when Australia's legislation and the decisions of its industrial relations tribunals are designed to achieve gender wage equality, key actors interviewed perceive that their activity within the system has been affected by their own and society's views about the 'proper' place for women in Australian society.

The result of this, coupled with the decentralisation of the industrial relations system, appears to have been the increasing gap observed over the study period 1990 to 2003 between the wage rates of female-dominated occupations and male-dominated occupations studied. Interviewees showed that they believe that gender, or the social bundle of expectations around the biological fact of sex, is constructed daily, not just in the home, but in the workplace and in the industrial relations commissions in Australia. The main implication is that much more needs to happen than changes to legislation and decisions in the formal industrial relations system. Cultural and social change is also required to combat the persistence of gender wage inequality.

1.6 SUMMARY

In summary, the evidence is clear that wages have a very important effect on income both before and on retirement. The Australian gender wage gap is persistent, and the Western Australian gender wage gap has widened considerably since 1992. As reported in Chapter 3 many econometric studies have analysed the extent of the gender wage gap and shown that productivity-related variables cannot explain all the variance between male and female wages in (different parts of) Australia. This study aims to explain some more of that variance.

The principle finding is that the key actors of the industrial relations system interviewed feel that much of this unexplained gap and in particular the persistence of the gender wage gap is socially and culturally constructed. They perceive that society's views about women affect those operating within the system and thus also

the system's processes and outcomes. Interviewees felt that cultural, legal and economic differences between different locations affected the experience of wage inequality, with women covered by awards or agreements from the federal tribunal, faring better than those in Western Australia during the study period 1990 to 2003.

CHAPTER 2 – THE HISTORY OF PAY EQUALITY IN FEDERAL AND WA INDUSTRIAL COMMISSIONS

2.0 INTRODUCTION

The historical and legal context to the Australian industrial relations system provides important reference points for the information gathered in the interviews and from decisions of the Western Australian and Australian Industrial Relations Commissions reported in Chapter 5. Against this background the terminology and references used by interviewees can be explained. Accordingly, this chapter describes the historical origins of gender wage inequality in the formal industrial relations system and the different approaches made over time to diminish this. The chapter is divided into three parts. The first part is a table providing a timeline of significant historical legal events relevant to the gender wage gap. The second part is a brief examination of the historic and legislative development of women's wages from 1904 to 1986 with reference to the relevant legislation, academic literature and reported decisions.

The third part of this chapter explains in more detail how the legal system underpinning the Western Australian and federal industrial relations systems has evolved up to (1987 to 1989) and during the period under study (1990 to 2003). This period is characterised by incremental change to a decentralised and deregulated system. While many changes to the federal system were reflected in Western Australia, there were also changes in Western Australia that did not occur in the federal system. These aspects are also referred to by the interviewees. Thus this second section is further divided into sections for the federal and Western Australian legal systems.

2.1 HISTORICAL TIMELINE

Table 3 provides a timeline reference of industrial relations tribunal decisions and legislation of significance to the gender wage gap in Australia and Western Australia from 1904 to 2003. This is then explained in more detail in the sections below. Changes to the title of the federal industrial relations tribunal through legislation are also noted for future reference.

**Table 3 - Key Industrial Relations Legislation and Decisions
Timeline**

Year	Act/Decision	Comment
1904	<i>Conciliation and Arbitration Act</i> 1904 (Cth)	Beginning of arbitration; founding of Commonwealth Court of Conciliation & Arbitration (CCCA).
1907	<i>Ex parte H.V. McKay</i> (1907) 2 CAR 1 (the <i>Harvester Case</i>)	Basic male wage set on needs basis: 7s/day.
1912	<i>Rural Workers' Union and South Australian United Labourers' Union v Mildura Branch of the Australian Dried Fruits Association and Others</i> (1912) (6 CAR 61) (the <i>Fruitpickers case</i>)	Basic female wage set lower than male wage on needs basis (50-70 per cent of male rate).
1949/ 1950	<i>Basic Wage Inquiry</i> (1949/50) 68 CAR 698	Set female basic wages at 75 per cent of male wages.
1956	<i>Conciliation and Arbitration Act</i> No. 44 of 1956 (Cth) s.7	Court becomes Commonwealth Conciliation and Arbitration Commission (CCAC).
1969	<i>1969 Equal Pay Case</i> (1969) 127 CAR 1142	Where work was not inherently female, equal pay was granted.
1972	<i>1972 Equal Pay Case</i> (1972) 147 CAR 172	Equal pay for work of equal value decision applied to all jobs even female-dominated.
1973	<i>Conciliation and Arbitration Act</i> No. 138 of 1973 (Cth) Section 4(a)	Name changed to Australian Conciliation and Arbitration Commission (ACAC).
1979	<i>Industrial Relations Act</i> 1979 (WA)	Western Australian Act relevant for study period comes into force.
1986	<i>Nurses Case (In the matter of Applications by R.A.N.F. and H.E.F.)</i> (1986) 300 CAR 185	ACAC refused the RANF's and ACTU's application to apply comparable worth principles to nurses' pay.
1987	<i>National Wage Case</i> March 1987 (17 IR 65)	2 Tier Wage system introduced, second tier involves bargaining at workplace level on restructuring.
1988	<i>Industrial Relations Act</i> 1988 (Cth)	Provisions of <i>Sex Discrimination Act</i> 1984 (Cth) to be taken into account by commission; tribunal name now Australian Industrial Relations Commission (AIRC).
1988	<i>National Wage Case</i> August 1988 (1988) 25 IR 170	Structural Efficiency Principle – introduced multi-skilling and skill-based career paths.
1989	<i>1989 National Wage Case</i> (AIRC Print H9100:11-13)	Safety net of minimum rates awards to be created through the Minimum Rates Adjustment process to underpin workplace bargaining.

Year	Act/Decision	Comment
1991	<i>National Wage Case</i> October 1991 (1991) 39 IR 127	Enterprise bargaining introduced, options are to bargain at workplace level for more or receive safety net payment set by commission.
1993	<i>Industrial Relations Reform Act</i> 1993 (Cth)	Enterprise (bargaining) agreements (EBAs) introduced and made central to wage fixing. Includes requirement for equal remuneration for women and Section 150A safety net award reviews.
1993	<i>Workplace Agreements Act</i> 1993 (WA); <i>Minimum Conditions of Employment Act</i> 1993 (WA); <i>Industrial Relations Amendment Act</i> 1993 (WA)	Western Australian legislation to allow for WA Workplace Agreements (WAWAs) – no safety net for awards or agreements. Minimum conditions instead. Minimum wages set by Minister for those on WAWAs and not covered by formal registered awards or agreements.
1996	<i>Workplace Relations Act</i> 1996 (Cth)	Introduced certified agreements with unions (ss.170LJ, 170LO, 170LP); certified agreements with a majority of employees (s.170LK); and Australian Workplace Agreements (s.170VF). Section 170BD provides for equal remuneration orders.
2001	<i>Labour Relations Reform Act</i> 2001 (WA)	Introduced s.6(ac) objective on equal remuneration; abolished WAWAs, created Employer – Employee Agreements with strict test against awards; tied minimum to federal minimum; allowed agreements to be incorporated in awards (if parties all agree)(s.40A); gave WAIRC powers to change awards on own motion (s.40B).

2.2 1907 TO 1986 IN BRIEF

Until 1987, Australia had a very centralised formal industrial relations system, founded in 1904 by the *Conciliation and Arbitration Act* 1904 (Cth), where legal documents called awards (with some agreements for individual companies) set wages by industry and occupation at both federal and state levels. These awards and agreements were the result of arbitration (a decision by the tribunal or industrial relations commission) or conciliation (mediation with the assistance of a tribunal).

The federal tribunal, when first setting a minimum or basic wage for the federal system, set “fair and reasonable” wages for a male unskilled labourer in *Ex parte H.V. McKay* (1907) 2 CAR 1 (the *Harvester* case), primarily on the basis of needs, but also to some extent on a market basis. Higgins said:

...surely the state, in stipulating for fair and reasonable remuneration for the employees, means that the wages shall be sufficient to provide these things, and clothing, and a condition of frugal comfort estimated by current human standards. This, then, is the primary test, the test which I shall apply in ascertaining the minimum wage that can be treated as 'fair and reasonable' in the case of unskilled labourers. (2 CAR 1 at 4)

The President, Higgins, J. then examined the needs of a man with a wife and three children, but also considered the rates commonly paid to unskilled labourers by civic/municipal authorities (2 CAR 1; Plowman 1995).

When women's basic wages were first considered in the federal system Higgins again applied the principles of needs and also considered competition in the marketplace between men and women. In the *Rural Workers' Union and South Australian United Labourers' Union v Mildura Branch of the Australian Dried Fruits Association and Others* (1912) (6 CAR 61) (the *Fruitpickers* case) Higgins J. set two more significant principles. Firstly, when women worked alongside men, in the same jobs and were likely to compete with them for those jobs, they were to be awarded equal pay for equal work. (Thus female fruitpickers were awarded equal pay with male fruitpickers (6 CAR 61 at 72).)

Secondly, women were to be paid less than men when they worked in "women's" jobs where the danger of displacing men's employment did not exist. Jobs became women's jobs because of women's "inherent suitability" for the work being performed. In the *Fruitpickers'* judgment, fruitpitters were given 75 per cent of the men's rate. Fruitpitting was seen as a task requiring superior dexterity and was therefore inherently a woman's job (6 CAR 61 at 73).

Higgins J. (6 CAR 61 at 71) rationalised paying women less by stating that men were obliged to support a wife and children and women were not:

Now in fixing the minimum wage for a man, I have been forced to fix it by considerations other than those of mere earning power. I have based it... on 'the normal needs of the average employee regarded as a human being living in a civilised community'. If [a man] has a wife and children, he is under an obligation...to maintain them. [A woman]

is not, unless perhaps in very exceptional circumstances, under any such obligation.

Yet, if women were the main wage earners, for example, widows with children, they did not get paid more.

Little changed until the *National Basic Wage Inquiry* (1949/50) (68 CAR 759) when the federal tribunal decided to raise the proportion of the male basic wage and the margins paid to women from about 60 to 75 per cent. This was, to some extent, a reflection of market forces as women's wages increased relative to men's wages during the war (as can be seen in Table 1 in Chapter 1), partly because of the actions of the government-appointed Women's Employment Board, but also because market forces dictated that, with men involved in World War II, women were needed in and attracted to the workforce by better wages (Ryan & Conlon 1975).

The International Labour Organisation (ILO) passed its Convention 100 in 1951 on 'Equal Remuneration for Men and Women Workers for Work of Equal Value'. This Convention referred "to rates of remuneration established without discrimination based on sex" and required "objective appraisal of jobs on the basis of work to be performed". Using this convention as an eventual aim, unions and the women's movement began to apply pressure on state governments to legislate for equal pay for equal work.

New South Wales was first to change its *Industrial Arbitration Act* in 1958, followed by Queensland in 1964, Tasmania (for public servants only) in 1966, South Australia in 1967 and Western Australia in 1968. Victoria did not specifically introduce any equal pay legislation before 1969, but some wages boards did so, in effect, by prescribing male wage rates only. This allowed women who were covered by that particular wages board determination to be paid at the male rate (Short 1986:318).

In 1969 the Australian Conciliation and Arbitration Commission (ACAC) adopted the principle of equal pay for equal work to be phased in over three years, bringing women covered by federally-registered awards into line with those covered by state awards (127 CAR 1142).

This decision restored the original Higgins' principle of equal pay for equal work when women performed the same job as men, as the decision specifically excluded women working in women's jobs from its effect. The federal tribunal said:

...notwithstanding the above, equal pay should not be provided by application of the above principles where the work in question is essentially or usually performed by females but is work upon which male employees may also be employed. (127 CAR 1142 at 1158)

Occupations in which some women worked with men, such as tailoress and process worker, obtained equal pay under this decision. However female-dominated occupations, such as nurses and secretaries or typists, could not. (Short 1986:333)

In 1972 the Australian Council of Trade Unions (ACTU) and the National Pay Equity Coalition (NPEC) made an application to the federal commission in relation to pay equality (149 CAR 172). The ACTU and the NPEC pointed out that only 18 per cent of the female workforce had obtained equal pay for equal work since the 1969 decision and accordingly they asked the ACAC to award the full ILO standard's version of "equal pay for work of equal value". The ACAC concluded:

In our view the concept of 'equal pay for equal work' is too narrow in today's world and we think the time has come to enlarge the concept to 'equal pay for work of equal value'. This means that award rates for all work should be considered without regard to the sex of the employee. (149 CAR 172 at 178)

The ACAC also said:

Work value considerations should, where possible, be made between female and male classifications within the award under consideration. But where comparisons are unavailable or inconclusive, as may be the case where the work is performed exclusively by females, it may be necessary to take into account comparisons of work value between female classifications within the award and or comparisons of work between female classifications in different awards. In some cases comparisons with male classifications in other awards may be necessary. (149 CAR 172 at 180)

Thus the ACAC foreshadowed the difficulties of assessing work value in female-dominated industries such as nursing and secretarial work. However, a study (Short 1986) of implementation of this decision involving 54 references to equal pay in the Commonwealth Arbitration Reports between 1973 and 1981 showed that:

- the ACAC's deadline for implementation of equal pay by the end of 1975 was not followed, as over half of the 54 references were listed after 1975;
- the ACAC did no work value assessments (usually involving inspections and assessment of training and conditions) in any major equal pay case between 1973 and 1981; and,
- predominantly female work areas such as nursing and secretarial work were never assessed under the 1972 decision.

Reasons given (Short 1986, Bennett 1988, Rafferty 1989) for this failure to fully implement equal pay for work of equal value were:

- the ACAC's initial reluctance to compare dissimilar work (possibly opening up new vistas for leapfrogging work value claims) (Short 1986); and,
- the failure of unions to take cases to the ACAC (Short 1986) (probably due to the expensive and time-consuming nature of such cases and/or lack of strong female union membership (Bennett 1988:540-1)); and,
- the wholehearted resistance of employers (Rafferty 1989).

The problem with equal pay for work of equal value for female-dominated jobs was what (male-dominated) jobs could these be compared to and how?

Job evaluation promised a solution to this problem. Thus in the 1980s relevant commission decisions involved the way women's skills or competencies and training was valued in the Australian Public Service in its job classification and evaluation systems. The ACAC (now the Australian Industrial Relations Commission (AIRC)), in a series of cases, allowed physiotherapists, occupational therapists and speech pathologists to become part of the Science Group (Rafferty 1989, 1991 & 1994) - a job classification and evaluation group that covered male-dominated scientific occupations such as engineering. This allowed women to be paid equally with men on the basis of their qualifications, skills and responsibility as assessed in the job evaluation scheme.

Also, in 1985-86, the ACTU made a direct attempt to gain American-style comparable worth⁸ (in the US and Canada this involved comparing different male and female jobs using job evaluation techniques) in a test case involving Australian Capital Territory nurses. The commission said, in its decision:

⁸ In the early 1980s women had begun to win comparable worth cases in the U.S. (England 1992:232-241)

Such an approach would strike at the heart of long accepted methods of wage fixation in this country and would be particularly destructive of the present Wage Fixing Principles. (ACAC Print G2250 1986:9)

The ACAC was worried about the possibility of a 1970s style⁹ economy-wide round of leap-frogging wage claims of increased job value (involving male-dominated occupations, as well as female-dominated occupations) which the wage fixing principles were designed to prevent.

As shown by Tables 1 and 2 in Chapter 1, many of the equal pay decisions had a small or delayed effect on the actual earnings gap between men and women as measured by award wage data. However, this data showed that the 1969 and 1972 decisions had a major effect on the gap with this closing by around 20 percentage points between 1969 and 1979. The industrial relations commissions around Australia had responded to both international standards and community pressure for equal pay. It had clearly had an effect on the difference between men's and women's wages. Nonetheless, the evidence (Short 1986), on nurses for example, indicated that the impact of these decisions was uneven, particularly for female-dominated occupations.

The next part of Chapter 2 describes how the industrial relations system became decentralised, with the focus gradually moving away from National Wage Cases and centralised bargaining, to bargaining for wages at the organisational or enterprise level. As is shown here and in Chapter 6, achieving wage equality became even more difficult. As Figure 1 showed in Chapter 1, progress on the still present earnings gap began to slow over this period as the AIRC's influence over wages was reduced.

2.3 1987 TO 2003 - DECENTRALISATION

This second section gives more detail on changes to legislation in the Australian and Western Australian jurisdictions during the period 1987 to 2003 covering the period of interest for this thesis (1990 to 2003). Other developments in the approach to achieving gender wage equality during the 1990s from various Australian jurisdictions are also described. Differences between the federal and Western Australia industrial relations systems in the 1990s are analysed, showing that these may have contributed to greater inequality in Western Australia.

⁹ During the early 1970s inflation became out of control as unions achieved over-award wage increases outside the AIRC well above consumer price increases (Isaac 1984:131-2).

2.3.1 Decentralisation Begins – 1987 to 1989

The federal industrial relations system began to change towards decentralised, or workplace bargaining, with the 1987 National Wage Decision (*National Wage Case March 1987* (1987) 17 IR 65). This decision produced a two-tier wage rise, with a first tier of \$10 awarded to all employees and a second tier of up to 4 per cent available to those negotiating on an industry-by-industry, or award-by-award basis. Negotiation was to be over work practices and was aimed at improving productivity under the Restructuring and Efficiency Principle. The 4 per cent pay rise would be achieved through award restructuring. Award restructuring included creating skill-based classification structures that could have assisted women “which had been notably absent from women’s jobs in the past” (Hunter 2000:12).

In 1988 the *Conciliation and Arbitration Act 1904* (Cth) was repealed and s.28 of that Act was replaced by s.112 (consent awards) and s.115-7 (certified agreements) of the *Industrial Relations Act 1988* (Cth). In August 1988 the AIRC introduced a revised set of guidelines known as the Structural Efficiency Principle (*National Wage Case August 1988* (1988) 25 IR 170) which extended the previous principle. Ronfeldt and McCallum (1995:10) noted:

[a]lthough neither the 1987 decision nor the 1988 and 1989 Structural Efficiency Principle decisions required that negotiations be devolved to a workplace level, a great many of these industry-wide restructuring agreements involved negotiating the implementation of changes at a workplace level.

Of relevance to pay equality, the new *Industrial Relations Act 1988* (Cth), under s.93, required the federal tribunal, in the performance of its functions, to take account of the principles, embodied in the *Sex Discrimination Act 1984* (Cth), relating to discrimination in employment.

During the 1988 National Wage Case, in response to the move to award restructuring, the ACTU pressed for a national ‘blueprint’ involving the restructuring of all awards to provide “consistent, coherent award structures, based on training and skills acquired and which bear clear and appropriate work value relationships one to another” (AIRC Print H8200:6). As Plowman (1995:282) observed, the ACTU was seeking:

...a threefold comparative wage exercise. It sought to relate minimum rates awards to paid rates awards by way of the provision of supplementary payments. It sought to relate awards in one industry to those in others. It sought to relate wage rates within awards.

This blueprint, shown in Table 4 below, would form the restructured award safety net to enterprise bargaining. The process was called Minimum Rates Adjustment (MRA) and was only available for minimum rates awards and not paid rates awards.

Table 4 - Minimum Rates and Supplementary Payments Requested by ACTU

Classification	Minimum Rate \$	Supplementary Rate \$	% of Tradesperson
Building industry tradesperson	356.30	50.70	(100%)
Metal industry tradesperson	356.30	50.70	(100%)
Metal industry worker (grade 4)	341.90	48.80	(95.9%)
Metal industry worker (grade 3)	320.50	45.80	(90.0%)
Metal industry worker grade 2)	302.90	43.10	(85.0%)
Metal industry worker grade 1	285.00	40.60	(69.5%)
Storeperson	325.50	46.50	(94.4%)
Driver 3-6 tonnes	325.50	46.50	(94.4%)
Filing Clerk			
1 st year	337.00	28.00	(89.7%)
2 nd year	337.00	38.00	(92.1%)
3 rd year	337.00	48.00	(94.6%)
General Clerk			
1 st year	354.40	30.60	(94.6%)
2 nd year	354.40	40.60	(97.0%)
3 rd year	354.40	50.60	(99.5%)

(Source: AIRC Print H9100:11)

Minimum award rates prescribed minimum wages that employers were able to supplement. Base rates in these awards were to be standardised in proportion to the metal tradesperson's rate and adjusted up through a supplementary payment to reflect 'paid rates awards' (or awards that contained the pay rates actually to be paid rather than minimum rates that could be supplemented). Any over-award payments added to minimum rates had to be absorbed into the supplementary payment.

The jobs involved in paid rates awards were seen by the ACTU to be high-paying jobs that did not need a safety net adjustment or comparison with the metal trades (Interview with union official K). This was despite the fact that these paid rates awards included public sector awards which the Professional Officers' Association

(later Community and Public Sector Union) continued to try to adjust for pay equity (Rafferty 1991, 1994).

Despite, as Plowman (1995:282) put it, “the fact that the Commission had repeatedly set its face against comparative wage justice claims over nearly two decades”, the AIRC substantially adopted MRA in the *1989 National Wage Case* (AIRC Print H9100:11-13). As can be seen in Table 5, the AIRC did not set any minimum rates for clerks and gave a larger range or relativity band for the other key classifications contained in the ACTU submission.

Table 5 - Relativities Established by the Commission in 1989

	% of tradesperson rate
Metal industry worker, grade 4	90-93
Metal industry worker, grade 3	84-88
Metal industry worker, grade 2	78-82
Metal industry worker, grade 1	72-76
Storeman/packer	88-92
Driver, 3-6 tonnes	88-92

(Source: AIRC Print H9100:13)

MRA was comparable worth (discussed in Section 2.2) by stealth as it allowed for female-dominated jobs such as clerical and retail jobs to be directly compared with male-dominated metal trades jobs for the first time. Normally, awards had to be restructured before MRA was applied. As a result, the historical bias against female-dominated jobs could possibly have been corrected within the Australian industrial relations system. Nevertheless, as will be seen in Chapter 5, not all awards were adjusted through award restructuring and MRA, even in the private sector. This was particularly so with female-dominated awards. However, some successes were available from award restructuring.

For example, in 1990 ACT community-based childcare workers had their qualifications upgraded and recognised in pay terms (AIRC Print J4316; Bennett 1991). In 1990/91, the ACTU and the Victorian branch of the Federated Clerks Union were also successful in gaining a new restructured skills-based award that involved MRA against the metal tradesperson (Probert 1992:441-2).

Likewise, the Professional Officers Association continued its pay equity campaign within the Commonwealth Public Service. A series of cases in the Australian Industrial Relations Commission (*Radiographers Inequities Case* 1984 Anomaly no.

129; *APS Therapists Anomalies Case* 1985 (Print G1499); *Social Workers Inequities Case* 1987, Anomaly no. 302) allowed the comparison of these occupations with male-dominated professions such as engineers, counsellors and psychologists.

The Commonwealth Government, as the employer, resisted each of these cases, even when it was a Labor Government that professed to support equal pay for work of equal value. By 1992, however, the main Australian Public Service Agreement contained fully restructured wage classifications which included all these female-dominated public service professions, allowing direct comparison through job evaluation with their male counterparts in the wage structure (Rafferty 1991:15).

2.3.2 Pay Equality Erodes Under Decentralised Bargaining

Evidence was already beginning to emerge that equal pay for work of equal value could be eroded under the new decentralised industrial relations system where bargaining now occurred at the enterprise, as well as at the National/State Wage Case level. Rafferty (1994:459) noted that, by 1992, female public service professionals were having their wage structures compressed down into the lowest levels of the now integrated professional officer classification system.

Similarly, at the end of the same year, the Victorian Industrial Relations Commission had downgraded the classification structure won for clerical staff from seven to six levels and shattered the Federated Clerks Union's dreams of an integrated clerical and administrative structure from filing clerk and typist to manager (Probert 1992:454).

2.3.3 Enterprise Bargaining

From 1991, employers, unions and the government began to promote an even more decentralised approach to bargaining – enterprise bargaining. After some debate, the Enterprise Bargaining Principle was set out by the AIRC in October 1991 (*National Wage Case October 1991* (1991) AIRC Print K0300).

This principle required the parties to show a “broad agenda” for change (AIRC Print K0300:16). Agreements had to be in addition to or instead of an award. Agreements had to be for a fixed term during which there would be no further pay increases. No reductions in ordinary time earnings or standard conditions were to be allowed.

2.3.4 Amendments to the *Industrial Relations Act 1988* (Cth) in 1992

In 1992, ss.112 and 115-7 were repealed and replaced by s.111(1)(b) of the *Industrial Relations Act 1988* (Cth) for consent awards and Division 3A of Part VI of the *Industrial Relations Act 1988* (Cth) for certified agreements (comprising ss.134A-134N). These changes were made in order to better facilitate the spread of enterprise bargaining agreements and to allow for agreements to be tested, ensuring no disadvantage to workers covered by them.

Creighton, Ford and Mitchell (1993:360) considered that certified agreements and consent awards (the products of conciliation) had a much more central role in the statutory “scheme of dispute resolution” after the changes to the Act. Arbitration, or a decision imposed by the AIRC, was entered into only after the parties were unable to make an agreement themselves..

2.3.5 The Safety Net for Wages

By 1993 the AIRC could claim that it had created “a national framework of minimum award rates in order to protect employees and particularly lower paid employees, as and when, the community moved to a more flexible, decentralised wage system” (Plowman 1995:284). The AIRC believed it had reviewed minimum awards and ensured that these were properly related to each other and properly valued (AIRC Print K9700:21; O’Connor 1995:66). Awards could then be adjusted through safety net increases if enterprise bargaining was not sought or achieved.

The AIRC apparently believed it had created a national award safety net for enterprise bargaining involving awards that had gone through the MRA process (AIRC Print K9700:21). The October 1993 National Wage Case (AIRC Print K9700) awarded a safety net increase of \$8.00 to awards for employees not receiving increases under enterprise bargaining. Three safety net adjustments of \$8.00 were to be made to awards by July 1996 (AIRC Print K9700).

Applications had to be made to the AIRC for it to arbitrate for safety net adjustments to awards. The AIRC could not register certified agreements containing increases that were less than the safety net adjustment. However, the AIRC could register consent enterprise agreements above the safety net amount, provided that they were not contrary to the public interest.

Table 6 summarises the adjustments available to those being paid under awards and the timing of these for those subject to federal and Western Australian awards from 1990 to 2003.

Table 6 - Timing of Minimum Rates and Safety Net Adjustments

Date Available at Award Level Federally	Date Available at Award Level in WA	Provision
From October 1990	From October 1990	Minimum Rate Adjustments available - four payments over two years
October 1993	October 1993	1st Safety Net Adjustment (SNA) - \$8 (for those receiving supplementary payments only)
22 September 1994	7 November 1994	1st SNA - \$8 (for everyone without an enterprise bargaining increase).
25 March 1995	25 March 1995	2nd SNA - \$8
22 March 1996	22 March 1996	3rd SNA - \$8
22 April 1997	14 November 1997 (by general order)	4th SNA - \$10
29 April 1998	12 June 1998	5th SNA - \$14 < \$550; \$12 \$550-700/week; \$14 > \$700.
29 April 1999	1 August 1999 (by general order)	6 th SNA - \$12 up to and including \$510/week; \$10 above \$510.
April 2000	1 August 2000 (by general order)	7 th SNA - \$15/week
April 2001	1 August 2001 (by general order)	8 th SNA - \$13 up to and including \$490/week; \$15 up to and including \$590; \$17 above \$590/week.
April 2002	1 August 2002 (by general order)	9 th SNA - \$18
April 2003	1 August 2003 (by general order)	10 th SNA - \$ 17 up to and including \$731.80; \$15 over \$731.80/week

(Source: various WAIGs; osiris.gov.au, WageNet.gov.au)

2.3.6 Reform Act 1993

In December 1993, the federal Act was again amended to further facilitate enterprise bargaining. The *Industrial Relations Reform Act 1993* (Cth) made major changes to the *Industrial Relations Act 1988* (Cth). The principle changes of interest here were as follows (Ronfeldt & McCallum 1995:13):

- i) enterprise agreements were to become the primary means of settling industrial disputes and regulating terms and conditions of work;

- iii) establishment of a process of reviewing safety net award content and ensuring that they were free of discriminatory provisions;
- (iv) creation of a set of minimum statutory employment entitlements (for wages, termination of employment, equal remuneration for women, parental leave and family leave) which, with existing awards, served as a safety net for bargaining under the federal Act and provided the means of protecting these rights in relation to employees covered by state laws.

The aim was to promote enterprise bargaining but also to create:

...an award system better able to perform its function at the enterprise as a safety net delivering equality to the workplace, while underpinning and enhancing enterprise bargaining. (O'Connor 1995:66)

The safety net review process in s.150A of the *Industrial Relations Reform Act 1993* (Cth) required the AIRC to review awards forming the safety net every three years and adjust any deficiencies. In 1994, the AIRC conducted its first review.

MacDermott (1995:110) said the federal tribunal “envisaged an ‘enhanced and evolved award system’ ensuing from the review process, which will make awards easier to understand, easier to adapt to the needs of the enterprise and non-discriminatory in character”. Awards were to be maintained in order to be relevant. Modest increases to awards were to occur through arbitrated safety net adjustments, but bargaining and certified agreements were to be encouraged by the higher rates available through enterprise bargaining increases.

By 1992-93, enterprise bargaining was becoming entrenched. As Rafferty (1994:466) warned:

[i]t is possible that the provisions [of the Act] will be of no more than limited value as enterprise bargaining increasingly ousts the award-based system in favour of differential wage outcomes unique to the particular circumstances of individual enterprises. The implications are that differential rates of pay may apply to persons performing identical work under the same award and in the same industry, but with different employers. The resultant confusion could render even the narrow 1969 equal pay for equal work principle unworkable!

2.3.7 The Workplace Relations Act 1996 (Cth)

In November 1996, the new Coalition Government increased emphasis on workplace-based industrial relations through the *Workplace Relations Act 1996* (Cth). The workplace focus was demonstrated in the new s.3(b) object of the *Workplace Relations Act 1996* (Cth) which read:

...ensuring that the primary responsibility for determining matters affecting the relationship between employers and employees rests with the employer and employees at the workplace or enterprise level;

Other relevant objects were ss.3(i), (j) and (k) of *Workplace Relations Act 1996* (Cth):

- (i) assisting employees to balance their work and family responsibilities through the development of mutually beneficial work practices with employers; and
- (j) respecting and valuing the diversity of the work force by helping to prevent and eliminate discrimination on the basis of race, colour, sex, sexual preference, age, physical or mental disability, marital status, family responsibilities, pregnancy, religion, political opinion, national extraction or social origin; and
- (k) assisting in giving effect to Australia's international obligations in relation to labour standards.

The previous s.150 award review (every three years) provision of the *Industrial Relations Act 1988* (Cth) was replaced by s.143(1C) of the *Workplace Relations Act 1996* (Cth), which required the AIRC to ensure, when making an award or an order varying an award, that the award did not contain discriminatory provisions (on the same grounds as those detailed above). Section 143(1C) of the *Workplace Relations Act 1996* (Cth) also required the AIRC to ensure awards had provisions for 'regular' or permanent part-time employees. Similarly, awards could be reviewed to ensure they did not contain details that were better dealt with at the workplace or enterprise level, or contained provisions that would hinder efficiency and productivity (Colvin & Watson 1998:49-50).

Sections 170L to 170XF(3) of the *Workplace Relations Act* dealt with certified agreements. These were certified agreements with unions (ss.170LJ, 170LO, 170LP),

certified agreements with a majority of employees (rather than with unions) (s.170LK) and Australian Workplace Agreements (s.170VF). AWAs could be collective or individual agreements. They replaced both relevant state and federal awards and agreements for the period of the AWA. AWAs were subject, as were the other types of certified agreements, to a ‘no disadvantage’ test compared to the relevant award. AWAs were also required to include provisions on discrimination. Unions could be involved as bargaining agents for AWAs and s.170LK agreements, but could not insist on being consulted in the negotiation process, or be a party to agreements.

Section 170B, relating to equal remuneration for work of equal value which was included in the 1993 *Industrial Relations Reform Act*, was also in the new *Workplace Relations Act*. Section 89A of the new Act limited the scope of industrial disputes to twenty ‘allowable matters’ that the commission could deal with by arbitration, issuing awards or orders to settle or prevent disputes. Paid rates awards could no longer be made by the commission. Of concern to women was the fact that casual and part-time work restrictions – hours, numbers of employees and types of classifications – were no longer allowable matters in awards. Pittard (1997:77) predicted (accurately given the current trend in casualisation (Campbell & Burgess 2001)) that this change would encourage the further casualisation of the workforce “with accompanying disadvantages for employees requiring regular work and income and employment safeguards”.

Pittard (1997) also raised concerns over the fact that the no-disadvantage test for agreements under ss.170XA(1) & (2) provided that the overall terms and conditions of employment must not be reduced, but a line by line comparison between award and agreement was not required. She said “[e]ven where there is a reduction in such conditions the agreement will pass the no-disadvantage test where it is not contrary to the public interest.” (1997:83). Pittard (1997:84) concluded:

The disparity between male and female earnings and the ‘gender gap’ in terms and conditions of employment evidenced in collective agreements is likely to continue in certified agreements under the WR Act.

In summary, by 2003, the federal industrial relations system under the *Workplace Relations Act 1996* was much more decentralised than in 1990. The centre of gravity

had moved to the workplace level; to gain anything more than safety net wage increases, workers and their unions now had to bargain directly with the employer.

2.3.8 Approaches to Pay Equality in the 1990s

In the mid to late 1990s, the ACTU and the Australian Manufacturing Workers' Union pursued a series of cases seeking equal pay orders in mainly blue-collar areas such as white goods manufacturing (HPM) and newspaper production (*The Age*). Most of these cases were settled out of court. Hunter (2000:22) described these cases as having been:

...bogged down in argument about whether the correct measures of work value are being used, or whether the correct comparator has been selected, or whether the occupation was supposedly awarded "equal pay" in the past.

Hunter (2000:22) pointed out that very few cases had been brought under the federal Act provisions and none of these had "actually reached a final decision by the federal commission". The chief advocate for the ACTU in these cases, Jenny Doran (Interview Melbourne 6 October 2000), agreed that none of the cases had been arbitrated, but pointed out that this was because all were settled out of court, or the employer ceased employing people under the category in question. Doran (Interview Melbourne 6 October 2000), unlike Hunter (2000), said that s.170BC (of the *Workplace Relations Act 1996* (Cth)) equal remuneration orders were very useful as a vehicle for ensuring pay equality (particularly as they could be used for pay equality both within enterprise bargaining agreements and awards). She recommended that the states and territories seek a similar provision in their industrial relations legislation.

The most recent (1998-2003) pay equality approach, apart from the ACTU cases, was through inquiries and then the institution of commission procedures to deal with pay equality. These took place firstly in New South Wales (Glynn 1998), then Tasmania and Queensland (Fisher 2001; Hunter 2000:27-31).

Both the New South Wales (*Re Equal Remuneration Principle* [2000] NSWIR Comm. 113 at 143) and Tasmanian Industrial Relations Commissions (*Tasmanian Trades and Labor Council (T8413 of 1999) Private Sector Awards, Tasmanian Chamber of Commerce and Industry Limited (T8483 of 1999) Private and Public Sector Awards* [Tasmanian Industrial Commission 6 July 2000]) adopted equal pay

principles that allowed a less fettered approach to reviewing pay inequality than the federal approach. However, both carried a flaw of only being able to affect awards and not enterprise agreements, unlike the federal equal remuneration orders. Yet, AIRC equal remuneration orders on agreements had a flaw in that they could only involve comparisons within the agreement area, or the enterprise. Sometimes comparisons with occupations outside the enterprise may have been more useful.

The Queensland model (*The Queensland Council of Unions and Queensland Chamber of Commerce and Industry Limited, Industrial Organisation of Employers and Others*, QIRC, Statement of Policy B450 of 2002) offered more promise, with its pay equity principle able to affect enterprise bargaining agreements as well as awards and possibly allow more comparisons between these, not just rates within individual awards or enterprise agreements. The Queensland Government also funded unions to take on pay equity cases (*The Queensland Council of Unions and Queensland Chamber of Commerce and Industry Limited, Industrial Organisation of Employers and Others*, QIRC, Statement of Policy B450 of 2002).

All the approaches to combating gender wage equality reported above centred on the formal industrial relations system and changes to legislation to try and affect new ways of setting wages. Enterprise bargaining agreements were just the latest wage setting mechanism targeted. The average weekly earnings data in Figure 1, Chapter 1, suggest that these changes had only a minor effect on the earnings gap between men and women, with this only closing by four percentage points during the 1990s.

2.4 WESTERN AUSTRALIAN LEGISLATION AND COVERAGE 1990-2003

The Western Australian industrial relations system, like those of most states in Australia, mirrored much of the activity in the Australian industrial relations system described above. However, as the federal system moved to decentralisation during the study period, 1990 to 2003, the Western Australian system moved much further into what was arguably the most radical decentralisation of industrial relations in Australia. With a change of government in 2001, much of this legislative change was reversed and by 2003, the Western Australian system again looked somewhat similar to the federal system, while retaining some essential differences. All this is reflected in the industrial relations legislation and decisions reported below.

2.4.1 Industrial Relations Act 1979 (WA)

In 1990, the *Industrial Relations Act 1979* (WA) was the Act controlling the system in Western Australia. This Act was described by Cawley (1997:91) as, “probably the simplest most coherent legislation of its type in Australia at the time it came into effect”. The Act “sought to emphasise the prevention and settlement of industrial conflict by consensual means and cast a duty on the parties themselves to settle matters by agreement (s.42)” (Brown 1991:16). Section 41 provided for the making of agreements between employees or their representatives and employers or their representatives. Consent awards were deemed to be industrial agreements under the amended *Industrial Relations Act 1979* (WA).

Section 114 of the *Industrial Relations Act 1979* (WA), which provided that each employee should be paid in accordance with a relevant award, industrial agreement and order, ensured that a safety net of award rates applied to agreements. This section was applied by the WAIRC Full Bench decision *Minister for Labour v Como Investments Pty Ltd* ((1990) 70 WAIG 3539) when it refused to register an industrial agreement because it gave lower rates of pay to some employees who were already covered by an award (Brown 1991:153). Sections such as s.41(2) ensured agreements would not be contrary to the Act, General Orders or principles from General Orders i.e. State Wage Case decisions.

In determining the State Wage Case, s.51(2) of the *Industrial Relations Act 1979* (WA) required the Western Australian Industrial Relations Commission (WAIRC) in Court Session to consider national wage decisions and unless there were good reasons for not doing so, make a general order giving effect to the national wage decision. Thus the national wage decisions referred to above relating to award restructuring, structural efficiency and enterprise bargaining were adopted by the WAIRC throughout 1988-1991 with little or no change.

2.4.2 Radical Legislative Change – 1993

Major changes were made to the Western Australian industrial relations system with the introduction of the *Workplace Agreements Act 1993* (WA), the *Minimum Conditions of Employment Act 1993* (WA) and the *Industrial Relations Amendment Act 1993* (WA) which all came into force at the beginning of December 1993.

The *Workplace Agreement Act 1993* (WA) also introduced workplace agreements, either collective (s.9) or individual (s.10), between employers and employees that

overrode pre-existing awards, agreements and orders (s.6). Western Australian workplace agreements (WAWAs) were subject to the *Minimum Conditions of Employment Act 1993* (WA) (s.17). They could be made with the assistance of a union only if both parties agreed (s.15). The WAIRC had no jurisdiction over WAWAs. The Commissioner of Workplace Agreements was responsible for the registration of WAWAs and the Act provided that employees must understand the provisions of the agreement that they are signing.

Likewise the industrial agreement sections of the *Industrial Relations Act 1979* (WA) were amended when workplace agreements were introduced to Western Australia. Section 41A was revised to provide that the WAIRC could not register an agreement applying to more than a single enterprise. As Brown (1999:7:9) says “it is implied that an agreement that applies to a single enterprise may override the wage or other principles handed down by the commission”.

The *Minimum Conditions of Employment Act 1993* (WA) provided minima for pay rates, annual leave, public holidays, bereavement leave, parental leave, sick leave and redundancy that became implied in all employment contracts. Minimum conditions applied to employees on WAWAs and employees not covered by any registered award or agreement. As with the *Industrial Relations Act 1979* (WA) at that time, there was no reference to discrimination or equal opportunity in the *Minimum Conditions of Employment Act 1993* (WA).

Western Australian workplace agreements under the *Workplace Agreements Act 1993* (WA) could only be registered after 1 December 1993 and therefore could not be a source of the initial (1992-93) drop in women’s relative earnings illustrated by Preston and Crockett (1999a) and shown in Figure A-1, Appendix 1. Workplace agreements were private documents and not publicly available except for those agreements which applied to public sector employees. Thus, detailed analyses of private sector workplace agreements are rare. However, one Western Australian mining firm was persuaded to reveal its workplace agreements rates for this thesis and they are discussed in Chapter 5.

The Western Australian Industrial Relations Commission adopted the Australian Industrial Relations Commission's wage fixing principles on enterprise bargaining and safety net adjustments in a series of reviews of these from December 1993 (74

WAIG 198). As a result, Western Australian awards were consistently adjusted for safety net increases from 1983 to 2003 (see Table 6 for details).

2.4.3 Legislative Changes in Western Australia – 2001

The Western Australian Labor Government (on coming to office in 2001) instituted changes to the *Industrial Relations Act 1979* (WA) aimed at reinstating the primacy of collective bargaining. These changes were also aimed at assisting lower paid workers in Western Australia (Interview with union official A; Interview with government representative A). As women were disproportionately represented amongst the lower paid, it was assumed these changes would assist pay equality.

The Labor Government's new *Labour Relations Reform Act 2002* (WA):

- abolished WAWAs (*Industrial Relations Act 1979* (WA) Division 1, s.31);
- introduced employer/employee agreements (replacing all WAWAs) with a strict no disadvantage test against awards (*Industrial Relations Act 1979* (WA) Division 6) (leading to a round of award updating and modernising which should have advantaged women who were disproportionately covered by awards rather than agreements);
- tied the Adult Minimum Wage under the *Minimum Conditions of Employment Act 1993* (WA) to the Australian Industrial Relations Commission's Minimum Adult Award Wage (*Industrial Relations Act 1979* (WA) Division 1, s.167);
- included new objectives of equal remuneration and equity and efficiency (*Industrial Relations Act 1979* (WA) s.6);
- gave the Western Australian Industrial Relations Commission power to change awards to achieve objectives on its own motion (*Industrial Relations Act 1979* (WA) s.40B); and,
- allowed enterprise agreement provisions to be incorporated into awards if all parties agree (*Industrial Relations Act 1979* (WA) s.40A).

In 2003 it was claimed that, to date, the WAIRC had shown itself unwilling to use the new s.40B (*Industrial Relations Act 1979* (WA)) powers to change awards on their own motion (Interview with union official A). The commissioner's s.40B discussion paper released in 2003 (WAIRC 2003) also suggested only minor changes to awards may be made under this new power. There was, however, a suggestion (WAIRC 2003:8) that the WAIRC could revisit the Children's Services (Private)

Award MRA case (see Chapter 6, Section 6.2.2 for details). This could be a significant pay equality case, should it occur.

As is shown in Appendix 1, by the end of 2003 the new Western Australian Labor Government's industrial relations legislation, introduced in 2001, appeared to have had little impact on the earnings gap between male and female full-time employees. The gap between male and female average weekly ordinary time earnings, which had been increasing since 2001 (when the Western Australian gap was at its lowest during the study period at 21 per cent), was continuing to widen to 23 per cent¹⁰.

2.4.4 Coverage – Federal versus State

It should be noted that, while some Western Australians were covered by federal awards and agreements and thus their wages were decided in the AIRC, in 1990 Western Australian wages were decided predominantly within the Western Australian industrial relations system. This was different to other states such as Victoria. As McCallum (2000:29) says "Federal award coverage has always been wider in Victoria than in states like Queensland and New South Wales which operate industrial tribunal mechanisms..." This was also a reason for using Victorian-based awards in this study.

As can be seen in Table 7, the 1990 award coverage survey (Australian Bureau of Statistics (ABS) 1991) showed that employees in Western Australia and Queensland at that time shared the distinction of having the highest coverage (57.3 per cent) by state awards and agreements in Australia. Only 20.8 per cent of Western Australian employees were covered by federal awards and agreements and 21.3 per cent were not covered by any awards or agreements.

More female employees (65.7 per cent) than male employees (50.2 per cent) were covered by state awards and agreements in Western Australia. Only 16.3 per cent of Western Australian female employees were covered by federal awards or agreements (men 24.7 per cent) and 17.5 per cent were not covered by any awards or agreements (men 24.5 per cent). In Victoria, 37.9 per cent of the workforce was covered by federal awards and agreements and 39.6 per cent by state awards (17.9 per cent were not covered at all).

¹⁰ By the end of 2004 the Western Australian gender wage gap had widened to 25 per cent.

**Table 7 – Award Coverage May 1990 - Percentage of All Employees
by States, Territories and Jurisdiction**

State or Territory	Covered by awards, determinations and collective agreements			Not covered by awards etc.
	Federal	State	Total (a)	
Males				
New South Wales	32.8	40.6	74.1	25.9
Victoria	45.7	28.1	78.2	21.8
Queensland	28.9	48.6	79.4	20.6
South Australia	41.4	36.5	79.6	20.4
Western Australia	24.7	50.2	75.5	24.5
Tasmania	49.7	35.3	86.3	13.7
Northern Territory	84.9	*1.3	86.4	13.6
Australian Capital Territory	83.2	*0.7	84.6	15.4
Australia	38.0	37.3	77.3	22.7
Females				
New South Wales	18.5	59.2	78.5	21.5
Victoria	27.6	54.8	87.3	12.7
Queensland	16.0	68.5	85.0	15.0
South Australia	23.4	61.6	86.3	13.7
Western Australia	16.3	65.7	82.5	17.5
Tasmania	27.3	61.0	89.4	10.6
Northern Territory	88.1	*1.3	89.6	10.4
Australian Capital Territory	84.7	*2.2	87.7	12.3
Australia	23.2	58.4	83.5	16.5
Persons				
New South Wales	26.5	48.8	76.1	23.9
Victoria	37.9	39.6	82.1	17.9
Queensland	23.2	57.3	81.8	18.2
South Australia	33.3	47.8	82.6	17.4
Western Australia	20.8	57.3	78.7	21.3
Tasmania	40.8	45.6	87.5	12.5
Northern Territory	86.2	*1.3	87.7	12.3
Australian Capital Territory	83.9	1.4	86.0	14.0
Australia	31.5	46.5	80.0	20.0

(Source: ABS 1991)

In 2000, the Australian Bureau of Statistics surveyed employers on coverage or methods of setting pay (ABS 2001) and it continues to do so on a biennial basis (May quarter). Unfortunately the questions asked were different to those in the 1990

survey and thus results were not directly comparable. However, these are the only statistics available for all states and territories.

The results shown in Table 8 indicate that, by 2002, 20.5 per cent of employees were covered by awards only. The same table indicates that Western Australian employees were the least likely, of all the states, to be covered by awards (15.0 per cent).

Table 8 - Methods of Setting Pay, Jurisdiction - Percentage of Employees, May 2002

	Awards only	Collective agreements (a)	Individual agreements (b)	Total
New South Wales	21.3	35.3	43.3	100.0
Victoria	17.2	38.3	44.4	100.0
Queensland	24.6	41.0	34.4	100.0
South Australia	25.1	39.2	35.8	100.0
Western Australia	15.0	36.2	48.8	100.0
Tasmania	21.5	49.3	29.3	100.0
Northern Territory	16.3	45.1	38.6	100.0
Australian Capital Territory	20.2	49.3	30.4	100.0
Australia	20.5	36.8	41.3	100.0

(a) Includes registered and unregistered collective agreements.

(b) Includes registered and unregistered individual agreements.

(Source: ABS 2003a: Table 26)

The most common method of setting pay appeared to be individual (registered and unregistered) agreements. In Australia, 40 per cent of employees were covered in this way, while in Western Australia, 48.8 per cent were covered by this type of agreement (the highest of all states and territories). This move towards individual agreements was part of an increasing trend, as shown in the ABS surveys of methods of setting pay (ABS 2001; ABS 2003a) since 1999.

However, there are concerns (Wooden 2001) as to whether these figures understate the influence of awards. Many small businesses referenced award rates and then paid a little over that rate for individuals. The ABS is understood (Wooden 2001) to have recorded this process as an unregistered individual agreement, yet the rate was clearly influenced by the award. The ABS did not publish coverage figures by gender and state. However, in Australia as a whole, women were still much more likely to be paid under an award (26.1 per cent compared to 15.1 per cent of men) (ABS 2003a).

Wage data collected for this study (and interview data reported in Chapter 5) show that, in Western Australia, agreements were increasingly more likely to be federally-registered during the 1990s. As shown in Table 9, ABS data exhibits the same trend

with 19.2 per cent of Western Australian employees on some type of federally-registered agreement by May 2002 (ABS 2003a).

Table 9 – Methods of Setting Pay, States and Territories

	FEDERAL REGISTERED AGREEMENTS(a)		STATE REGISTERED AGREEMENTS (b)		OTHER METHODS OF SETTING PAY(c)	TOTAL
	Collective	Individual	Collective	Individual	Total	Total
	PROPORTION OF EMPLOYEES (%)					
New South Wales	15.5	1.0	17.9	..	65.7	100.0
Victoria	36.1	1.4	..	..	62.5	100.0
Queensland	16.9	0.8	21.7	..	60.1	100.0
South Australia	22.1	1.0	16.2	..	60.7	100.0
Western Australia	17.6	1.7	16.8	7.7	56.2	100.0
Tasmania	26.2	*1.4	14.6	**0.4	57.4	100.0
Northern Territory	40.2	*1.9	..	..	55.8	100.0
Australian Capital Territory	47.9	3.7	..	..	48.3	100.0
Australia	23.0	1.2	13.1	0.8	61.9	100.0

.. not applicable

* estimate has a relative standard error of between 25% and 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use
(Source: ABS 2003a:49)

However, in 2002 Western Australia was the state most likely to have state-registered agreements (24.5 per cent) and state-registered individual agreements (7.7 per cent). Thus, while in 1990 Western Australian workers were more likely to be under state-registered awards than any other type of industrial arrangement, by 2002 awards and their influence were waning and more agreements were being registered. It also appeared that individual agreements had become more common.

2.4.5 Western Australian and Federal Legislation Compared for Pay Equality

The first mention of equal remuneration in Australian industrial relations acts was the federal reference to the *Sex Discrimination Act 1984* (Cth) in the *Industrial Relations Act 1988* (Cth) (Walpole & Jost 1995). In 1993 two *Industrial Relations Reform Act* (Cth) changes, referring to the removal of discriminatory provisions from

awards and the creation of a minimum standard of equal remuneration for women, meant equal pay principles, became a standard feature of federal legislation.

MacDermott (1994:92) noted that the requirement in the 1993 *Industrial Relations Reform Act* for the creation of minimum statutory employment entitlements on equal pay, family and parental leave was based on Australia's international obligations under the International Labour Organisation (ILO) Conventions. MacDermott (1994:92) suggested that there was a real chance that awards forming the safety net to enterprise bargaining could be thoroughly reviewed for equal remuneration. However, evidence from stakeholders interviewed (Commissioners A and D) and AIRC decisions studied suggests this did not occur.

O'Connor (1995:64) also indicated that the *Reform Act* gave a firm base for countering discrimination with six relevant provisions in the revised *Industrial Relations Act 1988* (Cth) (ss.93, 93A, 150A, 170MD(5), 170ND(1) and Division 2 of part VIA). O'Connor (1995:65) noted that the enterprise bargaining principle of providing a safety net of awards was embodied in the *Reform Act* as follows:

...the Commission has a specific obligation to ensure, as far as possible, that the award system provides for 'secure, relevant and consistent wages and conditions of employment' (section 90AA(2)) so that it is an effective safety net 'underpinning direct bargaining' (section 88A(b)).

She goes on to say "[t]hese safety net provisions of the Act are designed to prevent inequity when applied to the industrially weak" (O'Connor 1995:64). These provisions for wage equality (including the ability to make equal remuneration orders) were retained in the *Workplace Relations Act 1996* (Cth) (under s.170B).

It is possible that these provisions for equality in federal industrial law contributed to the comparatively stable position of female earnings relative to male earnings in Australia shown in Chapter 1, Figure 1, in contrast to the deteriorating picture for Western Australia shown in Appendix 1, Figure A-1. The equal remuneration principles in the federal Acts were a major difference between these Acts and the Western Australian legislation. There were no references to equal pay in the Western Australian Acts until the *Labour Relations Reform Act 2001* (WA).

Even the 2001 provisions went only a little way towards the federal provisions. An equal remuneration objective (s.6(ac)) of the *Industrial Relations Act 1979* (WA)),

granting the power to the WAIRC to move on its own motion to change awards (s.40B of the *Industrial Relations Act 1979* (WA)) and the commission's power to incorporate agreement provisions in awards (if the parties agree) (s.40A of the *Industrial Relations Act 1979* (WA)) contrasted poorly with the federal Act's requirements for pay equality reviews with any variation to awards and equal remuneration orders for agreements and awards. The *Equal Opportunity Act 1984* (WA) was also not invoked in the Western Australian industrial relations legislation.

2.5 SUMMARY

In summary, this chapter has examined the historical literature and industrial relations law relevant to pay equality from 1907 onwards. Legislation from the Commonwealth and Western Australian governments is outlined where appropriate. This indicated that, while pay equality had its advances since 1907, frequently these advances were lost over time.

Thus, while from the beginning of the formal industrial relations system in Australia the federal tribunal (and its successors and counterparts in the Australian states) has tried to give women wage equality to men, this has not been achieved. The difficulties of finding comparators for female-dominated occupations and the high costs encountered in running equal pay cases appeared to have been compounded by the decentralisation of the system during the 1990s. The New South Wales, Queensland and Tasmanian Pay Equity Inquiries confirmed this conclusion (Glynn 1998; Fisher 2001; Hunter 2000). In 2003, thirty years after the federal tribunal adopted the principle of equal pay for work of equal value; predominantly female work was still being undervalued and thus underpaid.

A comparison with federal legislation shows that the Western Australian legislation was much weaker on pay equality and suggests that this could be one of the causes of Western Australia's larger gender wage gap.

CHAPTER 3 – THE LITERATURE ON GENDER WAGE INEQUALITY

3.0 INTRODUCTION

This chapter reviews relevant theoretical literature on wage discrimination and then the empirical literature for evidence to support this. The material is mostly from the economic literature on the Australian gender wage gap between 1983 and 2003, but also includes that on industrial relations, feminist economics, feminist sociology and organisational behaviour literature on management. This literature is explored in order to explain the motivation of this thesis and the background to its methodology. The theories discussed also form part of the background knowledge of many of the actors in the Australian and Western Australian industrial relations tribunals whose comments are reported in later chapters. It is a necessary part of the thick description of this thesis, giving a framework for understanding the views of the actors interviewed.

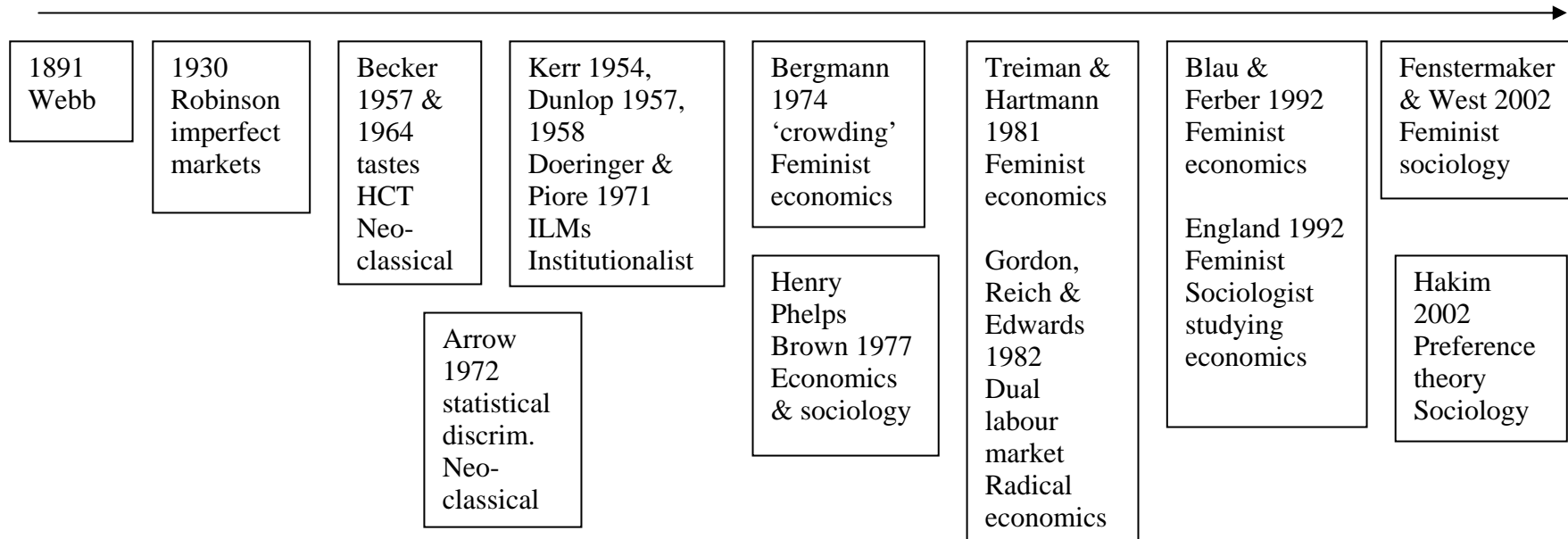
3.1 THEORIES OF WAGE DISCRIMINATION

This section will only cover theories of wage discrimination and related theories of wage determination that were felt to be most relevant to this thesis¹¹. Economists have long sought to explain the gap between the wages of men and women and have developed various economic theories on wage determination and discrimination. The theories range across the political spectrum from neo-classical to radical/Marxist theories.

Industrial relations theory developed from economic and sociological theory and feminist theories about wages and discrimination have recently been applied to both, so these are all relevant to the study of why and how gender wage gaps occur. A timeline in Figure 3 depicts the seminal theoretical literature on gender wage discrimination and determination covered here and a more detailed explanation with some other, secondary, literature follows.

¹¹ A more thorough synopsis of wage determination theory can be found in Preston (2001:2-9) and of both wage determination and discrimination theory in England (1992:45-124).

Figure 2 - Key Economic and Industrial Relations Theory Literature on Wage Determination and Discrimination



3.1.1 Early Explanations

One of the earliest explanations of wage discrimination in the industrial relations and economic literature was that of Webb (1891).

He studied British wage data on manual and office work where wage differences existed, between men and women doing the same work. Webb (1891:661) felt that the differences in pay between men and women were caused by:

- custom or public opinion;
- employers expecting less from women, partly because of their standard of living “Might not women do more work and better, if they learned to eat more?”(Webb 1891:661) and partly because of women being supported economically by a husband or family;
- lower productivity due to lack of physical strength, lack of training and institutional restrictions (of which Webb (1891:649) includes legislation, traditions, family structure and unions saying: “...where competition rates of wages prevail, and where the women are protected by strong Trade Unions, they often earn wages equal to those of men for equal work.”);
- “...lack of protective power, through failure to combine want and adaptability, limited number of alternatives and greater immobility.” (Webb 1891:661)

These themes of:

- taste or custom;
- women’s tendency to rely on the income of others;
- women’s lack of training/productivity;
- women’s greater geographic and time constraints than men, providing monopsonistic employers an opportunity to pay lower wages; and,
- institutional restrictions

are common threads in the theoretical literature which follows.

Pigou (War Cabinet Committee on Women in Industry 1919:176) also took up the theme of monopsonies and explained this as when:

...women’s wages in certain occupations are depressed below the level which economic competition tends to bring about, owing to their strategic weakness, unscrupulous or unthinking employers are able to

pay them less than they are worth (in technical terms less than the value of their marginal net product).

Robinson (1933) looked at the economics of imperfect competition in more detail and gave examples explaining differences between the wages of men and women where a firm had a monopsonistic advantage. In her examples this could occur where the men, but not the women, were organised into a trade union and had successfully negotiated a minimum wage, as well as when women and men had different supply elasticities caused by women's need to work near their homes, or at particular times of the day. The union case is an early example of institutional explanations for wage discrimination, as was Webb's. It should be noted that unions sometimes restricted membership to men at that point in time.

3.1.2 Taste Discrimination

Becker in his seminal work "*The Economics of Discrimination*" (1957) talked about tastes for discrimination against black people on the part of both employers and employees (this analysis was later applied to gender discrimination). He was mostly concerned with measuring this discrimination through econometric estimates. The theory was based on the neoclassical theory of wages which, very simply, is that wages are determined, like prices of goods by the equilibrium between demand and supply and involves, in its more pure forms, assumptions about perfect competition, homogenous products and fixed institutions. Demand is determined by marginal labour productivity theory and supply by individual choices between labour, leisure and human capital investments (Cain 1975:17).

In Becker's theory, demand for labour is acknowledged as imperfect, due to tastes for discrimination that affect it and create segregation in the workplace. Becker (1971:39) describes this behaviour as lacking "objectivity"; "in the market place, "objective" behaviour is based on considerations of productivity alone." As employers', employees' or customers' tastes for a particular group are catered for, the preferred group will become more homogenous.

The problem with this model is that, where competition exists, in the long run, employers without a taste for discrimination must be able to drive out the discriminators. Employers of male-dominated workforces would have to pay a higher wage than they would have if their workforce had been more female-dominated and would have to charge a higher fee for their goods and services. Non-

discriminating employers thus can employ women on lower wages, produce cheaper goods and drive the discriminating firm out of the market. However, as Lundahl and Wadnesjo (1984:23) point out in their review and expansion of Becker's theory "by definition, firms that have a monopoly in a commodity market do not run the risk of being driven out of the market if they discriminate." This applies to many government services.

3.1.3 Statistical Discrimination

The next neo-classical explanation for discrimination was Arrow's (1972) statistical discrimination. In this theory information on labour supply is acknowledged as imperfect and employers use gender or race as a screening device as they associate differences in reliability, ability or job stability with these personal characteristics. Employers lack the ability to test all new entrants for these characteristics accurately; they are reluctant to take on recruits that might not return the firm's investment in their employees' training, so use gender and race as a substitute. As Arrow (1972:97) puts it:

The employer cannot know beforehand whether or not the employee is qualified. The employer does know the race of the individual, however, and he holds some subjective beliefs about the respective probabilities that white and black workers are qualified.

Employers make decisions on their personal or society's average expectations for women or black people rather than looking at the individual case. Arrow (1972:99) discusses the origin of discrimination, whether it is economic or social:

Notice that the question at issue is not whether racist utility functions are socially conditioned. We accept that the tastes for material goods are affected by the surrounding culture; and how much more so tastes about status relations... I do not see how the process of racial discrimination can begin in the economic sphere or out of purely economic motives....

3.1.4 Institutional Explanations

In many ways Arrow's (1972) neo-classical theory shades into institutional theory as both are about group behaviour and assumptions rather than individual behaviour. The seminal institutional economists (Kerr 1954; Dunlop 1957) "were linked by a common appreciation of the role of institutions in shaping wage outcomes" (Preston 2001:6).

Kerr (1954) argued that institutional labour markets existed with formal and informal rules creating insiders and outsiders: “Institutional labour markets create truly non-competing groups” (Kerr 1977:25). Dunlop (1957) characterized the labour market as having wages structures made up of job clusters (grouped due to technology, administrative organisation, or social custom) linked by product markets, skills, or unions to ‘wage contours’. According to Dunlop (1957:15):

A distinction is to be made between the wage structure within a plant, firm, or other grouping in which wage differentials are set by the same authority and the complex of interfirm or group structures set by a number of different agencies. From the point of view of the individual decision makers, the first wage structure is internal while the second is external.

Doeringer and Piore (1971) built on this early institutional work to create a theory of internal labour markets (ILMs). In this theory, the labour market contains many institutions that are ILMs – the most common being characterised by ports of entry mostly at the bottom of an internal career structure, the need for firm-specific skills and high investment in training. This creates insiders and outsiders who do not compete for wages. The internal labour market is less likely to be responsive to outside labour market conditions and more likely to adjust qualifications for entry rather than wages offered, because raising entry wages will cause all wages in the career structure to rise. The investment in training by ILMs means employers screen entrants (as in statistical discrimination), often using gender or race to do so in the absence of good information on reliability and turnover. As Doeringer and Piore (1971:192) point out:

ILMs can provide a more efficient form of market organisation than competitive labor markets whenever fixed labor costs and economies of recruitment, screening, and training are present.

Dunlop, the institutionalist economist, was also the first industrial relations theorist of note (in the 1950s the barriers between economics and industrial relations were far less distinct). Dunlop (1958:7), when defining an industrial system, said:

An industrial-relations system at any one time in its development is regarded as comprised of certain actors, certain contexts, an ideology which binds the industrial-relations system together and a body of rules created to govern the actors at the work place and work community.

Dunlop (1958:7) has three main actors:

- (1) A hierarchy of managers and their representatives in supervision,
- (2) a hierarchy of workers (nonmanagerial) and any spokesmen and
- (3) specialized governmental agencies (and specialized private agencies created by the first two actors) concerned with workers, enterprises and their relationships.

The equivalent government agencies in Australia are the industrial tribunals, for example, the WAIRC or AIRC. These actors and their interactions are then influenced by contexts external to the system that Dunlop (1958:9) sees as:

- (1) the technological characteristics of the workplace and work community,
- (2) the market or budgetary constraints which impinge on the actors and
- (3) the locus and distribution of power in the larger society.

According to Dunlop (1958:16), the actors in the industrial relations system share an ideology, or “set of systems and beliefs” that holds the system together and rule making, or award and agreement making in the Australian context, is the main purpose of the system. As Dabschek and Niland (1981:26) point out, Dunlop’s expectation of a shared and binding ideology has been criticized. However, the idea that ideology and beliefs of the actors may help to shape outcomes remains of interest to research into gender wage determination.

Consistent with Dunlop’s (1957) earlier theories on wage contours and Webb’s institutional constraints, craft or skilled occupational labour markets were noted by Doeringer and Piore (1971), who further developed Kerr’s internal labour market theory. These markets were for occupations requiring specific training. Note that the Webb’s main institution, the union, is also a part of this theory, as unions were said to assist the creation of guild or craft labour markets by restricting entry to their occupations. This again can tie into neo-classical taste theory, in this case the taste of insiders for those like themselves, as opposed to outsiders.

3.1.5 Human Capital Theory

Becker created a revival of neo-classical economic explanations for wages with his (1964) Human Capital Theory (as further adapted by Thurow (1975) and Mincer (1962)). This theory, as Preston (1997:51) puts it, remains “[t]he dominant economic paradigm to study wages”. Human capital can be characterised as the investment that

people make, through forgone earnings and associated costs, during education and training (on or off the job) to obtain higher future earnings. Human Capital Theory (HCT) posits that, in the long run, the more people invest in education and training, the higher the future return in terms of earnings or wages. This is because education and training is thought to make people more productive at work and thus more valuable to the employer. Women's lower investment in training was seen by Becker (1964) as logical, as women did not receive as much return on their investment as men, due to their intermittent labour market participation caused by having children.

The gender wage gap studies using HCT, as Le and Miller (2001:33) put it: "partition the difference in their [male and female] earnings into two components".

The first component is made up of 'real' differences between men and women:

[f]or example, if women have, on average, one year of schooling less than men and each year of schooling is associated with 10 per cent higher earnings, then women would be expected to have earnings 10 per cent lower than men. (Le & Miller 2001:33)

The second component, not explained by human capital variables, is assumed to relate to adverse treatment in the labour market. In other words, what economists define as adverse treatment effects, or discrimination, is where equally productive men and women workers receive "unequal treatment in terms and conditions in the labour market" (King 1990:101). Adverse treatment is where, for example, women and men might have the same amount of schooling, but women receive, for example, only a 5 per cent increase in earnings, while men receive a 15 per cent increase in earnings, for each extra year of schooling (Le & Miller 2001:34).

According to Human Capital Theory, if the wage equation model is just trying to separate productivity effects from adverse treatment related to people's individual abilities and characteristics, the key set of variables used would be education, experience and hours. However, the apparent discrimination-free nature of this key set of productivity-related variables has been debated, particularly by the feminist economists (Treiman & Hartmann 1981; England 1992:120-22; Blau & Ferber 1992) whose views will be dealt with in more detail later.

3.1.6 Radical Economists

Gordon, Edwards and Reich's (1982) dual labour market theory is a further extension of the internal labour market theory in that this assumes national labour

markets are made up of primary and secondary sectors. The primary sector is made up of “good”, well paid, secure jobs requiring training; the secondary market is made up of “bad”, low paid, insecure jobs with little training. The two sectors have different wage determination processes: primary labour market jobs are mostly in internal and guild labour markets with entry through qualification, or at low ports of entry and wages mostly protected from market forces; secondary labour market jobs require little training and wages are subject to normal forces of supply and demand. The theory says there is little mobility between these sectors. Women are more often found in secondary labour market jobs that are also commonly part-time and/or casual.

The radical economists (Gordon, Edwards & Reich 1982) see this as a conscious policy of segmentation by big business to divide and conquer the workforce and their representatives or unions. They describe the primary labour market sector as oligopolistic and the secondary as competitive. The radical economists say those in power divide the workforce into male and female jobs and jobs for white workers and black workers, so that the former can maintain their status over the latter.

3.1.7 Feminist Economists and Sociologists/Economists

Feminist scholars are concerned with recognising and countering the pervasive influence of patriarchy or male-dominant power in society – in the family and the workplace. As Macdonald (1995:163) puts it, in economics:

A unifying theme of feminist work is to challenge the distinctions made between the formal and the informal economy, paid and unpaid work, market and non-market activities, productive and reproductive labour.

Feminist economists point out that “the market” is not isolated from other parts of society, but is affected by it. For example, society’s views on women (or patriarchic attitudes) affect education before and experience and training in, the labour market.

In the first contribution by feminist economists to the theory of wage discrimination, Bergmann (1974) suggested that women are systematically excluded from certain occupations by employers’ expectations of women’s roles; their expectations that women will be likely to leave to have children or will not be as fully committed to the workplace as men. This exclusion results in an artificially-expanded supply of labour and low wages in “crowded” occupations. “Attitudes concerning which occupations are ‘proper’ for women and blacks are part of the social system and are

learned, and most employers have learned pretty much the same thing” (Bergmann 1974:313).

Feminist economists note that human capital ‘choice’, for example women ‘choosing’ to gain less education or to study a ‘soft’ subject which later affects wage levels, is as much a result of societal or pre-labour market discrimination, as of individual choice. Societal discrimination “denotes the multitude of social influences that cause women to make decisions that adversely influence their status in the labor market” (Blau & Ferber 1992:140). Treiman and Hartmann (1981:53) summarise these influences as being socialisation into ‘appropriate’ jobs, and ‘appropriate’ fields of study; lack of information; family obligations real or expected; and finally:

...women may be aware of alternative types of jobs but believe them to be available or unpleasant because of discrimination; their labor market preparation and behavior may be affected in many ways by this perception; the course of study they take, the time, money and effort invested in training; their willingness to accept promotion...

Similarly, England (1992:18), a feminist sociologist seeking to integrate sociology and economics, claims the different job choices of men and women:

... are sustained by lifelong socialization that leads men and women to find different jobs interesting, respectable, of value, or consistent with their gendered identities...Preferences for certain kinds of work entail preferences for exercising certain kinds of skills. The socialization that forms these proclivities begins in childhood and continues throughout adulthood. It operates through reinforcement patterns, role models, cognitive learning, sex-segregated networks of peers, and other processes.

England (1992:108-9), in a similar way to Treiman and Hartmann (1981), talks about the **feedback effects** of discrimination within the market:

Feedback effects are social-psychological consequences of discrimination that create new discrimination, or perpetuate groups’ disadvantages that originally resulted from discrimination. For example ...if women are discriminatorily assigned to jobs demanding the social skills of nurturing rather than authoritative managing, this may cultivate

women's preferences and habits toward nurturing work and men's toward managerial work.

This 'nurturing' work could also be described as involving 'emotional labour' a term introduced by sociologist Hochschild (1983). Essentially, emotional labour is relational work according to Guy and Newman (2004) and often found in public service jobs. Guy and Newman contend that relational or emotional labour is absent from the lists of knowledge, skills and abilities required in the descriptions for these jobs, except in the form of "interpersonal skills". They (Guy & Newman 2004:293) claim that:

[l]abour that generates perceptions of rapport, supportiveness, congeniality, nurturance, and empathy – in other words, "mom" behaviors – does not register on the wage meter. The discounted wage attached to women's emotional labor reflects an assumption that care is a natural activity that neither deserves nor requires remuneration.

In other words, these skills are too close to skills used in non-market, unpaid, situations to be recognised within the market and valued in money terms. These skills become invisible when they are possessed by women except when they are absent. Guy and Newman (2004: 293) explain this paradox in reference to paralegals.

Female paralegals find themselves sanctioned if they fail to perform emotional labor. A woman who does not play mom, who is not friendly, pleasant, and nurturing, is regarded as uncooperative, may not receive raises, or may be terminated for "attitude problems". Male paralegals are not similarly judged...women face a double bind: Institutional norms require them to play mom but do not reward them for it – nurturing is simultaneously required and devalued...

How do firms manage to devalue these productive skills? Women are segregated into certain (usually caring) occupations and industries where their (caring) skills become invisible and not paid for as above (Guy & Newman 2004; Pierce 1999; & Fletcher 1999). England (1992) puts it slightly differently, describing this as jobs using caring skills suffering a wage penalty.

The more mainstream economic literature does offer some explanations and acknowledges difficulties for economists in trying to separate out market forces from

non-market forces in the labour market. For example, Norris (1993:149-152) talked about discrimination before the market; he mentioned health, access to occupations being segregated by sex and parental status. Using quantitative data analysis, Preston (2001:169-192) looked at how social forces such as perceptions of fair wage relativities (which she called normative or equitable forces) may be affecting Australian wages. Preston (2001:190) concluded:

Testing the importance of normative forces or, more specifically, fairness, is not easy. Unlike many economic forces, normative determinants are often difficult to quantify. However, using Australian wage award data as a handle, this chapter is able to offer new insight into the importance of equitable comparisons and spillover forces [in] wage determination.

The results suggest that fairness is of more importance within bargaining units and within occupations (intra-occupational differentials) than across occupations (inter-occupational differentials). The results also show, consistent with other similar studies, that wage awards are only weakly related to market forces (specifically the price level, national productivity and the unemployment rate). In the period studied (1986 to 1997) spillover forces emerge as the dominant determinant of award wage adjustments.

Phelps Brown (1977:322) noted:

The numbers of workers potentially available to meet the requirements of particular jobs and the terms on which they will be so available, are influenced, before the market, by the structure and culture of each society.

Phelps Brown then went on to explain that the socio-economic class of parents influences children's cognitive development, as well as choice of schooling and career. He (Phelps Brown 1977:324) went further and stated "Access to employment may be restricted by prevailing attitudes."

In the (new) introduction to his second edition of "*The Economics of Discrimination*" Becker (1971:7; emphasis added) said:

In addition to government and trade union discrimination, collusion in the non-union private sector is also stressed, though no one has shown

how thousands of firms and millions of workers are able to conspire successfully against minorities. Our ignorance of the scope and incidence of collective action against minorities is perhaps **the most important remaining gap** in the analysis of the economic position of minorities.

3.1.8 Feminist Sociological Theorists

Sociological feminist theory digs deeper into the explanations of how and why women and men are socialised into different roles and make different choices about their education and occupation. The feminist literature points out the central role of gender in society. In feminist research ‘gender’ is acknowledged as a word that does not just describe the biological fact of sex type, but the social bundle of expectations that surrounds those sex types. Gender is associated with “the social dimension of being male or female” (Santrock 1999:248). Gender (Hewitson 1999:9)

... refers to a complex of social and familial assignations of sex roles to individuals. It is ‘the culturally and social shaped cluster of expectations, attributes and behaviours assigned to that category of human being in the society into which the child was born’.

Santrock says gender is made up of gender identity and gender role. “Gender identity is the sense of being male or female” and is usually acquired by about the age of three. “Gender role is a set of expectations that prescribe how females and males should think, act and feel.” (Santrock 1999:248)

There is an extensive (feminist) body of literature on how society builds gender stereotypes and constantly reinforces these in daily activities. In the quotation below, researchers West and Zimmerman (1987) put this in grounded theory or social constructionist terms as they talk about gender emerging from social situations.

Rather than as a property of individuals, we conceive of gender as an emergent feature of social situations: both as an outcome of and a rationale for various social arrangements and as a means of legitimating one of the most fundamental divisions of society. (West & Zimmerman 1987:126)

Gender emerging as a rationale for social arrangements was explained using the example of male and female public toilets (Fenstermaker & West 2002:13). The argument is put that there is no real biological need for separate and different toilets,

but society uses biology as a rationale – men must have troughs – for maintaining what is really a social/cultural expectation, present only in public situations.

Gender is self-regulating and self-replicating, in a continual social process. According to Fenstermaker and West (2002:18):

... new members of society come to be involved in a *self-regulating process* as they begin to monitor their own and others' conduct with regard to its gender implications. The "recruitment" process involves not only the appropriation of gender ideals (by the valuation of those ideals as proper ways of being and behaving) but also *gender identities* that are important to individuals and that they strive to maintain. Thus gender differences, or the sociocultural shaping of "essential female and male natures," achieve the status of objective facts.

Fenstermaker and West (2002:15-16) also provide examples of this process in the workplace. As they say "the heart of the matter is that ... gender is still something one is accountable for." They point out that a female doctor may be given respect for her skills but:

[n]onetheless, she is subject to evaluation in terms of normative conceptions of appropriate attitudes and activities for her sex category and under pressure to prove that she is an "essentially" feminine being, despite appearances to the contrary.

Fenstermaker and West (2002) go on to say that the fact that she is a woman is used to indicate that she is unsuitable for the more important clinical jobs such as surgeon and, at the same time, many of her colleagues consider her insufficiently committed to her responsibilities as mother and wife because she is a doctor. "Simultaneously, her exclusion from the physician colleague community is maintained and her accountability *as a woman* is ensured." (Fenstermaker & West 2002:16)

Women start off with different aspirations, because of their gender role. As Fels (2004:54-56) explains:

It is difficult for women to confront and address the unspoken mandate that they subordinate needs for recognition to those of others – particularly men. The expectation is so deeply rooted in the culture's ideals of femininity that it is largely unconscious.

It is these unconscious expectations of society that limit women's choices and ensure that they do not work in more highly-paid jobs, such as management or traditional trades.

Writers (Correll 2004; Hakim 2002, 2003; McRae 2003a and b) on occupational choice also believe women are socialised into certain types of jobs, although there is some level of disagreement as to how strong an effect there is. In Hakim's (2002) theory, personal preferences about combinations of work and family decide whether a woman will choose to work full-time, work part-time or stay in the home. Hakim's (2002:430) preference theory gives "a central role to life style preferences and values as determinants of women's and men's employment decisions."

Hakim (2002:454) feels "Women's motivations and aspirations are independent factors with causal powers". She says these motivations are independent from social, economic and institutional factors. Gender, as a bundle of social expectations, thus appears, in this theory, not to affect employment motivations and aspirations, or at least not as much as personal preferences for family or work. However, Hakim (2002:450) makes it clear that preference theory is really only about hours of work, not occupational choice. She finds that occupational choice is not (significantly) related to women's preferences over the work and family mix. Hakim thus leaves open the possibility that gender or social expectations affect occupational choice.

McRae (2003a) takes issue with Hakim's preference theory, finding that women with similar preferences for labour market work/family presence (but with different capacities for overcoming constraints) experience very different labour market careers. McRae (2003a:317) concludes that:

...a complete explanation of women's labour market choices after childbirth, and of the outcomes of those choices, depends as much on understanding the constraints that differentially affect women as it does on understanding their personal preferences.

However, Hakim (2003), responding to McRae's (2003a) article critical of her theory, says constraints such as lack of child care still affect preference theory's "adaptive" woman's choices. "Adaptive" women are not career orientated, but wish to combine family and work.

3.1.9 Summarising the Literature on Wage Discrimination Theory

Summarising the theories and literature referred to above, theoretical explanations for differences in wages between men and women begin with the complex influences observed by Webb (1891). Then, over time, most of the seminal articles reviewed appear to concentrate on one or other of the influences mentioned by Webb.

Robinson (1933) looked at what happens when the market is imperfect and employers can exploit women's "lack of protective power" (Webb 1891:661). Becker (1957) saw discrimination as caused by the tastes of employers, employees and clients and more easily maintained in circumstances where markets are imperfect. Webb (1891) mentioned custom and taste as reasons for the wage differences he observed.

Webb (1891) did not mention statistical discrimination (Arrow 1972), or imperfect information. Institutional explanations such as unions and training institutions were first mentioned by Webb (1891:649), but explored in much more detail in the industrial relations and institutional economics theories of Dunlop (1957, 1958), Kerr (1954) and Doeringer and Piore (1971).

The radical economists Gordon and Reich (1982) added on to this institutional base to talk about dual labour market theory. The feminist theoreticians concentrated on institutions too, but primarily on taste or custom which was raised as Webb's first explanation for men and women being paid unequal wages for the same work in 18th century Britain. 'Crowding' (Bergmann 1974) is caused by employers' tastes or society's tastes for where women should work. Gender theory (Fenstermaker and West 2002) explains how these tastes are created.

The other obvious trend, when analysing the theoretical literature above and looking at the timeline of the seminal literature in Figure 3, is the acknowledgment of non-economic causes for discrimination and the consequent increasing concentration on taste or social explanations for wage differences.

3.2 THE EMPIRICAL LITERATURE – THE EVIDENCE

There is a wealth of literature giving empirical evidence of the gender wage gap and its causes. Some of this is reviewed below, beginning with the econometric evidence for the gender wage gap in Australia and then moving to the empirical literature supporting the economic and feminist theories covered above.

3.2.1 The Adjusted Wage Gap

First, there are many papers on the quantum of the gender wage gap in Australia. This literature involves econometric studies that seek explanations for earnings differences in the labour market characteristics of women and men. These studies, consistent with Becker's (1957) Human Capital Theory (HCT), control for differences between men and women that affect productivity, such as education and experience, in order to compare like with like.

Table 10 gives details of the Australian studies most relevant to the thesis topic¹². Since 1986, thirteen of these economic studies were published reporting on the wage gap between men and women working full-time. The principal variables used, the data source, estimation techniques and results are listed in Table 10 in publication date order. From these studies, the short answer to the question asked at the beginning of this chapter: "Are women and men in Australia paid differently?" is yes. As can be seen in Table 10, the raw¹³ or unadjusted and then explained and unexplained (by variables) wage gaps, differed over the years, but persisted. As further outlined above in Section 3.1.5, the explained gap is that explained when adjusting for differences in human capital variables between men and women.

Both raw (before adjustments are made for differences) wage gaps and 'unexplained', or gender wage gaps (after adjustment for human capital, demographic and industry variables) are identified for each study in Table 10. The unexplained, or gender wage gap is what is left of the raw difference between men and women once selected variables have been used to adjust for differences. The larger the unexplained gap "the greater is the contribution of differential employer

¹² This excludes studies on part-time earnings (e.g. Preston 2003) which have been omitted as this thesis concentrates on full-time earnings.

¹³ The raw wage gap is the gap measured as existing between male and female pay before adjustments are made for "real" differences that are known to affect individuals' productivity and are believed to be a matter of individual choice rather than the result of discrimination. Differences in education levels as shown above are such an example. However, feminist researchers would debate whether educational choices might be affected by discriminatory assumptions before entry into the labour market either by the individual or by his/her family.

treatment of men and women to an explanation of the wage gap between the sexes”
(Chapman & Mulvey 1986:509).

Table 10 – Selected Studies, Australian Gender Wage Gap, 1986 to 2001

STUDY	METHOD OF ANALYSIS	DATA SOURCE	VARIABLES	RESULTS ¹⁴			
				Raw wage gap per cent	Adjusted wage gap ('unexplained' portion) per cent	Proportion Explained per cent	Proportion Unexplained per cent
Chapman & Mulvey (1986) R ² female equation 0.40 male equation 0.43	Oaxaca (1973) as adjusted by Blinder (1973)	ABS Special Supplementary Survey No. 4 1982 full time (15-64 yrs? – age groups not published)	hourly earnings; union; education; experience; industry; occupation; marital status; country of birth; place of residence.	16.7	13.25	21	79
Miller & Rummery (1991) R ² OLS female equation 0.151 male equation 0.132	Oaxaca (1973) + Reimers (1983) correction for sample selection bias Selectivity Corrected R² female equation 0.157; male equation 0.132	Australian Longitudinal Survey 1985 19-26 year olds only	hourly pay; education; experience; place of residence; labour market history; apprenticeship. + for correction: wage & salary earner; birth-place; duration of residence; poor English; no. children; age youngest child; marital status; partner unemployed.	4.9	observed wages gap 0 ; selectivity corrected - offered wages gap 11	selectivity corrected: 16	selectivity corrected: 84

¹⁴ The results reported unless otherwise stated use male wages as the non-discriminatory norm or control.

STUDY	METHOD OF ANALYSIS	DATA SOURCE	VARIABLES	RESULTS ¹⁴			
				Raw wage gap per cent	Adjusted wage gap ('unexplained' portion) per cent	Proportion Explained per cent	Proportion Unexplained per cent
Rummery (1992) R ² Potential 0.142 F: 0.072 M: 0.194 Actual 0.145 F: 0.072 M 0.197	Oaxaca (1973) and Blinder (1973) with Cotton (1988) decomposition: potential experience versus actual years worked	ABS 1984 National Social Science Survey Age group not published.	hourly wage; education; experience; marital status + female as dummy variable in pooled Cotton (1988) equation.	14.6	Potential experience 15.4 Actual exp. 10.4	Potential experience 0 (women's characteristics superior to those of men) Actual experience 29	Potential experience 100 Actual experience 71
Miller (1994b) R ² 1973: female 0.145, male 0.253, pooled 0.324 1989: female 0.146, male 0.207, pooled 0.198	Oaxaca (1973) and Blinder (1973)	ABS 1973 Social Mobility in Australia and 1989 How Workers Get Their Training, Australia survey 30-64 year olds only as common to both surveys	hourly income; education potential experience; job tenure; occupational experience; marital status; country of birth; gender; duration of residence; firm size.	1973: 46.9 1989 14.4	1973: 40.68 1989 12.68 Study techniques able to capture differences due to equal pay decisions.	1973: 13 1989: 12	1973: 87 1989: 98

STUDY	METHOD OF ANALYSIS	DATA SOURCE	VARIABLES	RESULTS ¹⁴			
				Raw wage gap per cent	Adjusted wage gap ('unexplained' portion) per cent	Proportion Explained per cent	Proportion Unexplained per cent
Langford (1995) R ² f. eq. 0.36 m. eq. 0.39 pooled 0.38	Oaxaca (1973) plus Neumark (1988) pooled decomposition	1989/90 ABS Income and Distribution Survey June 1990 full-time employed 16 to 64 years	hourly wages; education; tertiary field ; experience; children status; industry; occupation; marital status; country of birth; sector.	15.0	9.2	39 (potential experience, tertiary field and industry explain most)	61
Kidd & Shannon (1996) R ² Potential experience female equation 0.255 male equation 0.286. Imputed experience: female equation 0.292, male equation 0.293	Oaxaca (with Juhn Murphy & Pierce (1991) inter-country decomposition for comparison Australia and Canada) & Zabalza & Arrufat (1985) experience	ABS 1989 Income Distribution Survey full time workers 16-64 years old	hourly wages; education; potential experience; Extended model: imputed experience (+ age, child age, backdate wage) + industry; occupation.	14.4	Basic: 9.9 Extended equation: 6.7	30 53	70 47

STUDY	METHOD OF ANALYSIS	DATA SOURCE	VARIABLES	RESULTS ¹⁴			
				Raw wage gap per cent	Adjusted wage gap ('unexplained' portion) per cent	Proportion Explained per cent	Proportion Unexplained per cent
Kidd & Meng (1997) R ² not reported	Brown, Moon & Zoloth (1980) methodology treating wage and occupation endogenously. Aimed at analysing changes in inter & intra-occupational segregation. "essentially interprets factors not picked up as differences in	ABS Income Distribution Survey 1981-2 and 1989-90 male/female personal characteristics, X, as indicative of the role of occupational barriers." p34	weekly earnings; education; experience; occupation; marital status; no. of children; age	1982: 27 1990: 20 change in human capital characteristics responsible for change in occupational distribution not legislation reform.	1982: 19.1 1990: 18.4 within occupations characteristics most important here (p40)	1982: 28.5 1990: 8.4	1982: 70.8 1990: 91.6
Preston (1997) R ² implies extended 1991 model at least 0.392	Oaxaca (1973) and Blinder (1973)	ABS 1981 and 1991 Census Households Sample File full time workers 16-64 years old	Income/week; education; experience; industry; occupation; marital status; no. children; country of birth; residential area; sector.	Extended model: 1981 data: 0.290; 1991 data: 0.199	Extended model: 1981 data: 20.8 ; 1991 data: 14.5	Extended model: 1981 data: 28; 1991 data: 27	Extended model: 1981 data: 72; 1991 data: 73

STUDY	METHOD OF ANALYSIS	DATA SOURCE	VARIABLES	RESULTS ¹⁴			
				Raw wage gap per cent	Adjusted wage gap ('unexplained' portion) per cent	Proportion Explained per cent	Proportion Unexplained per cent
Wooden (1999) R ² male equations 0.38-0.44 female equations 0.27-0.29	see Miller (1994a) Oaxaca (1973) and Blinder (1973) + occupational segregation measure	ABS 1993 Survey of Training & Education employed 15-64 year olds	hourly earnings; union; education; potential experience; tenure ; occupational experience ; industry; occupation; occupational concentration ; marital status; dependent children; age youngest child; employment status (hours) ; casual ; English speaking background; urban; state; period of arrival; firm size ; computer user; sector.	11.5	10 8.9 (once exclude managerial employees)	27-29	73-71 most unexplained within occupations and large firms

STUDY	METHOD OF ANALYSIS	DATA SOURCE	VARIABLES	RESULTS ¹⁴			
				Raw wage gap per cent	Adjusted wage gap ('unexplained' portion) per cent	Proportion Explained per cent	Proportion Unexplained per cent
Pocock & Alexander (1999) R ² 0.466 to 0.478	Wooden and Bora's (1999) model	AWIRS 1995 employees from firms of 20+ employees	hourly wages, occupation 2 digit, industry 2 digit, workplace, job cell , education, tenure, age, disabled, non-/English speaking, no. dep. children, ATSI, overseas born English/not, hours worked, casual, fixed term, union, workplace size, firm size, foreign owned, labour intensity, competitors, exposure to competition , + many workplace characteristics	17.1	Specification 1 (occupational. segregation only) 13.1 Specification 5 (gender segregation by job cell, occupation, industry & firm) 10.2	Specification 1: 23.4 Specification 2: 40.4	Specification 1: 76.6 Specification 2: 59.6
Preston & Crockett (1999a) R ² Australia 0.393; WA 0.416	Oaxaca (1973) and Blinder (1973) Includes analysis by state as well as Australia. State results are in Table 11.	1996 ABS Census 1% Household Sample file full-time wage & salary earners 16-64 yrs	weekly income ; education; potential experience; overtime ; born Australia /English-speaking background/non-English speaking background; marital status; dependant child; public; metro; industry & occupation (1 digit).	19.2	14.1	26.6	73.4

STUDY	METHOD OF ANALYSIS	DATA SOURCE	VARIABLES	RESULTS ¹⁴			
				Raw wage gap per cent	Adjusted wage gap ('unexplained' portion) per cent	Proportion Explained per cent	Proportion Unexplained per cent
Le & Miller (2001) R ² 1996 0.25; 1997 0.21	dummy variable for female in OLS earnings equation (additional analysis of changes over time from 1996 to 1997)	ABS Survey of Employment and Unemployment Patterns 1995/6 and 1996/7. Population sample of employed: job at Sept 96 & 97. 15-59 yr olds	hourly earnings; education; labour market involvement; duration; location; disability ; looking for work; never worked; country of birth; English proficiency; period of residence; firm size.	1996 18; 1997 19	1996 14 1997 16 women in very large firms more likely to be disadvantaged in pay "unlike youth, wage disadvantage not a temporary phenomenon for females" (p48)	1996 25 1997 21	1996 75 1997 79
Preston (2001) R ² Males 0.307; Females 0.279.	Oaxaca (1973) and Blinder (1973)	1996 ABS Census 1% Household Sample file full-time wage & salary earners 16-64 yrs	Income/week ; education; potential experience; overtime ; born Australia/English speaking background/non-English speaking background; marital status; dependent child; public; metro; industry & occupation (2 digit).	19.2	12.9	32.73	67.27

The raw (before any adjustment) gaps varied between 46.9 per cent of female relative to male earnings in Miller's (1994b) study using 1973 data, to 4.9 per cent in Miller and Rummery's (1991) study using 1985 data. The unexplained gaps in the same studies varied from 40.7 per cent female relative to male earnings in Miller's (1994b) study to 0 per cent in Miller and Rummery's (1991) study.

Miller and Rummery (1991) used data from the Australian Longitudinal Survey for 18 to 26 year olds only. Of studies using data on all age groups 15-65, the raw gaps vary from the same 46.9 per cent to 14.4 per cent female relative to male earnings and from the same 40.7 per cent to 6.7 per cent for the after-adjustments gap, with the lower estimates being those of Kidd and Shannon (1996) using 1989 data and a different way of imputing experience (see Table 10).

Most of this narrowing of the gap between men's and women's wages between 1973 and 1989 is due to historical decisions on pay equity in the Australian Industrial Relations Commission in 1969 and 1972 (Miller 1994b:358 and Spillane & Kidd 1997:220)¹⁵. Studies using 1990s data suggested an Australian gender wage gap ranging from 12 to 20 per cent and an unexplained component of the gender wage gap ranging from 10 to 16 per cent.

Thus the studies in Table 10 vary according to the time frame of the data used, but there are other reasons for variation. These include the purpose of the study (beyond identifying the gender wage gap) and the type and number of variables used. There are also problems with the variables used. These are discussed in more detail below.

3.2.1.1 Aims of studies

Most studies had different aims and thus slightly different methodologies except Preston (1997) and Preston (2001). Data from two different Censuses (1991 and 1996) were used by Preston in these studies to investigate the usefulness of HCT in the 1990s in Australia. Preston (1997:51) finds HCT "very useful except its inability to explain significant and persistent inter-industry, inter-occupational and gender wage differences". The later publication (Preston 2001) still found this to be true.

The purposes of the rest of the studies reviewed varied. Chapman and Mulvey (1986) was the first time the Oaxca (1973) and Blinder (1973) regression techniques for measuring the gender wage gap were used for the total Australian labour market.

¹⁵ See Chapter 2 for more on the Australian Industrial Relations Commission and pay equity.

Miller and Rummery (1991:62) pointed out that, due to the fact that the participation rate of young women is much lower than the near 100 per cent recorded for young men, a sample selection bias was occurring. They used the Cotton (1988) selectivity correction to show that the gender wage gap was understated in Australia if this correction was not made.

Rummery (1992) was examining the effect of experience on the gender wage gap. This is discussed in more detail below under types and ranges of variables. Miller (1994b) was trying to examine whether changes made to Australian wages by institutions could be measured using the Blinder (1973) and Oaxaca (1973) decomposition techniques. He (Miller 1994b:347) concluded that they could:

...data from surveys conducted in 1973 and 1989 show that the removal of this institutionalised discrimination [through the AIRC equal pay decisions] is captured ...as a marked decline in the absolute value of the 'discrimination' component of the gender wage gap.

Langford (1995) was interested in the effect of greater detail on education, i.e. field of study and this is discussed below. Kidd and Shannon's (1996) main aim was studying the reasons for the lower gender wage gap in Australia when compared to Canada. They use Juhn, Murphy and Pierce's (1991) methodology to distinguish between gender specific effects and the role of labour market structure. Structural differences (particularly a lower level of return to education and experience and a lower level of wage inequality in Australia than in Canada) were found to be largely responsible for the smaller wage gap in Australia.

Kidd and Meng (1997) were comparing data from 1981-2 and 1989-90 surveys in order to ascertain whether legislative reforms: the *Sex Discrimination Act* 1984 (Cth) or *Affirmative Action Act* 1986 (Cth), had any effect on the gender wage gap. Their results (Kidd & Meng 1997:31)

...contrast the slow convergence in the gender wage gap during the 1980s with much faster pace of the 1970s. The article concludes that despite the focus of the 1980s legislation on employment equity, changes in the male-female occupation distribution over the period are small and the associated impact on gender wage convergence is also small.

They also make the point that “although the gender wage gap narrowed over the decade, the proportion of the gap justified by gender differences in human capital endowments has fallen sharply” (Kidd & Meng 1997:39). This was mainly due to women’s increasing educational qualifications.

Wooden’s (1999) study was aimed at estimating the contribution of gender-based occupational segmentation concluding that, like Kidd and Meng (1997), intra-occupational differences, or barriers (the glass ceiling), were the main sources of the gender wage gap. Pocock and Alexander (1999) followed the method used by Wooden and Bora (1999:276) to examine the relative importance of individual and workplace characteristics for wages. Pocock and Alexander (1999:75) show that, even when using the very wide range of variables that Wooden and Bora (1999) suggest affects wages at the workplace, a large part of the gender wage gap is unexplained. They argue that the undervaluation of women’s work remains an important contributor to the gender wage gap.

Preston and Crockett (1999a) examined the impact of different regulatory industrial relations systems on gender earnings inequality through a disaggregated state analysis. Only two econometric papers, both by Preston and Crockett (1999a & b) looked at the gender wage gap for the different states within Australia. Both initially reported the (raw) data on average weekly earnings over the period 1991 to 1999 and then a regression analysis using 1996 Australian Census data. The results of the regression analysis are given in Table 11.

**Table 11 – Decomposing Australian Gender Wage Gaps:
National and State-based Estimates 1996**

	Australia	NSW	VIC	QLD	SA	WA	TAS
Explained Gap	0.051	0.050	0.041	0.063	0.013	0.085	0.006
Human capital	0.013	0.011	0.012	0.018	0.004	0.022	0.018
Demographics	0.009	0.010	0.011	0.010	0.008	0.010	0.009
Overtime	0.033	0.034	0.028	0.030	0.031	0.038	0.026
Public	-0.006	-0.006	-0.005	-0.003	-0.011	-0.006	-0.008
Metro	-0.003	-0.002	-0.006	-0.001	-0.001	0.001	-
Industry	0.023	0.024	0.008	0.030	0.012	0.042	0.015
Occupation	-0.019	-0.020	-0.009	-0.022	-0.029	-0.020	-0.055
Unexplained gap	0.141	0.133	0.135	0.151	0.159	0.176	0.171
Total Gap	0.192	0.183	0.176	0.214	0.172	0.261	0.178

Note: the regression model controlled for one digit industry and occupation.

(Source: Preston & Crockett 1999b:139)

Western Australia clearly had the largest total or raw wage gap at 26.1 per cent and the largest unexplained gender wage gap at 17.6 per cent¹⁶. This compared to raw wage gaps of 17.6 per cent for Victoria and 19.2 per cent for Australia and similarly, unexplained gender wage gaps of 13.5 per cent and 14.1 per cent.

As Preston and Crockett (1999b:140) point out:

...the main factors contributing to this explained portion were differences in the industry structure of employment (with more males employed in higher paying industries), differences in overtime work (more males working overtime) and differences in human capital (males more qualified and experienced than females).

It also should be noted that the ‘productivity’ variables (particularly industry) used by Preston and Crockett (1999a & b) explained a larger portion of the gender pay gap in Western Australia than in any other state, or in Australia overall. This is not unexpected, given the importance of the mining industry in Western Australia and the high earnings of remote and offshore workforces within that industry.

Finally Le and Miller (2001:33) examined the persistence of the gender wage gap in the 1990s to see if female wage disadvantage was a temporary or permanent phenomenon, concluding that the female wage disadvantaged state is generally not a temporary phenomenon. They (Le & Miller 2001:47) also found most disadvantage within large firms: “consistent with large workplaces having well-defined internal labour markets characterised by stable wage structures which offer women relatively little opportunity for rapid change in economic status.” Le and Miller (2001:48) point out that this is consistent with the studies that find intra-occupational disadvantage to be a significant source of the gender wage differential (e.g. Wooden 1999).

3.2.1.2 Variables used

Above all, the studies vary when it comes to the number and type of variables used to adjust for sources of wage differentials between men and women. Age group had a significant effect on results. As noted above, the Miller and Rummery (1991) study

¹⁶Note that the earnings figures in Appendix 1, Figure 2 actually show WA having only a 24 per cent raw gap at the highest in (February) 1996. The census figures used for the regression analysis above (Preston & Crockett 1999b) are from a household survey whereas the earnings figures (ABS 6302.0) are from a survey of employers. The latter are probably more accurate, as the records will be to hand for employers when answering and may not be for people in their own homes. Indeed, other members of the family may be reporting earnings.

only used data for 19-26 year olds, resulting in a lower gender wage gap as differences (explained or unexplained) tend to compound over time and are worse in later age groups. The great majority of studies use data for 16 to 64 year olds and the publications that did not state their age group (e.g. Chapman & Mulvey 1986, Rummery 1992) were probably using this standard group too. Miller (1994b) used data for 30 to 64 year olds from the '1973 Social Mobility In Australia' and '1989 How Workers Get Their Training' surveys as the first survey only had good data for this group.

Another variation was using hourly wages (used in most studies and usually obtained by surveys of employers) or weekly earnings/income (Kidd & Meng 1997; Preston 1997; & Preston & Crockett 1999a – usually obtained from households). Data sources also varied considerably. Langford (1995), Kidd and Shannon (1996) and Kidd and Meng (1997) all used the 'Australian Income and Distribution Survey' for 1989/90. Preston (1997 and 2001) and Preston and Crockett (1999a) used a sample of the Census. Chapman and Mulvey (1986) and Rummery (1992) used the National Social Science Survey. Miller and Rummery (1991) used the 'Australian Longitudinal Survey' so that they could correct for selectivity bias for those outside the sample. This correction increased the gender wage gap from 0 to 11%. Wooden (1999) used the 'Survey of Training and Education' giving him a much wider range of variables (see below). Pocock and Alexander (1999) used the 1995 'Australian Workplace Industrial Relations Survey' of firms with more than 20 employees, which also provided a much wider range of variables.

3.2.1.3 Issues with variables used

It was noted above that even the basic variables in Human Capital Theory, education and experience, may be of doubtful use when measuring gender wage discrimination as these may be affected by discrimination before and in the market. The classic problem is measuring women's **experience** in the labour market.

Experience is the variable used by economists to try to measure on-the-job training. Mincer (1962) showed that on-the-job training was an even more important factor in increasing wages than education and suggested that, where actual experience is not available, this could be measured by age less years of schooling, less 5 (being the age on entering school). This calculation works fairly well for men, when compared to (rarely available) data on actual years of experience in the labour market.

However, it works less well for women because of their tendency to move in and out of the labour market, due to family responsibilities. Rummery (1992), using 1985 data containing records of actual experience, illustrates this clearly when she showed that using the Mincer (1962) potential experience proxy for women resulted in explaining none of the wage gap between men and women, but when actual experience was used, 29 per cent was explained.

In most of the studies reviewed here, adjustments were made to impute women's work experience, by creating a new experience variable using age and presence of dependent children (Kidd & Shannon 1996), or just adding variables for marital status and children to the equation (Miller & Rummery 1991; Langford 1995; Kidd & Meng 1997; Preston 1997; Wooden 1999; Pocock & Alexander 1999; and Preston & Crockett 1999a & b). Miller (1994a & b) used a data set containing actual occupational experience and tenure measures and included marital status in his equation, but not children.

Wooden (1999), using the same data set as Miller (1994a & b - 1989 data), employed the same tenure and occupational experience variables, but added into his equation marital status interacted with dependent children and age of youngest child. Wooden (1999:161) did not justify this treatment apart from to say that his specification "thus includes a more extensive array of controls than that used by Miller (1994)." This latter treatment may, in fact, result in not just productivity being 'explained', but discrimination as well. Wage differences associated with marital status and dependent children and age of youngest child, when actual job tenure and occupational experience differences are already included, may reflect discrimination by the employer rather than any real differences in productivity of women with dependent children associated with time out from the labour market. However, as Wooden was trying to identify the effect of merely raising the award wage rather than the effect of eliminating all forms of discrimination, this approach removed some confusion caused by discrimination relating to family responsibilities.

There are also problems with measuring **education** and trying to identify what is discrimination or adverse treatment and what is productivity. Chapman and Mulvey (1986:149) suggested that males in their sample might have undertaken "formal training that was of higher specific vocational value than was the case for females (for example, a law degree compared with a more broadly-based university

education)”. Data sets including detailed information on tertiary studies are rare, so most of the studies reviewed only used level of qualification.

However, Langford’s (1995) study illustrated the effect of using tertiary field of study. It increased the explanatory power of the human capital equation. Langford was able to explain 39 per cent of the gap caused by differences shown in returns to education and experience between men and women. This contrasted with the more typical 20 to 30 per cent explained in the other studies listed in Table 10. However, Langford’s (1995) gap after adjustment is still 9.2 per cent, meaning that 61 per cent of the 15 per cent 1990 unadjusted or raw wage gap remained unexplained. Also, is educational choice not affected by discriminatory treatment?

Langford’s inclusion of tertiary field of study may just be reflecting educational choice affected by perceptions of future discrimination. As discussed above, this is what England (1992:108-112) calls a feedback effect and King (1990:101) calls a “realistic expectation that... [women’s] human investments will be relatively poorly rewarded”. For this reason, using a more aggregate measure of education is probably preferable in a human capital equation trying to identify discrimination. In this way, the level of education can be compared, rather than the choice of course, which may be affected by discriminatory feedback effects.

Researchers in the literature reviewed often added **industry** (all in Table 10 except: Miller & Rummery 1991; Rummery 1992; Miller 1994b; Kidd & Meng 1997; & Le & Miller 2001) or **occupation** (all in Table 10 except: Miller & Rummery 1991; Rummery 1992; Miller 1994b; & Le & Miller 2001) to the human capital variables set in their earnings equation. Both these variables are open to debate about whether the associated observed wage variation is productivity-related, or has some relation to other forces including union power, discrimination, educational choice and other imperfections in the labour market. As Preston (2001:32) points out, the inclusion of occupation “will also control for segregation [the division of women and men into different occupations] and discriminatory restrictions on entry to particular occupations”.

Finally, there are problems around the sheer number of variables used. If the focus of measurement is on identifying the contribution of all forms of discrimination in the labour market, including occupational segregation and unequal pay for equal productivity variables, “then clearly the wage equation should only control for

productivity-generating characteristics such as schooling and experience” (Preston 2001:32).

As a result, some of the studies listed in Table 10 understate the gender wage gap, if strictly defined as the gap found after adjustment for productivity-related variables. Studies such as Wooden (1999) and Pocock and Alexander (1999) added many more variables than those mentioned above. Wooden (1999:160-161) also added computer user, casual worker, union member, location of residence and industry, making a total of 20 variables. Pocock and Alexander have a set they term “human capital variables”: age, education, disability, country of origin, non-English speaking, Aboriginal and Torres Straits Islander and dependent children; and other sets for job characteristics and workplace characteristics. No claim is made that these sets are associated with productivity. Both Wooden (1999) and Pocock and Alexander (1999) included variables that may be associated with wage variations between men and women (and at least in the latter study, are clearly doing so to find these variables’ contribution to discrimination), but are not necessarily associated with productivity or human capital theory. However, both Wooden (1999) and Pocock and Alexander (1999) still find a substantial gender wage gap of 10 to 13 per cent.

Nonetheless, using a large range of variables may result in double-counting and the use of variables that have no effect on productivity, contrary to Human Capital Theory. Thus Miller’s (1994b) more conservative use of variables is preferred when measuring the effect of differences in human capital acquisition on wages. This is particularly so when trying to measure real versus unexplained differences (which are potentially discrimination in labour market treatment) in the gender wage gap.

3.2.2 Evidence for Economic Theories

This section looks at the empirical literature relevant to the theoretical literature reviewed in Section 3.1. Some of Webb’s (1891) explanations for women’s lower wages: taste or custom, women’s tendency to rely on the income of others, their lack of training/productivity and barriers put up by institutional systems are evident in the historical treatment of women’s pay in Australia industrial relations tribunals as already outlined in Chapter 2 and discussed in more detail in Short (2002a).

There is Australian evidence (Riach & Rich 2002; Neumark 1999; & Lewis 1979) to support the existence of statistical discrimination against women. Lewis (1979) showed that, when women and men have similar (low paid) jobs, tenure differences

are statistically insignificant, but are consistently over-estimated by employers. Riach and Rich (2002) showed that when employers believe applicants are female they overestimate their potential turnover rate and employ male applicants instead.

As King (1990:106) points out, the experience of Australia in the 1970s around equal pay is consistent with institutional theory. The formal industrial relations system, in the shape of the AIRC, is seen as an institution that changed the shape of Australian women's earnings without any economic imperative – rather a social imperative brought about by the submissions of governments and women's groups (Gaudron & Bosworth 1979:164-7). Yet, as seen in Chapter 1, change within that system has had a dramatic effect on the gender wage gap only during the 1970s and early 1980s and the rate of change has now slowed. It was felt that a focus on this institution's "set of systems and beliefs", being those of the actors in the industrial relations tribunals, may help to explain this slowing in closing the gender wage gap.

Australian research has shown internal labour markets existed in Australia during the 1970s and '80s (Nowak 1979; Nowak & Crockett 1983) and that women were less likely to be employed within these internal labour markets where higher wages were paid. Examples of guild labour markets in Australia are the Australian Medical Association and law associations that still have some influence on places offered in Australian universities and can make their tastes evident to employers. Those inside the guild labour market first were men, so it is harder for women as outsiders to gain entry. Electricians are also a continuing example of a guild labour market in Australia, being a licenced occupation and an occupation dominated by men.

There is certainly evidence that Australian occupations are segmented by gender (Watts & Rich 1992; Watts 2003) and part of that may be due to crowding (Bergmann 1974). In Australia, Power (1975:230) hypothesised that:

Market forces interact with the institutionalized discrimination which pervades economic and social institutions and with attitudes about the "proper" roles of men and women to create and perpetuate separate labour markets for women and men.

Power (1975:228) pointed out that in 1971 crowding was evident in Australia:

...more than one-third of women worked in just three occupations – clerk, saleswoman, and stenographer and typist – and over half of all women worked in only nine occupations.

However, evidence for dual labour markets with oligopoly and market segments is not clear (Flatau & Lewis 1991).

Finally, there is some evidence on the processes that cause inter-occupational (and to some extent intra-occupational) differences between men and women employed by large firms that also tend to be internal labour markets and monopsony employers (e.g. the public service). Job evaluation has been an important feature within Australian firms, particularly in those that might be termed internal labour markets with monopsonistic features consistent with Doeringer and Piore's (1971) theory. Job evaluation has become widely used in both the public and private sectors in Australia. As reported in Chapter 2, Sections 2.2 and 2.3.1, a series of AIRC cases was conducted in the late 1980s/early 1990s to bring women professionals into the previously solely male professional job evaluation and pay classifications structure (Rafferty 1989, 1991 & 1994) of the Australian Public Service.

These pay systems were meant to lead to more equitable outcomes, as job evaluation allowed the comparison of similar jobs on the same 'objective' criteria involving such issues as responsibility, skills used and numbers of staff supervised (Figart 2000). Unfortunately the literature (Equal Opportunities Commission not dated; Burton, Hag & Thompson 1987; Short 1992; Figart 2000; Cox & Leonard 1991) shows that job evaluation is affected by the perceptions of employers, employees and job raters, which can adversely affect women's experiences and pay.

This is evident in this comment from the UK Equal Opportunities Commission (not dated:1):

Job evaluation is a system of comparing different jobs to provide a basis for a grading and pay structure. The aim is to evaluate the job, not the job holder, but it is recognised that to some extent any assessment of a job's total demands relative to another will be subjective. Moreover, job evaluation is in large part a social mechanism which establishes agreed differentials within organisations.

Figart (2000) examined the history of job evaluation and explained how in the 1940s, due to labor shortages caused by war, job evaluation "evolved to erase explicitly separate pay scales by gender and yet, at the same time, reproduced gendered pay practices in new ways".

According to the literature (Cox & Leonard 1991, England 1992; Guy & Newman 2004) the biases built in to job evaluation systems start with the job descriptions used as the basis for evaluation. Job descriptions tend either not to record, or to downgrade, 'female' or 'soft' skills such as co-ordination, co-operation and caring. This can be connected to the earlier discussion in this chapter about emotional labour being invisible. Any correction of this problem depends on the training of the staff involved and of any independent raters used. It is their perceptions of skills used on the job that are recorded (Burton, Hag & Thompson 1987).

There is also the tendency to double-count (or more) a job's position in the hierarchy. For example, job evaluation systems typically include the position's level to which responsible, number of staff supervised and responsibility for money. This type of loading makes it very difficult to value other skills equitably, or to change the position of a job in the hierarchy (Hastings 1990:12-14; Short 1992:15:16).

The other main fault found by the research on job evaluation was the use of multiple job evaluation systems, or pay classification structures, within a public service or sector. The research (Risher 1984; Hastings 1990) says the greater the proliferation of salary structures and systems, the lower the equality of pay within and between these. This is also because most of these multiple systems actually use different systems for predominantly male, or female, work.

As Armstrong and Cornish (1997) note, it is important for women working in what they term female ghettos (female-dominated jobs lacking a career ladder such as personal assistant/secretary) to be able to compare the wages with those outside these ghettos. Within a public sector, that can only be achieved by using job evaluation schemes that encompass the broadest range of jobs possible. Yet, around Australia, there are different job evaluation and/or pay structures for public sector executives, technicians and police (mainly male) and for teachers and nurses (mainly female).

3.2.3 Evidence on Gender Theory

England's study of job or occupational characteristics in the US supports theories of gendered assumptions about male and female roles and undervaluation of women's jobs. England is a feminist sociologist studying economics. England (1992:126) reports the results of a regression analysis she ran, controlling for "characteristics of occupations that influence their wages for reasons other than gender bias", in order

to reveal wage discrimination in the US. England (1992) used a very large set of characteristics, or control factors. This included a job's social complexity, influence, physical demands, amenities (e.g. creative work, self-determined work speed), disamenities (stress, hazards, noise) and effort, as well as the more conventional variables such as percentage self-employed or public sector, race, sex, experience and education. England also included variables for jobs requiring authority and jobs requiring 'nurturance'. (England 1992: Chapter 3)

In England's (1992) model, jobs requiring authority were all jobs with manager or supervisor in their titles. Jobs requiring nurturance were defined as involving "an application of social skills to activities providing a service to customers or clients" on a face to face basis (England 1992:136). These latter jobs included health care workers, teachers, librarians, information clerks and receptionists, social workers, retail workers, nurses, hospitality workers, child care workers and personal service workers and thus all the female-dominated occupations under study for this thesis.

England (1992: 183) found that:

...being in a job requiring nurturing carries a net wage penalty of between 24 [US] cents/hour and [US] \$1.71/hour, depending on the model.... This penalty cannot be explained by nurturant jobs requiring less cognitive or physical skill, by their lack of requirements for managerial authority, by their lack of disamenities or surplus of amenities, by the type of firm or industry in which such jobs occur, or even because the jobs are currently held largely by women, since all of these factors were controlled in the models assessing this penalty. I interpret this as evidence that nurturant work is devalued in markets because of its traditional link with women's work in the home and in labour markets.

Correll (2004) dug deeper into the occupational choice of women to show how cultural beliefs about gender affected emerging career aspirations in both high school and tertiary students in the United States. Using both a survey and an experimental model, Correll showed that, when male and female students are persuaded that gender is an important indicator of ability to do a certain task, they fulfill that expectation. When male and female students were told men were 'naturally' better at a task, the male students over-estimated their scores and were

more lenient on rating themselves compared with the female students. Male students assessed their task competence as higher than that of the female students performing the same task. When the students were persuaded that gender made no difference to performance using the same task, there were no differences in self assessment between males and females. Correll (2004:93) then used a previous survey on mathematics performance to show that:

[m]en make higher assessments of their own mathematical ability than women, which contributes to their higher rates of persistence on paths to careers in science, math and engineering.

This is the ultimate feedback model. Men, on being told that society thinks men are more competent in an area than women, will go on to ensure that this is so through inflated self-assessment. They will use this self-assessment to decide that they should undertake a certain career or job.

3.2.4 Evidence on Intra-Occupational Constraints

Finally, in support of the gender wage gap studies of earnings in Australia that pointed to intra-occupational discrimination as being the greatest source of wage discrimination (Kidd & Meng 1997; Wooden 1999; Pocock & Alexander 1999; Le & Miller 2001), there is a wealth of literature on discrimination and management, or the glass ceiling effect.

As Burton (1997:3) explains, the glass ceiling preventing women's progress in management is made up of:

... artificial barriers based on attitudinal or organisational biases that prevent qualified women and minorities from advancing upward into management-level positions. The glass ceiling is comprised of day-to-day practices, management and employee attitudes and internal systems that operate to the career disadvantage of women and minorities.

Summarising the research on women and management, barriers to advancement making up the glass ceiling within firms tend to be:

- social values and beliefs (as discussed in Section 3.1.8 under gender; Fenstermaker & West 2002);
- men's and women's different perceptions of fair treatment (Russell 2003; Still 1997);
- organisational climate or culture (Tharaneou 1997, Still 1997);

- recruitment and selection processes (Thomas, Porterfield, Hutcheson & Pierannunzi 1994; Burton 1997; Loughlin 2000; Powell 1988);
- education, training and development (Langford 1995; Preston & Burgess 2003; Tharenou 1995; Tharenou, Latimer & Conroy 1994; Wernick 1994);
- family-friendly workplaces and family responsibilities (Tharenou 1995, 1997 and 1998; Loughlin 2000); and,
- job evaluation (Burton, Hag & Thompson 1987; Cox & Leonard 1991; Equal Opportunities Commission not dated; Figart 2000; Risher 1994; Short 1992;).

Apart from social values, which have been dealt with extensively already under gender, each of these reasons is explained below in more detail.

3.2.4.1 Different perceptions

According to Russell (2003:2) there are significant differences between Australian women's and men's perceptions of how women are treated in the workplace. He (Russell 2003) reported that in his most recent surveys, when asked if men and women have the same chances for promotion in organisations, 68 per cent of male respondents agreed, but only 27 per cent of female respondents agreed. When asked if men and women are paid the same for doing similar work in their organisation, 81 per cent of the men agreed, but only 39 per cent of women.

A national attitude survey of 3,900 employees in three Australian banks (Still 1997:5) revealed:

...significant differences in perceptions between male and female employees with respect to recruitment, selection, promotion and transfer; conditions of service; and personal qualities [seen as relevant to decisions on promotions]. Overall, women felt 'disadvantaged' in comparison with men in these three areas. Men, on the other hand, felt women were given opportunities to progress, and that the organisational culture was supportive of their career aspirations.

3.2.4.2 Organisational culture

Interviewees felt organisational and occupational cultures could be hostile towards women. Much of this hostility would appear to be caused by a tendency for people, already inside an organisation, to hire in their own image.

Kanter coined the term ‘homosocial reproduction’ when insiders replicate themselves when filling jobs (Kanter, 1977), and homophily operates when selectors prefer to choose similar others and job seekers prefer to work with similar individuals (Ibarra, 1993)...Male managerial hierarchies are therefore more likely to result in selection and promotion of white men for managerial jobs. (Tharenou 1997:46)

Tharenou (1997:47) reviewed the literature in this area and found that:

[c]onsistent with homphily and homosocial reproduction processes, male managerial hierarchies reduce women’s managerial advancement, and increases in women in managerial jobs subsequently increase women’s representation in management

In other words, male managerial hierarchies felt that women were too different to promote, but women managers identified with other women and increased women’s chances of promotion. Given that most managerial hierarchies are male this increases the difficulties for women entering and within the firm.

Thomas et al (1994) also found evidence of conscious, or unconscious, bias in recruitment. They reviewed the literature and conducted their own audits of organisations for the US Glass Ceiling Commission and found that the majority of organisations still favoured the use of informal recruitment and selection processes such as using social networks and referrals from employees. Powell (1988:92) found that informal selection and recruitment processes were much more likely to result in biased selection, as people tended to determine job criteria on the basis of the current incumbent’s gender. Thus, potential job holders are assessed against these requirements and where these are perceived as being held more by one gender than another (e.g. leadership by men), then applicants of that sex are preferred.

Even when processes are formal and human resource management (HRM) policies exist, this does not ensure merit-based practice (Burton 1997; Loughlin 2000). “There are many opportunities for errors to occur and for people to be unfairly disadvantaged at any stage of the HRM cycle” (Loughlin 2000:7).

3.2.4.3 Education, training and development

Issues around discrimination in education choices before the market and feedback effects were already discussed in Sections 3.1.7 and 3.2.1.3. There are also problems once within the firm with less formal training received on the job and with

developmental experiences such as being a line manager or working on special projects. Wernick (1994:25) found that:

A major reason for the perceived lack of qualified women and minority males is the fact that they usually have not had access to the experiences and activities companies use to develop and prepare supervisors, managers and executives.

The cause of this, Wernick (1994:25) said, was “the haphazard and inefficient developmental and advancement process within companies”.

Tharenou (1995) and Tharenou, Latimer and Conroy (1994), following a review of the international literature and conducting their own Australian research, found that success as a manager was highly dependent on access to development opportunities, through being line managers in organisations and through higher profile activities, such as inquiries and special projects. Relatively early career experiences in these areas were found to be beneficial. Tharenou (1995 and 1998) found that women consistently were offered less of these experiences compared to men. Women were more likely to be segregated into staff (human resources, communications) than line (service delivery or production) jobs and thus to have limited access to high profile developmental opportunities.

3.2.4.4 Family responsibilities and family-friendly policies

Research studies (Tharenou 1995, 1997 and 1998) have examined whether the family roles of Australian senior female managers have affected their advancement and concluded that this is not strictly true. Tharenou conducted two quantitative studies (1995 and 1998). The first (1995) found that having a family and the employment interruptions associated with that did not affect advancement. The second study (Tharenou 1998) was a longitudinal cross level study and found that neither women’s, nor men’s, advancement was affected by marriage and children. Tharenou (1997:78) reviewed the international literature on effects of having a family and concluded “marriage and children do not decrease women’s managerial advancement but, consistent with a multiple role view, may reduce processes leading to it.” An example of the processes being referred to is provision of training or work experience.

With family and work/life balance issues now becoming important for both men and women, many organisations have family-friendly policies to help alleviate the problems involved. However, as Loughlin (2000:23) puts it:

...employees can be reluctant to access such policies because of the possible impact on their career. Schwartz (1994) indicates that women perceive career penalties from using family-friendly policies, but she also concludes that actual use is career enhancing in that it provides a means for women to remain attached to the workforce.

3.3 CONCLUSIONS AND SUMMARY

This chapter has covered the seminal literature on theories of wage discrimination from economics, industrial relations, feminist literature and sociology and shown some of these in a time line from the 1890s to the end of the twentieth century demonstrating how these theories have moved from economic and industrial relations explanations to those offered by sociology. This is followed by an examination of supporting empirical literature.

The empirical evidence demonstrates a persistent gender wage gap in the adjusted earnings results of Australian econometric studies. An examination of the variables used in these studies by feminist economists indicates that the literature possibly understates the gender wage gap caused by discrimination. The gap was found to have persisted at between 10 and 16 per cent during the 1990s. While the Australian gender wage gap is very gradually closing, it is shown to be widest in Western Australia and to be continuing to widen in that state over the period 1983 to 2003. The author was a resident of Western Australia until 2003 and the widening of that state's gender wage gap was the primary stimulus for this thesis.

From an examination of the literature, a range of theories seem to be applicable in Australia: those of social custom or taste; statistical discrimination; institutionalist theory; and women's lesser choice in hours and geographic location leading to exploitation in monopsony situations. Monopsony is combined with imperfect internal labour markets, where job evaluation systems assist inter-occupational undervaluation and various glass ceiling barriers exist to intra-occupational movement for women.

Occupational segmentation by gender is evident in Australia and clearly also an area for fertile research when looking at the gender wage gap; hence this thesis'

concentration on investigating female- and male-dominated occupations. Feminist theories of gender being constructed from the bundle of social expectations around the fact of biological sex, combined with Dunlop's (1957) theory of industrial relations, suggest that investigating the set or sets of beliefs possessed by the Australian system's actors (those involved in determining wages in the formal system under the industrial relations tribunals) may assist in working out why and how equivalent women and men were paid differently under Australian awards and agreements in the 1990s. It may also help unpack the economists' unexplained component of the gender wage gap.

CHAPTER 4 – METHODOLOGY

4.0 INTRODUCTION

This chapter explains the choice of methodology from a theoretical point of view. The research design or procedure is outlined and discussed in detail. Finally, this chapter shows how activities have been undertaken to ensure that the research is trustworthy and authentic.

4.1 CHOICE OF RESEARCH METHODOLOGY

As is clear from the literature reviewed in Chapter 3, the Australian gender wage gap has mostly been subject to research that is both quantitative and aggregate, in that population averages are used. This approach is able to explain only some of the difference between female and male full-time average earnings. In a study based mainly on a sample of wage rates and an analysis of legislation and other literature, Short (2001) found only limited explanations for why Western Australian women were being paid less than Western Australian men and less than Australian women. The few interviews and the literature research conducted for that study suggested that explanations might lie in the perceptions, meanings and interpretations of industrial relations stakeholders, as well as the ‘facts’¹⁷ of legal provisions, educational attainment and experience highlighted by the economic literature.

Further exploration of the literature during this current study indicated that an investigation of the industrial relations actors’ ideology, or “set of systems and beliefs” highlighted by Dunlop (1958:16), could assist in understanding why women are paid differently to men. It also suggested that some of the issues are located in social structures and experiences and therefore the focus of the proposed study should be on qualitative, rather than on further quantitative research. Schwandt (1994) argues that constructivist researchers hold the view that what is taken to be objective knowledge and truth is dependent on the perspectives of the individuals who view it. In this thesis, this knowledge or truth is dependent on the perceptions and interpretations (or as Dunlop (1958:16) termed “beliefs”) of industrial relations stakeholders; this research is dependent on the perspectives of those individuals

¹⁷ While the (average) educational attainments of women are absolute facts that can be obtained from ABS records, as Chapter 3, Section 3.2, points out, these facts may be affected by the perceptions of these women and of their families about the usefulness or value of certain types of education for women.

operating within the industrial relations system. Accordingly it was deemed that the qualitative or constructivist approach was more appropriate than the positivist or quantitative one that posits objective knowledge.

Denzin and Lincoln (1994:4) describe quantitative and positivist studies as emphasizing:

...the measurement and analysis of causal relationships between variables, not processes. Inquiry is purported to be within a value-free framework.

By contrast qualitative researchers (Denzin & Lincoln 1994:4):

...emphasize the value-laden nature of inquiry... stress the socially constructed nature of reality, the intimate relationship between the researcher and what is studied, and the situational constraints that shape inquiry... Qualitative researchers seek answers to questions that stress how social experience is created and given meaning.

Qualitative researchers believe that truth is relative to the individual who perceives it, that only multiple descriptions can get close to describing a given situation (Checkland 1999).

Consistent with this, the epistemology of this thesis or the branch of philosophy or logic dealing with the formalisation of “concepts, such as knowledge, certainty and ignorance” (Hanks 1981:493) is interpretivist rather than empirical. This is because the interpretivist approach interprets different perspectives on a topic according to context or subjective meaning (Guba & Lincoln 1994).

When dealing with different (pay) outcomes for men and women, issues of gender must be explored. As already raised in Chapter 3, Section 3.1.8, according to Hewitson (1999:9) gender:

... is ‘the culturally and social shaped cluster of expectations, attributes, and behaviours assigned to that category of human being in the society into which the child was born’.

Thus, it is clear that understanding the role of gender in the marketplace and its effect on Australian wages involves a study of societal attitudes and influences on the industrial relations actors as well as economic issues. Understanding society is, in turn, now seen as best approached through qualitative study. As Checkland (1999:279) puts it:

...social reality is the ever-changing outcome of the social process in which human beings, the product of their genetic inheritance and previous experiences, continually negotiate and re-negotiate with others their perceptions and interpretations of the world outside themselves.

The reasons why equally productive women and men are paid differently must include (but lie somewhere beyond) the quantitative facts of experience, industry and education. As seen in Chapter 3, Section 3.2.1, after correction for differences in measurable characteristics, much of the difference in the earnings of men and women remains unexplained. The possibility that the reasons for this difference lie in the perceptions, meanings and interpretations of industrial actors who set male and female wages and in the processes used to set wages was a motivation for this thesis.

4.1.1 Symbolic Interactionism

The qualitative approach used in this study is symbolic interactionism. As Taylor and Bogdan (1998:11) put it, “symbolic interactionism places primary importance on the social meaning people attach to the world around them”. Meaning is held to be socially constructed. People react to things and people on the basis of the meaning these have for them. “The meaning of a thing for a person grows out of the ways in which other persons act toward the person with regard to the thing” (Blumer 1969). People are continually interpreting and defining “things’ as they move through different situations.

Symbolic interactionism holds that the researcher cannot find an objective social truth that is directly observable and measurable in quantitative terms, because social reality is constructed by the observer and changes over time (Checkland 1999:278-9). Thus, a methodological approach based on symbolic interactionism involves interaction with the problem and the actors involved to achieve understanding of the ‘why’ and ‘how’ of complex social systems. This is achieved through a thorough grounding in, or thick description of, the subject area and protracted observation, or in-depth interviews (Guba & Lincoln 1989:236-243).

Symbolic interactionism is especially appropriate to gender studies. For example, after replacing “thing” with “gender” in the above quotation, the sentence seems intuitively correct. It becomes: “The meaning of gender for a person grows out of the ways in which other people act toward the person with regard to their gender”.

The implications for research methodology in using a symbolic interactionism approach are firstly that “inquiry must be grounded in the empirical world under study” (Woods 1992:348). This means that the research must delve deeply into the area under study and the researcher needs to fully understand and if possible, observe real, lived experience. Researchers’ findings must be grounded and sourced in real observations or perceptions made by people involved with the study area. This implies, as Woods (1992:349) says:

...that the entire research process, not just data collection, should keep faith with the empirical world under study. The research design, the problems formulated for study, the specification of categories, the relationships among the data, explanatory concepts and interpretative frameworks all must be tested for closeness of fit.

Secondly, when using a symbolic interactionist research methodology and keeping faith with the real world, it is best to make as few assumptions in advance of the study as possible (Woods 1992: 349-350). Hence, a symbolic interactionist study uses research questions, rather than hypotheses and leaves open the possibility of changing the initial research question and methodology over the course of the research.

Symbolic interactionism is associated with a number of theoretical perspectives and strategies that follow these principles such as ethnography (Patton 1990) and grounded theory (Glaser & Strauss 1967). Ethnography and ethnomethodology would be suitable if exploration of a culture and everyday life was involved, if this study was focusing “on the ordinary, the routine, the details of everyday life (Patton 1990:74). As we are examining a social phenomenon, low pay for women, which is at a higher level of complexity, grounded theory would be more suitable.

4.1.2 Grounded Theory or Research

As Kendall (1999:745) puts it:

Glaser and Strauss (1967) developed grounded theory as both a research methodology derived from the assumptions and theoretical underpinning of symbolic interactionism and a method for systematically deriving empirically based theories of human behaviour and the social world through an ongoing process of comparative analysis.

Glaser (1992:16) explains that:

The grounded theory approach is a general methodology of analysis linked with data collection that uses a systematically applied set of methods to generate an inductive theory about a substantive area. The research product constitutes a theoretical formulation or integrated set of conceptual hypotheses about the substantive area under study.

Verification of these hypotheses is left to other researchers, more in the positivist or quantitative field of research. Glaser points out (1992:11) that both quantitative and qualitative data can be used to develop grounded theory. However grounded theory, in Glaser's (1992:11) view, is always qualitative and inductive, not deductive or "arrived at by statistical methods". Thus, the emphasis in grounded theory is on providing plausible theory, through fieldwork data collection. The data is then thoroughly analysed, coded, categorised and constantly compared to allow for the main problem and theoretical constructs to emerge.

Glaser and Strauss (1967), the original authors of grounded theory, diverged in their approach to grounded theory after their original publication: "*Discovery of Grounded Theory*". The current study was conducted in ways that are consistent with Glaser (1992), rather than Strauss and Corbin's (1998) "*Basics of Grounded Research*". This is mainly because the researcher was able to identify emergent theoretical constructs from the field data without resorting to Strauss and Corbin's (1998) exhaustive line by line analysis of interview data criticized by Glaser (1992:40, 54-56). Line by line analysis might be appropriate to a micro problem such as the study of the reactions of patients with fatal diseases, but was inappropriate to a macro problem such as wage inequality. Axial coding and thus a set coding paradigm (Strauss & Corbin 1998:127-137) with conditions, context, action or interaction strategies and consequences, was also found to be unnecessary and undesirable if wanting to induce emergent theory rather than force it into preset coding dimensions (Glaser 1992:61-64).

Glaser and Strauss (1967) put a strong emphasis on conducting grounded theory research in a virgin playing field – without the presence of pre-existing theories unless these are relevant and also grounded. They suggest using existing literature on the problem area only after in-depth field study and interviews. The rationale for this is, as Glaser 1992:23) says "Grounded theory is for the discovery of concept and

hypotheses, not for testing or replicating them” so should be free to draw these from the field data, rather than the literature.

Yet industrial relations systems, pay equality, wage differences and wage discrimination are situated within a well-defined institutional setting with defined institutional values, as the extensive research in the area demonstrates. Although they do not fully explain the phenomenon of different male and female pay outcomes, there is a wealth of existing theories in the area. Many of the industrial relations actors involved in this study are also ‘grounded’ in these theories. It would be counterproductive to try to approach the problem as if this research does not exist and cannot contribute to understanding the problem.

Thus, the method of analysis being used in this study is an adaptation of grounded theory, like Whiteley’s (2000) **grounded research** and is consistent with Denzin and Lincoln (2005) and Kincheloe and MacLaren’s bricolage (2005:316-321) approach involving continuing adaptation of research methods to the task at hand. As Denzin and Lincoln (2005:4) explain:

The qualitative researcher as *bricoleur*, or maker of quilts, uses the aesthetic and material tools of his or her craft deploying whatever strategies, methods and empirical materials are at hand... If the researcher needs to invent, or piece together, new tools or techniques, he or she will do so.

Whiteley points out that business research is often conducted in organisations with pre-existing values and theories guiding their actions. A failure to recognise existing organisational/study area knowledge evident in the literature would be unwise. Whiteley (2000) indicates that while grounded research is grounded in talking to people about their perceptions of a given situation, it acknowledges pre-existing work on, and knowledge of, the situation being studied. Instead of starting the grounded research process with a blank slate, as grounded theory does, grounded research is permitted to acknowledge where the slate is partially coloured in. In this study, for example, it was clear that some interviewees had a background in economic theory and others in feminist theory. Their knowledge of these theories is obvious in the responses given.

Finally, grounded research is used here as

...a specific mode of analysis...or a set of flexible analytic guidelines that enable researchers to focus their data collection and to build inductive middle-range theories through successive levels of data analysis and conceptual development. (Charmaz 2005:507).

4.1.3 Wage Data

In this thesis the main research method is the grounded research analysis of the qualitative interview data; however, quantitative data is used as triangulation within the research strategy and adds to the bricolage (Kincheloe & McLaren 2005:316-321). Data from industrial relations tribunals' decisions about the quantum of wage increases granted, ABS statistics on qualifications and JobOutlook section of JobSearch (2004) estimates of skills shortages and unemployment for selected occupations, are also used. These different data sources were thus able to triangulate the main grounded theory analysis of the interview data. Paraphrasing Morse and Richards (2002:76), the quantitative data is able to illuminate the main research by adding to it conceptually, as well as to verify it.

The employment areas chosen for analysis and thus also the areas for which wage data were collected, were selected to be both similar (a number of occupations in similarly female-/male-dominated employment areas and occupations in the same jurisdictions) and different (very different female-dominated occupations were directly compared to male-dominated occupations and in different jurisdictions). (See Appendix 4, Table A-3 for details on employment by gender for these occupational areas.) The areas were chosen for study, not because they were representative samples of the general population or employment, but because it was felt that studying male- and female-dominated employment areas would lead to a better understanding of the gender wage gap and theorising of its causes.

The wage rates of selected female- and male-dominated employment classifications were collected in two different jurisdictions or industrial tribunals (the Western Australian Industrial Relations Commission (WAIRC) and Australian Industrial Relations Commission (AIRC)) so that comparisons could be made and possible differences related to location and legislative environment could be identified. Wage

rates for those employed under WAIRC awards and agreements were compared to wage rates for those employed under federal awards and agreements in Victoria¹⁸.

Thus, the nature of the research question determined that the ontology of this research is constructivist and the epistemology is interpretivist. The qualitative methodology adopted is symbolic interactionism. The research strategy is to collect data from interviews and published documents using grounded research for analysis in order to develop further theory on the gender wage gap. This interview and documentary data was further triangulated with a series of wage data from a selection of female and male-dominated occupations.

4.2 RESEARCH DESIGN

A comprehensive research procedure was undertaken in order to ensure the research was fully grounded in the perceptions, meanings and interpretations of industrial actors involved with the processes of wage determination. The research was further informed by analysis of key documents and relevant literature from the disciplines of economics, industrial relations, sociology, psychology, biology and feminism, as seen in Chapter 3. The procedure is shown in outline in Figure 3. The research process began with a preliminary review of the literature. A preliminary interview was conducted to test the interview protocol and develop the interview schedule.

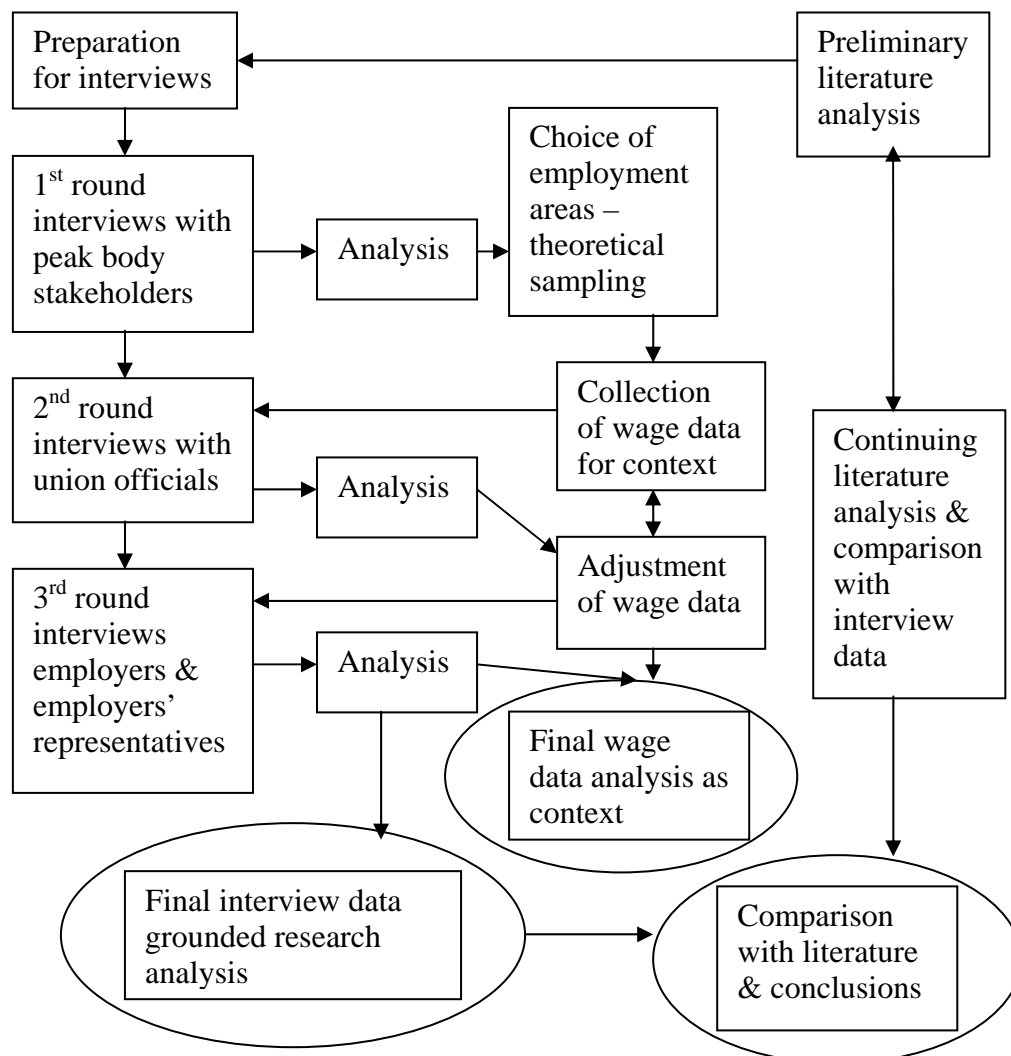
The first round of interviews was then held with representatives from peak bodies within the federal and Western Australian industrial relations system. Employment areas likely to be most suitable for study were discussed with these interviewees. Collection of wages data from tribunal or commission decisions in these employment areas followed in order to give a context to the interviews and focus responses on a specific gender-dominated occupational classification over the period 1990 to 2003.

Once the wage data collection was mostly complete, a second round of interviews was conducted with relevant union officials who were asked similar questions to those in the first round, as well as questions on issues revealed in the wage data. Interviewees' responses in the second round led to adjustment of the wage data, for example, data was collected for a higher or different classification.

¹⁸ Wage rates for Victorians were illustrative of federal awards and agreements. Victoria has always had more workers under the federal system and in 1994/5 gave up its state system resulting in all Victorian workers being covered by the AIRC awards and agreements.

Round three consisted of interviews with employers and employers' representatives who were also shown the wage data collected. Again, additional interviews were required where responses were not clear and more adjustments were made to the wage data. The interview data was analysed using the method of constant comparison as the interview process continued. This formed the bulk of the main analysis and body of this thesis.

Figure 3 - Research Procedure



The wage data was also analysed before writing began, comparisons were made between female and male-dominated occupations, between jurisdictions and over different time periods. The results of this wage analysis are reported where relevant in the body of the thesis, as well as being detailed in appendices, adding further insight to the main interview data.

Literature research and analysis was a continual process throughout analysis of the other data. Once theoretical constructs emerged from the interview data these were compared to the literature in order to contrast this with interviewees' views and reach conclusions. The final products of the research are depicted in the ovals in Figure 3. This process is explained in more detail below.

4.2.1 Preliminary Literature Analysis

A preliminary review of the literature on the history of pay equality in Australia (as reported in Chapter 2) suggested that, while differing legal provisions, key industrial relations actors and processes appeared to have a role in the process leading to the gender wage gap, more research was needed into how there was gender wage gap variation in time and by geographical location in Australia and the role of industrial relations actors or stakeholders in that variation.

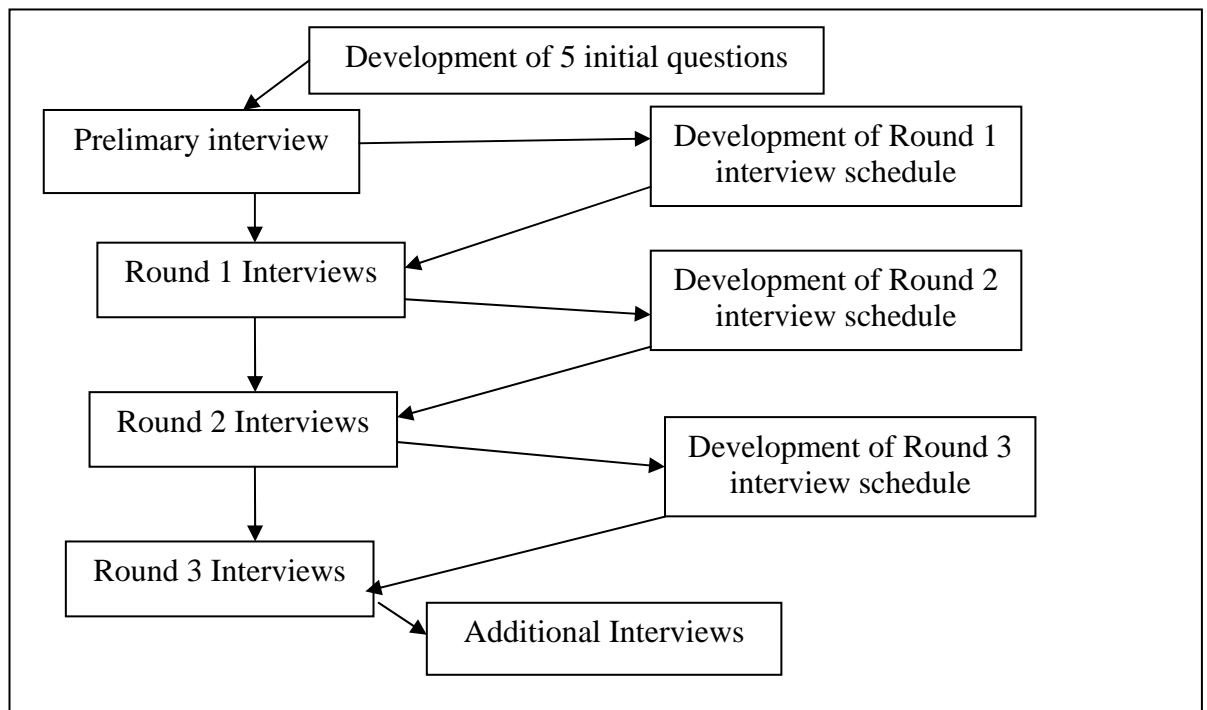
The review of the literature, covered in more detail in Chapter 3, Section 3.1, briefly examined seminal theories of wage discrimination, demonstrating an increasing emphasis on sociological explanations for differences between men and women. A review of the gender wage gap literature (reported in Chapter 3, Section 3.2.1) showed that econometric studies using 1990s data suggested an Australian gender wage gap ranging from 12 to 20 per cent and an unexplained gender wage gap ranging from 10 to 16 per cent.

It was felt that perhaps qualitative research might help to unpack the economists' "unexplained" portion of the male to female wage gap and add to the analysis of gender wage determination. Gender theory (Fenstermaker & West 2002) and industrial relations system theory also pointed to an examination of the industrial relations actors' "set of systems and beliefs" (Dunlop 1958:16).

4.2.2 Interview Process

The interview process was one of iteration and development. Interview schedules were drawn up, tested and then applied with each interview schedule developing out of the last one. This is shown in outline in Figure 4 and discussed in detail below.

Figure 4 – Interview Process Details



4.2.2.1 Preparation

Some questions (as shown in Figure 5) were drawn up before a preliminary interview was conducted with one of the study participants (a follow-up interview was conducted with the same person later). A chart showing ABS female full-time average weekly ordinary time earnings as a proportion of male full-time average weekly ordinary time earnings for each Australian state and territory, from 1983 to a date near time of interview, was also used in this initial and all following interviews to illustrate the difference between male and female earnings.

Figure 5 – Initial Research Questions

1. What in your perception are the reasons for women, on general, being paid less than men, in general? [probe here – any other factors]
2. Have you been involved in a minimum rates adjustment or equal pay case?
3. If you were going to look at awards and agreements to explore the question of why there is a difference between what women and men are paid which ones would you use?
4. What do you think about the way the 1972 Equal Pay for Equal Value decision was implemented?
5. Do you think there are any other reasons, other than economic/industrial reasons, why women and men are paid differently?

The interviewee was a key stakeholder with related personal experience and in-depth knowledge of the thesis topic at the macro level. The interview developed into a

broad discussion of the issues involved. This interview was carefully analysed using grounded theory techniques. Further questions were developed from the topics discussed.

These questions and those in Figure 5 were put into a semi-structured interview schedule as shown in Figure 6. An access approval process was developed. The schedule and approval process were discussed with supervisors and some questions (Qs 14-17) were added to the schedule. The interview schedule was then used for the first group of ten (10) interviewees. This group was selected, in part due to their key positioning in the Western Australian and federal industrial relations systems and in part due to the researcher's knowledge of industrial relations stakeholders¹⁹.

As Cresswell (1994:118-119) says, choice of interviewees is uncertain and led by the research process itself in a process called theoretical sampling. For a grounded theory study, the investigator chooses participants based on their ability to contribute to an evolving theory. Using the terms of Miles and Huberman (1994), this process is "theory based", but in grounded theory (Glaser & Strauss 1967) the term is theoretical sampling, which means that the investigator examines individuals who can contribute to the evolving theory.

This begins with selecting and studying a homogeneous sample of individuals (e.g. all women who have experienced childhood abuse) and then, after developing the theory, selecting and studying a heterogeneous sample (e.g. types of support groups other than women who have experienced childhood abuse). The rationale for studying this heterogeneous sample is to confirm or disconfirm the conditions, both contextual and intervening, under which the model holds.

In the case of this study, the initial homogenous group of interviewees was of those who acted in the Western Australian and Australian Industrial Relations Commissions at a central level rather than an industry, individual occupation or organisational level. This also gave this initial set of interviews a macro, or whole industrial relations system perspective. The other, more heterogenous, groups (of union officials and employer representatives and managers) were those involved at the industry and/or enterprise level chosen for study. Inevitably, this group of

¹⁹ The researcher has extensive contacts with the industrial relations community in Australia through her 15 year membership of the Industrial Relations Society, including being the National President in 2001.

interviewees had a more micro and less system-wide view of the workings of the industrial relations system.

Figure 6 - First Round Interview Schedule

Place:	_____
Date:	_____
Name:	_____
1.	Employer: _____
2.	Current Job Title: _____
3.	How long have you been with _____?
4.	What is your background – what did you do before your present job?
5.	Are you aware that women and men are paid differently? i.e. that women are, in general, paid less than men?
6.	What in your perception are the reasons for women, in general being paid less than men, in general? (<i>probe here – any other factors</i>)
7.	Does your experience have a bearing on your perceptions of why women are paid less?
8.	Are you aware that for WA the difference between what women are paid and what men are paid is greater than in any other state and that this difference has increased in the early 1990s?
9.	Why do you think this is so?
10.	If you were going to look at awards and agreements to explore the question of why there is a difference between what women and men are paid, which ones would you use?
11.	Have you been involved in a minimum rates adjustment, work value or equal pay case?
12.	When? With what occupation?
13.	While involved in a minimum rates adjustment/work value/equal pay case, what are the factors [<i>different version depending on industrial party interviewed</i>] going through your mind when trying to understand the value of an occupation [<i>Commissioner</i>]/that you used in presenting your argument for the value of an occupation [<i>union/employer/government representative</i>]?
14.	[<i>Follow up for latter parties.</i>] What factors do you think the Commissioner(s) used/on the parties agreed on in deciding the value of an occupation?
15.	Are these factors reflected in the written reasons of the Commission?
16.	If not, how/why do you say that the written reasons do not reflect the attitude of the Commission?
17.	What indications were given during the proceedings that might lead you to view that the reasons given in writing do not reflect the Commission’s real “attitude”?
18.	What do you think about the way the 1972 Equal Pay for Equal Value decision was implemented?
19.	Do you think that there are any other reasons, other than economic/industrial reasons, why women and men are paid differently?

4.2.2.2 Interviewee approval

An approval process was followed for all interviews. An initial contact was made by phone or email and then a letter or email explaining the research process and confidentiality provisions was sent to interviewees. At the interview, interviewees signed a consent form. They were assured of confidentiality according to their requirements and those of Curtin University’s Ethics Committee. All interviews were tape-recorded and (mostly) transcribed by the researcher. Transcripts were given to interviewees for information and any comment. Interviewees were promised that they would have an opportunity towards the end of the thesis to view their comments used in context and that permission for use could be withdrawn at that stage.

4.2.2.3 Analysis

Consistent with grounded theory procedure (Glaser & Strauss 1967), open coding was applied to all interviews conducted. Data in the form of paragraphs and sentences were initially coded into free nodes using NVivo software. Names of codes were closely related to the interviewees' descriptions, with some, termed 'invivo' codes, using their exact words. These nodes or codes were then constantly compared to eliminate redundant codes, to identify new ones and also linkages between nodes to create hierarchical trees or categories. These linkages and trees were then compared again, pruned of categories that did not fit, work or were irrelevant, until concepts began to emerge for exploration in later interviews. This is consistent with Glaser and Strauss' (1967) grounded theory technique of constant comparison.

The NVivo software used was a later version of the Nud-ist program developed by Richards and Richards (1998). As Creswell (1994:157-162) describes it, Nud-ist helps researchers by providing a data management system for the following actions:

- Storing and organising files. (These can be interview transcripts, reference material from the literature, or other system documents and can be filed by word, sentence or paragraph etc.)
- Searching for themes. (Sections of text from all documents and files can be tagged as belonging to a particular theme and then retrieved as a group.)
- Cross-referencing themes.
- Diagramming. During the categorisation process, categories are identified and these are developed into a visual picture of the categories that displays their interconnectedness. "In NUD-IST, this is called a tree diagram, a hierarchical tree of categories based on a 'root' node at the top and parents and siblings to the tree." (Creswell 1994:157-8) Thus a 'picture' is generated of the analysis, the major categories, the minor categories and how the information from the text is grouped.
- Creating a template, basically a code book for organising information.
- Assisting analysis and reporting. (Due to the ease of information retrieval.)

From the interview data, employment areas were identified for further investigation. This was done to allow for comparison of male and female-dominated occupations, to identify where interviewees in the next two rounds would come from and which awards and agreements to study to allow for triangulation of the interviews.

4.2.2.4 Follow-up

Follow-up phone calls, or interviews, were conducted where gaps were identified in the analysis of interview data or meaning was not clear. Data collected were recorded in written notes and analysed with the other interview material. Initial conclusions from this data were discussed with supervisors and colleagues likely to agree and disagree with them. This ensured better validation or trustworthiness (see Section 4.3 for a discussion of trustworthiness and authenticity) of data.

4.2.2.5 Second interview round

Fifteen (15) interviews were conducted with union officials in Victoria, Western Australia and the Northern Territory (a chance meeting with a federal public sector union official while in Darwin). The semi-structured interview schedule was again changed slightly (see Figure 7 below). Questions 1-9 were the same as those used in the first round interviews. Question 10 and 11 were added to obtain specific information relating to the awards and agreements in that occupational area.

Interviewees were shown wage data already collected for a classification in the employment area that they covered. Question 12 on federal versus state coverage was added as it seemed an interesting difference that the women's awards were all initially state-registered, while the male awards were more often federally-registered. Question 13 was used to gain any other information specific to the industry/occupational area. Questions 14 to 19 were from the first interview schedule. The first round question 10, on which employment area to study, was dropped, as employment areas were chosen after comments from the first round of interviewees. Questions 15-17 of the first schedule were dropped, as the initial analysis had shown answers made to these questions were not informative.

Figure 7 – Second Round Interview Schedule

Place: _____
Date: _____
Name: _____

1. Employer: _____
2. Current Job Title: _____
3. How long have you been with _____ ?
4. What is your background – what did you do before your present job?
5. Are you aware that women and men are paid differently? i.e. that women are, in general, paid less than men?
6. What in your perception are the reasons for women, in general being paid less than men, in general? (*probe here – any other factors*)
7. Does your experience have a bearing on your perceptions of why women are paid less?
8. Are you aware that for WA the difference between what women are paid and what men are paid is greater than in any other state and that this difference has increased in the early 1990s?
9. Why do you think this is so?
10. Tell me about how your _____ award went during the 1990s?
(*Prompt if necessary – What changes occurred during the period 1990 to end 1999? When did minimum rates adjustment occur for your award?*)
11. I am looking for enterprise bargaining agreements coming from your _____ award. Preferably these agreements should be in a series starting in 1992-6 and continuing to the end of 1999. Which ones would you recommend using?
12. In my sample of eight federal and eight WA awards (male and female) I notice that only the male awards are really national. The female federal awards cover only one state or territory. Why do you think this is so?
13. (*Extra questions specific to area if not already covered above.*) e.g. Clerks: I notice you have one or two clerical awards that still use an age-based structure (like most clerical awards in WA) Why do you think this structure has not been replaced with the skills-based classification structure?
e.g. LHMU: How come you maintained your award during the 1990s and didn't end up with a minimum wage order?/Why are there no EBAs?
e.g. SDA: Why did you have a minimum wage order during the 1990s and not an award?
14. Have you been involved in a minimum rates adjustment, work value or equal pay case?
15. When?, with what occupation?
16. While involved in a minimum rates adjustment/work value/equal pay case, what are the factors that you used in presenting your argument for the value of an occupation [*employer representative*]?
17. [*Follow up for latter party.*] What factors do you think the Commissioner(s) used/on the parties agreed on in deciding the value of an occupation?
18. What do you think about the way the 1972 equal pay for equal value decision was implemented?
19. Do you think that there are any other reasons, other than economic/industrial reasons, why women and men are paid differently?

4.2.2.6 Third interview round

Eleven (11) Western Australian employers, managers and employers' representatives were interviewed. The semi-structured interview schedule was again changed slightly (see Figure 8 below).

Figure 8 – Third Round Interview Schedule

Place: _____
Date: _____
Name: _____
1. Employer: _____
2. Current Job Title: _____
3. How long have you been with _____ ?
4. What is your background – what did you do before your present job?
5. Are you aware that women and men are paid differently? i.e. that women are, in general, paid less than men?
6. What in your perception are the reasons for women, in general being paid less than men, in general? (<i>probe here – any other factors</i>)
7. Does your experience have a bearing on your perceptions of why women are paid less?
8. Are you aware that for WA the difference between what women are paid and what men are paid is greater than in any other state and that this difference has increased in the early 1990s?
9. Why do you think this is so?
10. How do you pay your employees/how do employers pay employees in this occupational area – using an agreement (registered/unregistered, individual/collective) award wages or some other arrangement.
11. Why did you decide to use this type of payment method/ why do employers in your industry use this type of payment?
12. What do you think about the different agreements you negotiated? /the level of wages (you) paid?
13. Tell me about your EBA/Were there any productivity tradeoffs?
14a. [<i>For employers' representatives.</i>]: In my sample of eight federal and eight WA awards (male and female) I notice that only the male awards are really national. The female federal awards cover only one state or territory. Why do you think this is so?
14b. [<i>For employers who use employers' associations.</i>]: Do you tell the CCI/AMMA what to do about wage matters or do they give you advice that you follow, or does something else happen?
(Extra questions about the area if not covered above.)
15. To your knowledge do other employers in your industry pay award/agreement/informal wages?
16. [<i>For employers' representatives</i>] Have you been involved in a minimum rates adjustment, work value or equal pay case?
17. [<i>For employers' representatives</i>] When?, with what occupation?
16. [<i>For employers' representatives</i>] While involved in a minimum rates adjustment/work value/equal pay case, what are the factors that you used in presenting your argument for the value of an occupation?
17. [<i>Follow up for latter party.</i>] What factors do you think the Commissioner(s) used/the parties agreed on in deciding the value of an occupation?
18. [<i>For employers' representatives</i>] What do you think about the way the 1972 Equal Pay for Equal Value decision was implemented?
19. Do you think there are any other reasons, other than economic/industrial reasons, why women and men are paid differently?

Questions 1-9 remained the same for all interviews. Questions 10-13 were added in order to find out how employers paid their employees and why, what they thought about the agreement/award pay level and if using an enterprise bargaining agreement (EBA), any productivity tradeoffs. Different questions were asked of employers and employers' representatives. Employers' representatives and some managers were asked questions 14a and 16-18, but employers and managers could not answer these unless they had a background in industrial relations. Employers and managers were

asked question 14b on how they got advice, while employers' representatives who give advice were not asked this question. Question 19 was the same final question used in each interview in order to allow interviewees to add anything else on the main topic.

Necessary follow-up interviews were run face-to-face or by telephone. For example, extra interviews were run with a mining manager and union official when discrepancies were found between their views (Interviews with manager E and union official O).

4.2.2.7 Choice of interviewees

Table 12 below shows the numbers of people interviewed by category and gender. The primary motivation was to interview individuals, who had participated in the formal industrial relations system, with an understanding of the particular employment areas being studied and of issues relating to the gender wage gap. As employees appear only rarely as witnesses, rather than as regular participants, their views were not sought.

Table 12 – Interviewees by Interview Stage

INTERVIEW STAGE	FIRST (peak bodies)	SECOND (unions)	THIRD (employers)	FOLLOW UP
Employee Reps WA	2 (1F)	10 (4F)		1 (F)
Employee Reps VIC/Fed	1 (F)	5 (3F)		
Employer Reps WA	1		4 (1F)	
Employer Reps Fed	1			
Public Sector managers WA	1		2 (1F)	
Private Sector managers or employers WA			5 (4F)	
Government Rep WA	1			
Commissioners WA	2 (1F)			
Commissioners Fed.	2 (1F)			

(F= female interviewees)

As discussed above, the first round of interviews were with industrial relations practitioners from Western Australian and Australian peak bodies: the Western Australian and Australian Industrial Relations Commissions, the Australian Council of Trade Unions (ACTU) and UnionsWA, and the Chamber of Commerce and Industry (Western Australian and Australian). Only one organisation refused to be involved in the peak level interviews, the Commonwealth Government department

dealing with industrial relations. The aim was to interview the most senior person, but sometimes this was not useful or possible; for example, the person who dealt most with pay equality was not the most senior person.

During the first round of interviews, the employment areas most likely to be suitable for further study (in the sense of being both likely to give information relevant to the study and representative of a gender-dominated employment area) were discussed with interviewees. The second interview round was with unions and the choice of interviewee depended on the employment areas selected. Contact was sought with the union relevant to the particular employment area identified, for example, the Australian Education Union for teaching. The person interviewed within each union was more a matter of chance, depending on who was available at the time with the necessary expertise. Personal contacts of the researcher were often used at each interview stage, as these were more likely to respond positively to a request for interview. Union representatives from only the female-dominated work areas studied were contacted in Victoria, due to limited time and funds. In Western Australia, union officials from both male- and female-dominated areas were interviewed.

The third interview round involved contacting employers relevant to each employment area selected for study. The researcher had traveled to Victoria and Canberra to try to contact people for the first two rounds and had insufficient funds to do this again for the third round. Hence, only employers from the researcher's resident state (Western Australia) were contacted. As explained above, the researcher began by trying to talk to employers and managers in the female-dominated work areas. While managers, usually personal contacts with wide experience in industrial relations, were useful, owner managers or employers contacted were not. The latter tended to know very little about the relative earnings of men and women, saying they had thought they were equal and had little or no involvement with wage setting processes.

This led the researcher to realise that this macro-level issue was best discussed with employer representatives and the few managers with wider industrial relations experience. Generally two managers, or employers, were interviewed for each industry area, or one employer representative, but sometimes an employer representative covered more than one industry area. Employers were also

occasionally contacted for wage data when data from published sources was poor. Union officials were similarly used for this purpose.

After 35 interviews had been completed, responses became somewhat similar. Insights were only gained into issues very specific to the work area of the interviewee. While these were sometimes useful, interviews continued only to ensure that at least one union and employer had been consulted within each employment area studied.

Table 13 indicates the interviewees by gender. Eighteen (18) women and twenty-one (21) men were interviewed. In the first round of interviews a concerted effort was made to ensure equal numbers of women and men were interviewed to ensure a balanced picture of the macro industrial relations environment. In the second and third rounds, no special effort was made to ensure representation by gender. Hence the near balance achieved between the genders was a matter of chance.

Table 13 – Interviewees by Gender

Female	Male	Total
18	21	39

As explained above, there was a process of checking interview transcripts with interviewees. This is illustrated in Table 14 below.

Table 14 – Interview Checking

STAGE	RESEARCHER	INTERVIEWEE
Initial interview	Records and transcribes interview	Transcript sent to interviewee for checking and record keeping.
Follow up	If anything not clear/more information needed researcher contacted interviewee by phone/email or another interview. Interviews recorded and transcribed.	Checks additional transcript.
Check on citation	When intending to publish comments used are sent to each interviewee in context.	Asked to respond if unhappy with comment. (Only minor changes made.)

All interviews were taped and transcribed. Most transcriptions were made by the researcher and those by clerical services were personally checked. Transcripts were then sent to interviewees for their records and to check accuracy. In four cases it was felt that more information was needed and another interview was conducted. Transcripts were made of these second interviews and copies sent to interviewees.

A process of checking early drafts, to ensure interviewees were happy with the use of their comments, was followed for this document. As the thesis was written, interviewees were consulted at least twice about being quoted. Interviewees sometimes just made minor changes (e.g. removing “ums” from the comments used), sometimes corrected errors (e.g. references to Red Cross central office were changed to Australian Red Cross (Western Australian Branch)) and sometimes pointed out where the researcher had overstated issues or attributed them incorrectly.

4.2.2.8 Final analysis of interview data

Material collected from all interview rounds was analysed and re-analysed in the constant comparison process and linkages and hierarchies identified. Codes were grouped into categories. These categories were compared, as was the literature and memos were made on theoretical ideas.

Codes and categories had to display the ability to fit to the field data, they had to work and be “relevant for integrating into a theory” (Glaser 1978:56). The interview analysis moved towards creating theoretical constructs through selective and theoretical coding – identifying a core category.

Where the focus of the original interviews had been on “why are women and men paid differently”, on analysis of the reasons given by interviewees and the emergence of theoretical concepts, it was clear that their perceptions better explained the question why **and how** gender wage inequality **persisted**. A new core category had been created.

Table 15 below summarises the full grounded research (Whitely 2000) analysis used for the thesis; this only differs from Glaser’s (1978, 1992) approach in that a more extensive literature review was conducted before all the field data were collected and analysed than in true grounded theory. A narrative description of the analysis accompanied by graphic representation is in Chapter 5.

Table 15 – Grounded Theory Analysis Process Used

Stage	Action	Comment
Literature review	Preliminary review	...followed by occasional review of the literature during the collection and analysis phase
Data Collection	Theoretical sampling	...of the industrial relations system - a part of the broader social system... until no new codes or categories found.
Data Analysis	Coding: Invivo – using respondents' words Open coding – researcher applies codes but very close to respondents' words. Codes not yet grouped – open coding	Unit of analysis is meaningful utterance, codes are utterances designated to a meaningful category. Posture tentative with a view to combining or dissembling codes through the process of constant comparison.
	Constant comparison between codes and but also with literature to create theoretical categories – tree coding	... simultaneous analysis and coding as the data develops. Theoretical memos written to conceptualize ideas and create categories.
	Theoretical sensitivity	... the central concept or theory emerges from existing literature and emerging data through constant comparison and selective and theoretical coding.
	Concept development	... central concept is confirmed and its properties better understood through repeated constant comparison.

4.2.3 Collection of Wage Data and Analysis of Commission Decisions

In order to give further context and meaning to the interviews held with stakeholders operating at the industry or occupational level, Western Australian Industrial Relations Commission (WAIRC) and Australian Industrial Relations Commission (AIRC) decisions (on WAIRC and AIRC awards and agreements identified as relevant [in Short 2001] and during round one interviews) were studied. This provided important triangulation with the interviews of those directly involved with the same awards and agreements.

Some published decisions examined had useful information for the qualitative analysis. However, the majority of decisions, as with Short's (1988) experience when looking at the history of youth wages in the federal tribunal, provided very little information. This was particularly the case with decisions relating to agreements which tend to be negotiated before going to the Commission and thus the process of decision-making is not illustrated in the published decision. This meant that qualitative information from the published decisions was used only rarely.

Wage data from the decisions was normally useful as context for the interviews and was collected for each of the selected employment areas in both federal and Western Australian jurisdictions. Microsoft Office's Excel software was used to store and analyse the wages data collected. In the last three chapters of analysis and conclusions, interviewees' comments on industrial relations issues are linked to the relevant wage data in order to provide triangulation of the interview analysis.

The employment pattern of Western Australians by gender, industry and occupation at least partially drove the choice of employment areas for study, as the large and growing gender wage gap in that state was a motivation for this study. The literature (Short 1986; Rafferty 1989; Glynn 1998; Fisher 2001) suggested comparison of female-dominated areas of employment with male-dominated areas, as it demonstrated that pay inequality persists in female-dominated Australian occupations where comparisons of 'value' have never been made with any male-dominated occupation. The choice of which employment areas and then which awards and agreements to use evolved from the literature and first round interviewees' suggestions. Federal awards and agreements were chosen to be directly comparable to Western Australian awards and agreements so that a jurisdictional comparison could also be made.

In 1989/90, Western Australian women were most likely to be employed in the Retail, Community Services (including Health and Education) and Finance, Property and Business Services industries. They were most likely to be employed as shop assistants, clerks or typists and receptionists or telephonists (Western Australian Department of Employment and Training 1990). Dental assistants, physiotherapists, child-care workers and nurses were also known to be female intensive both near the beginning and at the end of the period under study (ABS 1993a & b; ABS 2003b).

Western Australian men were most likely to be employed in Construction, Mining, Manufacturing and Transport industries in 1989/90 and to be tradespeople, professionals, managers and administrators and labourers (ABS 1993a & 1993b; Western Australian Department of Employment and Training 1990). Men were also known to dominate the occupations of machine operators and drivers (ABS 1993a & 1993b). This picture remained similar by the end of the study period (ABS 2003b).

A further driving force in selecting wage areas was to compare Western Australian Industrial Relations Commission (WAIRC) decisions with those of the Australian

Industrial Relations Commission (AIRC). This was because of the differences in legislation governing the Western Australian and Australian jurisdictions, particularly the differences in dealing with pay equality as outlined in Chapter 2, Section 2.4.5. As a result, nurses were not used in the study, despite being an obvious area of choice. This was because Western Australian nurses moved to a federal award from a state award in the early 1990s, so the federal comparison would be not cover the study period.

During an earlier study related to this thesis (Short 2001), interviewees mentioned that there had been a particular problem related to pay equality with the Children's Services (Private) Award in Western Australia, so this predominantly female area was selected for study.

After conducting some interviews in rounds one and two (Interviews with union representative O and employer representative G) it became obvious that the AWU gold mining award and enterprise bargaining agreements used in an earlier study (Short 2001) were not representative of the mining industry. This industry moved, in a very significant way, during the 1990s, into individual agreements (both Western Australian and Australian Workplace Agreements). To look only at an award that no longer really covered anyone employed in the industry and the very few enterprise bargaining agreements that came out of it, no longer seemed sensible. Instead, as suggested by employer representative G, a large mining employer was approached for data on the wages paid under its workplace agreements. This was then compared to the relevant award. The award and classification within each award studied for this thesis (except for the latter award as this would identify the company involved) are given in Table 16.

Apart from mining (where awards have been infrequently used since the early 1990s), awards from the employment areas identified were used as exemplar or test awards for National Wage Cases, or Safety Net Reviews during the period of study. This is illustrated by the 2003 Safety Net Review list of awards (AIRC Print PR002003). Most of the federal awards used here are listed and every employment area used here (apart from mining) is represented by at least one award in the Review list. Thus the AIRC also considers these to be significant employment areas and awards.

Table 16 – Awards Used

FEMALE-DOMINATED AWARDS	OCCUPATIONAL CATEGORY
Shop and Warehouse (Wholesale & Retail Establishments) State [WA] Victorian General Shops Award/Shops, Distributive and Allied Employees Ass. (Victorian Shops) Interim Award 1994 S0583?Retail Trade Industry Sector Minimum Wage Order R0622/AW795238 [VIC/FED]	Adult Shop Assistant/Salesperson Sales Assistant/Retail Worker Grade 1/Level 6 Retail Service Worker
Clerks' (Commercial, Social & Professional Services) Award [WA] Clerical and Administrative Employees Award (Victorian) 1995/C&AE Award (Victoria) 1999 C1128/AW773032 [VIC/FED]	Adult 21 years old General Clerk/Grade 1 Clerk (after 12 months)
Government School Teachers' Salaries Award 1981/Teachers' (Public Sector Primary and Secondary Education) Award 1993 [WA] Actual Rates as supplied by Australian Education Union (Victorian Branch) – many rates over award payment in early 90s + 00s EBA AG804806 [VIC/FED]	4 Year Trained Entry Level (WA 1.5) & Classroom Teacher – top of range (WA 2.3) – for both WA and VIC/federal
Children's Services (Private) Award [WA] Day Child Care Workers Award [VIRC] Children's Services (Victoria) Award 1995 /1998 C0772/AW772675 [AIRC]	Child Care Worker Level 3 (Trained)/Qualified Child Care Giver Step 4 Child care worker (trained)/Childrens Services Officer/Child Carer III B after 4 yrs/Child Care Worker Level 3 Subdivision 8
MALE -DOMINATED AWARDS	
Transport Workers (General) Award 1961 [WA] Transport Workers (Mixed Industries) Award 1984/2002 T0150/AW799512/AW813166 [FED]	A Grade 2 Driver rigid vehicle to 4.5 tonnes Grade 2 Driver less than 4.5 tonnes (3mths+service 90-91)
Building Trades (Construction) Award 1987 [WA] National Building and Construction Industry Award 1990 N0122/AW790741	(b) (iii) Bricklayers Labourer Trades Labourer
A Mineral Processing Award (no federal equivalent)	Dump Truck Operator/Mine Production Employee Level 3
Metal Trades (General) Award 1966 [WA] Metal Trades Industry Award 1984 M0039/Metals, Engineering and Associated Industries Award 1998 M1913/AW789529 [FEDERAL]	Tradesman/Class 10 Tradesperson/C10 Group D Same
MIXED AWARDS	
Public Service Salaries Agreement 1985/Public Service Award 1992 Australian Public Service Awards A299, A1666	Level 1 adult (more likely to be female) Level 6 adult (more likely to be male)

(Sources: WAIGs; www.osiris.gov.au; www.wagenet.gov.au; Victorian Industrial Gazettes)

The choice of classification²⁰ to use for each award also evolved during the research. The main approach was to try to use an award classification that employed the most women or men in the award in question, e.g. C10 metal tradesperson, Grade 2 driver and shop assistant (as identified during interviews). Later interviews led to this choice being affected by the interviewees' discussions on the classification being used as a comparator between states and by changes in salary scales. Classifications

often changed in enterprise or certified agreements coming out of these awards. Where they did they are listed in Table 17 on agreements used. For example, in CSR Readymix (Vic) Raw Materials Enterprise Agreements the classification became 'Grade 3 - skilled operator', as no specific truck driver classification existed and drivers were covered by this general occupational classification or salary band.

Table 17 gives the agreements that were studied and that relate to Table 16 awards because the workers covered by the agreement would previously have been covered by the award. Generally, two agreements were studied for each award covered unless agreements were rare, as for Western Australian clerks and shop assistants.

In some cases less than two agreements were studied because the quality of the data was poor: some decisions were not published or were not available in the databases; or increases were published in percentage instead of money terms at the beginning of the series. This was the case for Victorian metalworkers.

Wage rates analysed are as close to the amount actually paid to individuals working in the classification as is possible from published materials. Supplementary payments (used in the early 1990s to bring minimum awards rates up closer to actual or paid rates in all jurisdictions) are included, as are allowances paid to all employed in the classification. However, wage-related payments such as superannuation and shift allowances that depend on individual circumstances are not included.

Most wage rates were quoted to interviewees as weekly wage rates. Exceptions were in the public sector area where annual wage rates were used and in construction agreements where hourly rates were more often used. Data on standard weekly hours worked were collected for each award or agreement as well as wage rates.

A decision was made to report wages in weekly terms rather than hours because of the more common usage of weekly wage rates in the group studied and the need to have a common comparison point when these were analysed. All interviewees in the second and third rounds (employers, employer associations and union representatives) were shown a table with a series (from 1990 to 2003) of wage rate changes for the relevant occupational classification chosen for study and asked about changes illustrated.

²⁰ A specific classification needed to be used as most awards have many classifications.

Table 17 – Agreements Studied

Western Australian-based	Victorian-based
Female-dominated	
Shop Assistant	
Action Food Barns (WA) Pty Ltd and SDAEA Agreements: 1997 A2586, and 2000, AG807054 (federal).	Safeway Supermarkets (Victoria) Enterprise Agreements: 1995/6 not published S0498, 1998 S2285 Just Jeans Group Limited Retail Agreements: 1997 S1540; 2000 AG804976; and 2003 AG8304063.
Clerk	
Australian Red Cross (Western Australian Branch) Enterprise Agreements: 1996 77 WAIG 1665; 2003 AG820782 (federal).	John Sands Enterprise Agreements: 1993 J0147; 1995 J0430 not published; 1997 J0444; 2000 J0687; 2002 AG825044.
Government Teachers	
Government School Teachers Enterprise Agreement 1996 (WA); Certified Agreements: 1998 G0844 and 2000-3 AG806074 (both federal).	Actual over award rates supplied by AEU Vic 1990-1999 and 2000-3 EBA AG804806.
Male-dominated	
Metal Tradesperson	
Inghams Maintenance EBAs: 1995 76 WAIG 1847; 1997 78 WAIG 906; 99-01 unregistered; 2002 AG815760 (federal). Bradken Perth/ANI-Bradken WA EBAs: 1993 73 WAIG 1795 not published; 1994 74 WAIG 2097; 1996 76 WAIG 3847; 1998 78 WAIG 4562; A6 of 2001 enterprise award - not published - figures from AMWU union delegate.	Royal Automobile Club of Victoria (RACV) Ltd Certified Agreements: 1994 R0196; 1996 R0540; 1998 R0931; 2000 R1215; 2003 AG831337.
Truck Driver	
Pioneer Concrete EBAs Herne Hill/Red Hill EBAs: 1993 73 WAIG 2962; 1994 75 WAIG 1892; 1996 77 WAIG 391; 1998 79 WAIG 788; 2000 81 WAIG 167. Driver over 35 tonnes/Level 2 Quarry Worker. Peters/PB Foods EBAs: 1994 74 WAIG 1518; 1997 78 WAIG 1278, 2000 AG223 of 2001. Grade 2 Driver/Storeperson.	Bonlac Foods Limited & Transport Workers Union Agreements: 1992 unpublished; 1994 B0368; 1995 B0636; 1997 B1255; 1999 B2310; 2002 AG819462. CSR Readymix (Vic) Raw Materials Enterprise Agreements – Transport: 1995 C0737; 1996 C1495; C2846 1997; 1999 C5732; (2000 not published); 2002 AG819461; 2003 AG831650. Grade 3 - skilled operator.
Bricklayer's Labourer/Assistant	
North Coast Concrete EBAs: 1995 76 WAIG 2701; 1997 77 WAIG 3355; 1999 80 WAIG 1255; 2002 not published or registered CFMEU; 2003 AG 33 of 2003. Labourer Group 3. GN/G & N Conform/Con-form EBAs: 1995 76 WAIG 2552; 1997 AG203 of 1977; 1980 80 WAIG 1126; 2002 CFMEU not registered. Labourer Group 3.	Boulderstone Hornibrook Victoria CFMEU State Enterprise Agreements: 1993 B0303; 1995 B0684; 1997 B1360; 2000 B2880; 2003 AG820094. Multiplex Constructions (Victoria) Pty Ltd Enterprise Agreements: 1994 unpublished; 1995 M0648; M1125 not available; 1998 M1943; 2002 AG809662.
Miner/Dump Truck Operator: A Company's WA Workplace Agreements	
Mixed – Public Sector Employees – Levels 2 and 6	
Health Dept. of WA EBAs: 1996 76 WAIG 2202; 1999; 79 WAIG 3308; Main Roads EBAs: 1995 75 WAIG 586; 1996 77 WAIG 1184; 1997 77 WAIG 1434; PSA AG24 of 2002 General Agreement both.	Department of Health & Ageing EBAs: 1998 P1142; 2000 P1742; 2002 AG819414. Department of Transport and Regional Services EBAs: 1999 PC5854; 2002 AG816335.

(Sources: WA Industrial Gazettes; www.osiris.gov.au; www.wagenet.gov.au)

Interviewees were able to recognise and respond to changes in the rate (weekly, hourly, annually) they normally used. Only the mining industry and a Western Australian public sector agency had significantly increased their standard weekly hours worked by 2003. This is discussed again in Chapter 5, Section 5.2.5, with actual wage rates to illustrate that the effect on relative wages within the group studied is small when changing from weekly to hourly rates.

Federally-registered awards and agreements covering Victorian workers were used. This was because these cover significant numbers of Australian workers and are therefore a better example of federal wage rates than those from federally-registered awards and agreements covering much smaller numbers of Australian workers in the Australian Capital Territory and/or the Northern Territory²¹.

4.3 Validating or Auditing the Research

When using qualitative research methodology it is very important to be able to justify results as representing some form of joint truth between the researcher and those who are the subjects of that research. The use of standards to audit the research adds to the authenticity and trustworthiness of qualitative research.

Researchers (Schwandt & Halpern 1988; Guba & Lincoln 1989; Miles & Huberman 1994) have identified standards for establishing the trustworthiness of qualitative inquiries. These roughly parallel the more traditional positivist standards of validity (internal and external), replication and objectivity. The standards involved in trustworthiness are credibility, transferability, dependability and confirmability.

Realising that these standards (coming as they did from another research paradigm) did not fully address issues of quality and integrity in constructivist inquiries such as this one, standards for ‘authenticity’ were also developed. As Rodwell and Byers (1997:117) put it:

[a]uthenticity is uniquely derivative of the constructivist perspective and is attentive to the nature and quality of the research process rather than the research product. By focusing on the integrity and quality of the inquiry process, authenticity assesses fairness, ontological authenticity, educative authenticity, catalytic authenticity and tactical authenticity.

As the research design process above demonstrated, the research took into account the need to demonstrate both trustworthiness and authenticity as detailed below.

4.3.1 Trustworthiness

The first criteria or standard for trustworthiness is **credibility** – how close is the match between the constructed reality of the interview participants and the realities that are represented by the researcher as attributed to the interview participants (Guba & Lincoln 1989:236-7)? Confidence in this match is achieved through techniques such as “prolonged engagement, persistent observation, triangulation, peer debriefings and member checks” (Rodwell & Byers 1997:116).

This study has involved prolonged engagement with stakeholders in the number of stakeholders involved (39 interviewees were interviewed for at least an hour each) and in the iteration of the interview rounds, questions asked and feedback processes.

Triangulation was very much part of the research design in that information was sought from three different types of stakeholders: employers and their representatives, union officials and industrial relations commissioners; from two different Australian states and jurisdictions. The ability to contrast the observations and perceptions of these diverse stakeholders from different states greatly increased trustworthiness. The data gathered from the interviews was further triangulated with data gathered from published decisions on wages and relevant employment statistics.

Peer debriefings were part of the research process as discussed above. After interviews and collection of wage data and analysis of these, results were regularly discussed with colleagues conducting research and with supervisors. Notes were made of these discussions. Similarly, when the researcher gave talks on early results, they were discussed with industrial relations stakeholders and researchers. People likely to disagree with results were also consulted. There was (to some extent) a surprising degree of acceptance of the main theoretical construct. Colleagues and industrial relations stakeholders tended to see the results as naturally acceptable – as explaining something we had all really known, but had not yet articulated.

Finally, credibility involves member checks. Here the interview data and conclusions drawn from these were checked with interviewees, as all transcripts were provided to

²¹ Note that this was only really an issue for female-dominated wage areas, because male-dominated wage areas mostly had true federal awards – covering all states and territories – whereas female-dominated areas had awards covering workers only in one state or territory.

interviewees and quotations were shown to interviewees, in context, before being used in publications and in this document. This process occurred at least twice for most interviewees and three times for some interviewees, as different versions of the thesis were written.

Transferability is the next technique for establishing trustworthiness. Transferability is ensured by a very detailed description about the time, place, context and culture of the research. Here this is provided by the extensive background description given in Chapter 1 on statistics, Chapter 2 on history and law, and this chapter relating to the research methodology and design. Any researcher seeking to transfer the results of this study into another will be well aware of the context of the research.

Dependability is “concerned with the stability of the data over time” (Guba & Lincoln 1989:242). As Guba and Lincoln (1989:242) assert, in positivist research evidence of shifts in research methodology and in hypotheses during the research process would be seen as evidence of unreliability.

But methodological changes and shifts in constructions are expected products of an emergent design dedicated to increasingly sophisticated constructions. Far from being threats to dependability, such changes and shifts are hallmarks of a maturing – and successful – inquiry.

The test with constructivist inquiries is that these changes and shifts are thoroughly documented and can be tracked back. Here the change from the original research question “why are women and men paid differently?” to the final “why and how does gender wage inequality persist?” is explained in this chapter and Chapter 5 onwards. Changes in interview questions, as issues were raised and discarded, are documented above. Throughout the research process the researcher made notes about changes in directions and main themes as they were identified.

Confirmability, the last trustworthiness criteria, “is concerned with assuring that data, interpretations and outcomes of inquiries are rooted in contexts and persons apart from the evaluator and are not simply figments of the evaluator’s imagination” (Guba & Lincoln 1989:243). This is ensured by having the raw products and processes of research available to be inspected and confirmed by outside reviewers of this study. The raw products of the research – the interview transcripts, how these were processed, the NVivo file created and accompanying notes – are available both

at the researcher's university and in her possession. Two university research colleagues carried out checks of the transcripts and NVivo file with notes to ensure there was consistency in data recording and analysis and reported both to the researcher and her supervisor (Appendix 2). An audit trail can be established through the documents provided.

As these colleagues noted, the researcher's role in this project is almost one of participant observer. While the researcher did not go so far as to always participate in the research subjects' activities while observing them, her previous research on pay equality had been used by stakeholders (some of whom were interviewees for this study) in relevant commission cases, such as national wage cases where pay equality was being discussed. The researcher also knew many of the interviewees and understood and participated in activities within the industrial relations system, for example, appearing in the Western Australian Industrial Relations Commission as an expert witness on job evaluation. In the symbolic interactionism research method, having a researcher who participates lends more reality and grounds the research activities more thoroughly in the real world.

4.3.2 Authenticity

As explained above, authenticity focuses more on the nature of the research process than on the research product. Related criteria include fairness, ontological authenticity, educative authenticity, catalytic authenticity and tactical authenticity.

Fairness is about whether the participants' views were fairly represented – was there an attempt at balance in the research report? (Rodwell & Byers 1997:117) In this research this was an issue from the beginning. In industrial relations there is always more than one side to a matter under dispute. Hence the selection of interviewees involved employers, employer representatives and union officials as well as industrial relations commissioners from different backgrounds. While more union officials were interviewed than employers or their representatives, a very careful attempt was made to balance the views of union representatives reported in the study with those of employers and their representatives. Interviewees also had an opportunity to check that their views were being fairly represented by checking original transcripts and confirming that these were accurate. When new ideas emerged, these were also checked, sometimes with the original interviewees, but also with other industrial relations stakeholders present at seminars and at conferences.

Ontological authenticity is about whether the participants' involvement in the study led to any "increased awareness of the complexities of the phenomenon under study" (Rodwell & Byers 1997:117). While this process is more typical of action research and was not planned for in the research method chosen, it is an inevitable by-product that any exchange of information, such as a research interview, may affect the participants involved. This process was evident during interviews with a number of the interviewees. The process ranged in scale from employers who said they had not realised that there was still a gender pay gap and now did, to employer representatives, commissioners and union officials who were surprised and to some extent alarmed, at the extent of the Western Australian gender wage gap. Participants clearly had to think about the issue, often for the first time and after the interview they came away with a greater understanding of the complexities involved. This is evident from the interview transcripts and can be seen in the audit trail.

Educative authenticity comes about when interview participants show a greater understanding (if not acceptance) of other's perceptions and views. This is evident in the interview transcripts. For example, employer representatives began interviews saying that women are paid differently because they work part-time and finished indicating that on reflection this was one of a number of reasons and not necessarily a major reason. More than one interviewee began the interview not realising the size of the gap between average (full-time, ordinary time) female and male earnings, particularly in Western Australia. Each interviewee was shown a comparative graph created with ABS average weekly ordinary time earnings data.

Catalytic authenticity is "the extent to which action is stimulated and facilitated" (Guba & Lincoln 1989:249) by the research process. While this research was not action research and thus was not aimed at directly causing action as a part of the research process, it is clear that conducting interviews and reporting early results led to action in the industrial relations community.

The effects of this research project varied from micro to macro levels. For example, at the micro or personal level, Commissioner A, when interviewed, talked about the need to identify and acknowledge personal values and to try to restrict their influence on judgments. It appeared that this process may have occurred unconsciously in the past but, after explaining this perspective to the researcher, the process would probably be conscious in the future.

On a more macro or public scale, union officials interviewed talked about being stimulated to bring up the issue of the gender wage gap again with the government and of restarting a pay equity coalition in Western Australia (Interviews with union officials A & N). The researcher gave talks (to the National Convention of the Industrial Relations Society of Australia in 2001, the National Women in Management Conference in Sydney in 2002; to the Western Australian Pay Equity Coalition and the Western Australian Industrial Relations Society in 2003; and the Gender Pay Gap conference in Perth in 2005) and wrote articles (Short 2001, 2002a; 2004) on early findings and made a submission to government (Short 2002b). This, plus the iterative rounds with stakeholders interviewed and the process whereby they received copies of chapters including their comments twice if not three times, seemed to assist in raising awareness of the issue and action in Western Australia.

It is important to realise that most of the stakeholders interviewed and many members of the audience for talks and articles were and remain influential within the Western Australian industrial relations system. Certainly the commissioning and publication of the review of the Western Australian gender wage inquiry review (Todd & Eveline 2004) occurred during the course of this awareness-raising process. That review led to the creation of a Gender Pay Unit within the Western Australian Department of Consumer and Employment Protection, Labour Relations Division in 2005 which was announced at the Gender Wage Gap conference where the researcher was an invited speaker.

Tactical authenticity is when meaningful action is undertaken by empowered participants (Rodwell & Byers 1997:118). Again, this research was not action research so this is a standard perhaps not best suited to the study. However, as the paragraphs immediately above indicate, this may still have some relevance. This research did not set out specifically to empower interviewees to take action. However, it is clear that the products of the research are being used and may be used further, to cause change. It is too early to say whether, in particular, this study will result in, say, legislative change in Western Australia or whether any of the other suggestions in Chapter 7 will be implemented.

4.4 SUMMARY

Consistent with the use of a symbolic interactionist approach, this thesis employed a rigorous research design grounded in the empirical world under study. This involved

not only thick background description, but also a well-triangulated method of data collection.

Qualitative data from in-depth interviews with key industrial relations actors as well as more quantitative wage data for context were analysed using grounded research techniques. This was further strengthened by interviewees checking, not only comments, but also conclusions drawn from the wage data. An iterative process was used to develop interview schedules, identify suitable wage data and check meaning with interviewees.

Again consistent with a symbolic interactionist approach, during the process of research the question evolved as the researcher found interviewees were explaining their thoughts on why and how gender wage inequality persisted, rather than why women and men are paid differently. As discussed, confidence can be felt in the results of this design process, due to the trustworthiness and authenticity built into the research design and research processes.

CHAPTER 5 – RESULTS OF THE INTERVIEWS

5.0 INTRODUCTION

This chapter describes the data collected for this thesis during in-depth interviews with the industrial parties: industrial relations commissioners, union officials, employers and their representatives and government officials; wage data are reported where relevant. The focus is on the interviewees' answers to the original research question: "Why are women and men paid differently?" (The next chapter shows how a slightly different question emerged as the data was subjected to theoretical analysis.) Thus this chapter also gives an overall picture of the data gathered that showed why and how interviewees perceived the Australian industrial relations system, particularly in the formal system of the industrial relations commissions, worked to contribute to the persistence of wage inequality in the employment areas under thick study²².

5.1 PAY INEQUALITY – A VERY COMPLEX ISSUE

All interviewees were directly asked the question: "Why are women and men paid differently?" Interviewees from each major group of stakeholders: employers or managers, commissioners and union officials, noted the complexity and difficulty of explaining pay differences.

[I]t's a very complex and very difficult area to deal with and to be able to come back and say in one sentence this is why there's such difference. You know there's a million of them [reasons]. (Interview with manager A)²³

Obviously in my job I deal with wages and conditions matters regularly. That men and women are paid differently is self evident in take home pay. The reasons for the difference in the pay levels are a complex issue. (Interview with Commissioner A)

²² The analysis of this data is undertaken to develop categories of meaning relating to the perceptions of key players in the industrial relations system on gender wage differences. The research question did not seek to determine whether women operating in the system had different perceptions compared with men. While that is an interesting question it is outside the objectives of this research.

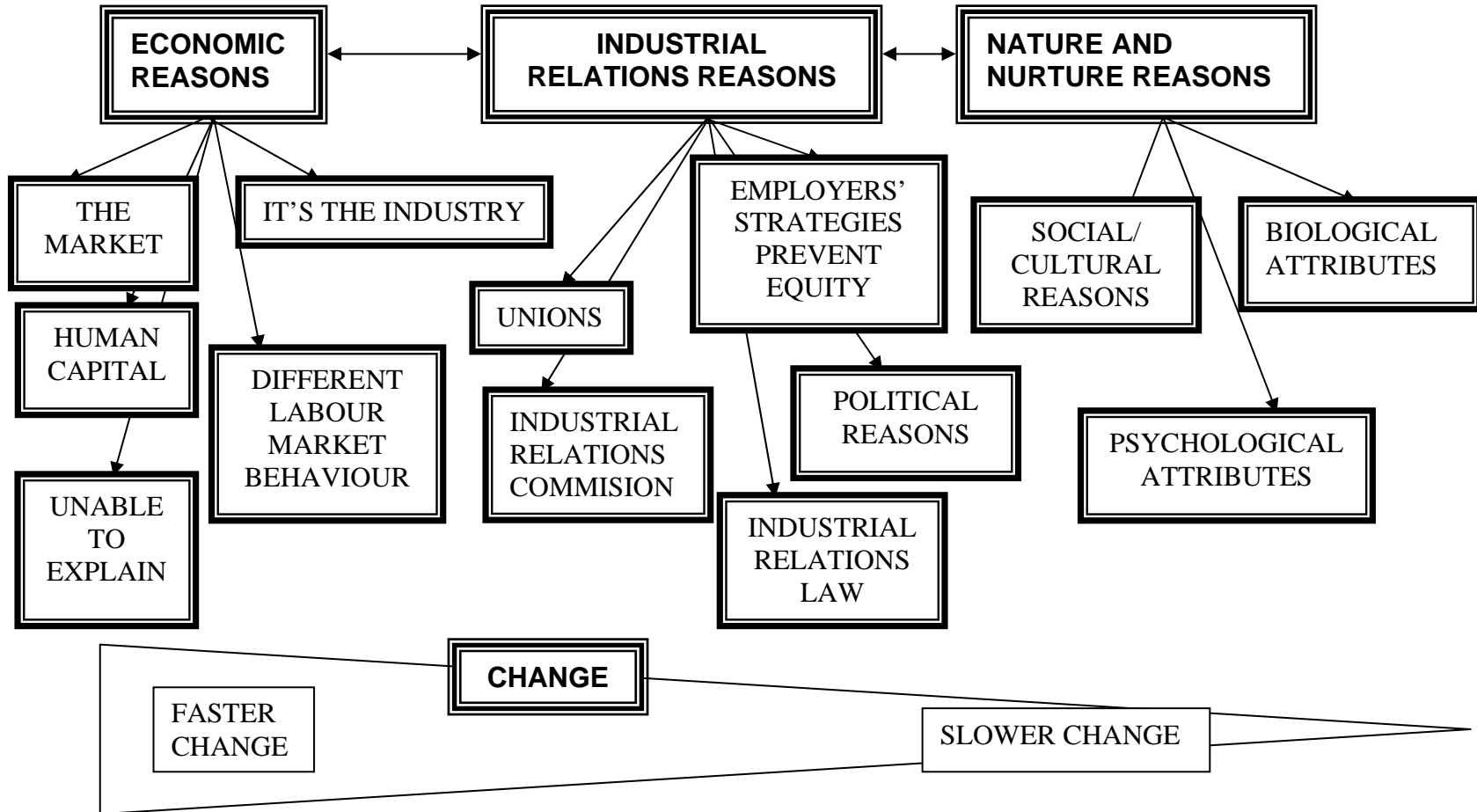
²³ Note that all quotations or comments in italics are from the interview data. Quotations that are not in italics are from the literature.

Well I think there's a number of answers to that question. There's not just one issue. (Interview with union official A)

Interviewees gave over 100 reasons for women and men being paid differently. These were coded, using the NVivo (Richards & Richards 1998) software package into four super categories with sub-sets of major categories as shown below and in Figure 9. The fourth category, on change, is shown at the bottom of Figure 9, as it is the background to the main reasons, providing the context within which the reasons unfold.

1. **ECONOMIC REASONS**
 - a. THE MARKET
 - b. HUMAN CAPITAL
 - c. IT'S THE INDUSTRY
 - d. DIFFERENT LABOUR MARKET BEHAVIOUR
 - e. UNABLE TO EXPLAIN
2. **INDUSTRIAL RELATIONS REASONS**
 - a. UNIONS
 - b. EMPLOYERS
 - c. INDUSTRIAL RELATIONS COMMISSION
 - d. INDUSTRIAL RELATIONS LAW
 - e. POLITICS
3. **NATURE AND NURTURE REASONS**
 - a. SOCIAL AND/OR CULTURAL REASONS
 - b. BIOLOGICAL ATTRIBUTES
 - c. PSYCHOLOGICAL ATTRIBUTES
4. **CHANGE**
 - a. FASTER CHANGE
 - b. SLOWER CHANGE

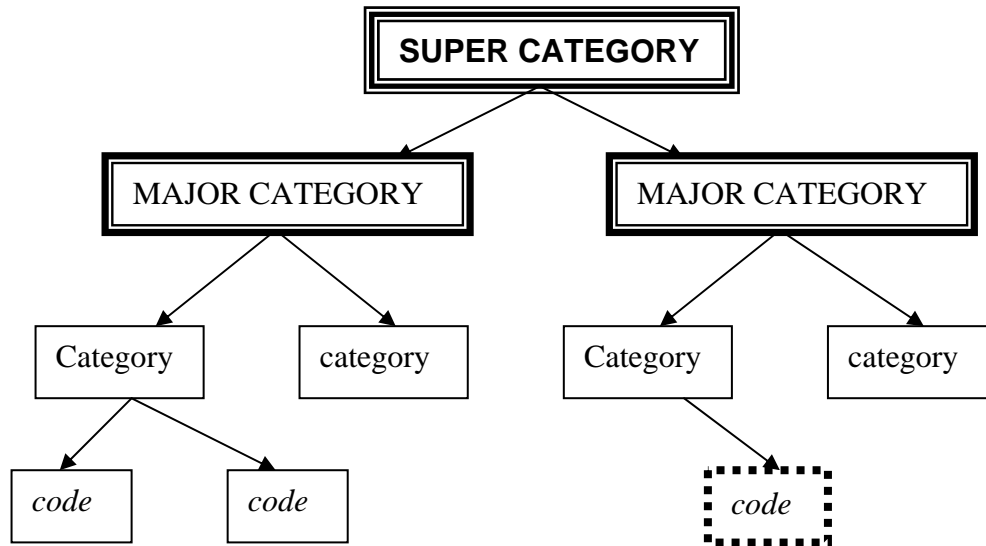
Figure 9 - Super and Major Categories – Why are Women Paid Less?



5.1.1 Descriptor Conventions Used

There are certain conventions used to describe different types of categories and codes in the figure above and the ones that follow. These are shown in the coding tree below in Figure 10.

Figure 10 – Coding Tree



Super categories are made up of major categories that are groups of categories made up of groups of codes. As shown above in lines three and four of Figure 10, categories with further codes underneath begin with capital letters, categories where codes have been collapsed into the one category are shown without capitals. Where each category or code is discussed in greatest detail within the text, the category titles are made **bold**. Categories or codes with connections to other categories or codes that are in a different super category have a dotted border around their text box within the diagram (as shown at the bottom right of Figure 10). These are also called connectors and are important in that they bring the different categories and codes together and provide an underlying analysis that becomes clear in the next chapter.

These rules for coding will only be used in Chapter 5. Later chapters treat categories and their titles more conventionally as they evolve into concepts in the emerging theoretical model or construct. Quotation marks are used to separate category, or code titles from the main text outside the diagrams. Where the category, or code title used is actually a comment from an interviewee e.g. “It’s the occupations that they are in” this is put in double quotation marks, but where the category title was made

up by the researcher e.g. ‘education’ this is put in single quotation marks. Comments from interviewees are *italicised* and where comments are from more than one interviewee they are separated by ...//....

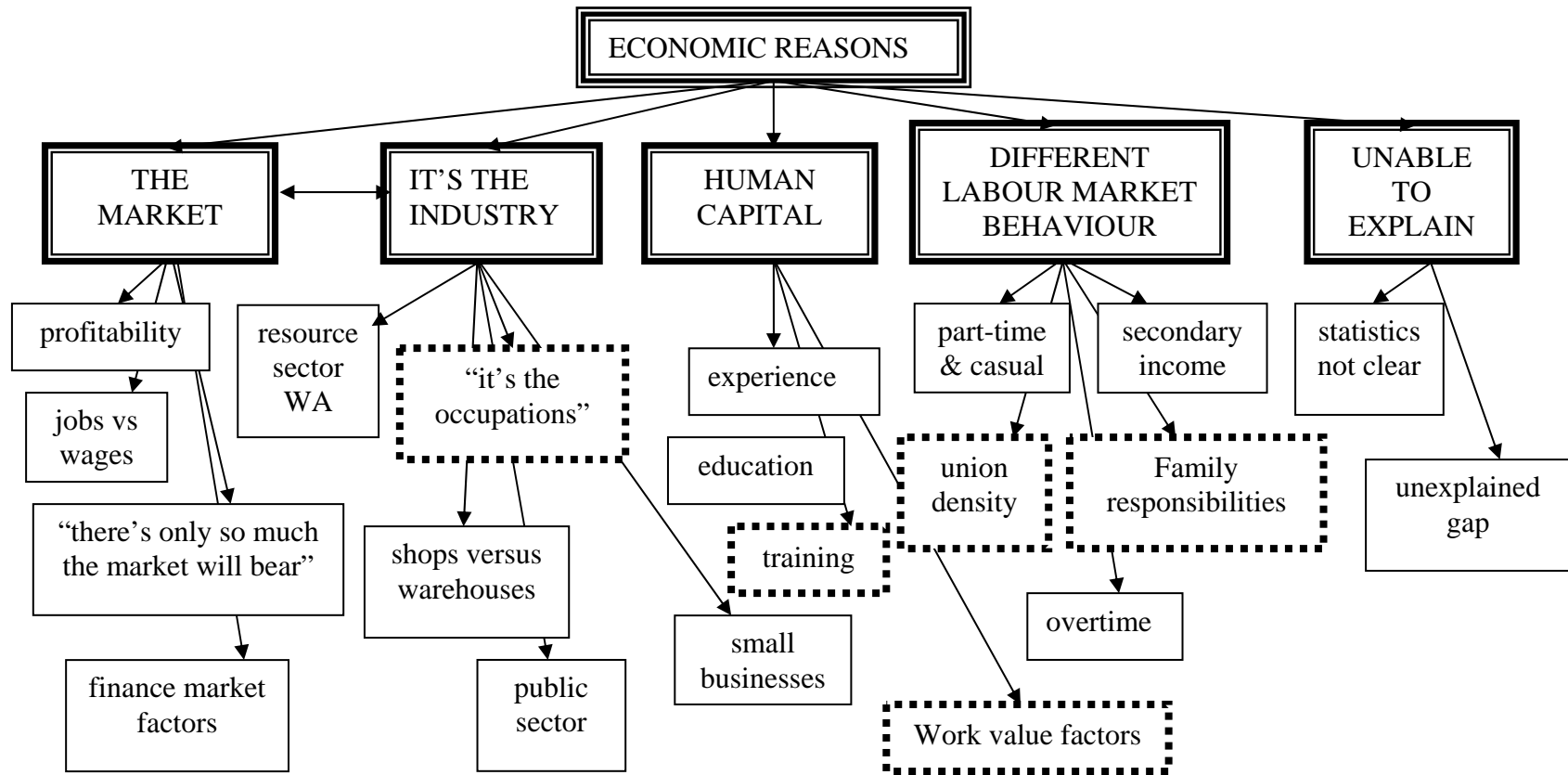
5.2 ECONOMIC REASONS

As can be seen in Figure 11 below, many of the categories under the first super-category ‘ECONOMIC REASONS’ correspond to the variables used in the econometric studies of the gender wage gap reviewed in Chapter 3, Section 3.2.1 (i.e. industry, occupation, training, experience, union membership and children). For example, in this super-category interviewees’ views have been coded to ‘education’, ‘family responsibilities’, ‘experience’, ‘training’, “IT’S THE INDUSTRY” and “It’s the occupation they are in”. These were, in fact, reasons stated by large numbers of the interviewees. Only ‘experience’ and ‘education’ were listed as a reason for pay inequality by fewer than 25 per cent of the interviewees. ‘Family responsibilities’ were discussed by over half of the interviewees followed by “It’s the occupations that they are in”, “IT’S THE INDUSTRY”, ‘training’ and then, some distance behind, ‘education’.

The econometric evidence reviewed in Chapter 3, Section 3.2.1, agrees that industry of employment and ‘HUMAN CAPITAL’ (‘education’, ‘training’ and ‘experience’ dealt with below in Section 5.2.2) are very important factors influencing why women and men are paid differently. However, the literature (e.g. Preston & Crockett 1999b; Chapman & Mulvey 1986; Langford 1995) found occupation to be less important. This could have been due to the type of data available on occupation used in analyses, which, being at a very aggregate level, tended to reflect level of education (e.g. professionals versus labourers), rather than differences between more detailed occupations. This was discussed in more detail in Chapter 3, Section 3.2.1.1.

Some of the econometric evidence (Preston & Crockett 1999b:140; Preston 2001) gives more emphasis to overtime, which only a few of the interviewees mentioned. This lack of discussion on overtime was probably also affected by the fact that all interviewees were shown graphs of female earnings relative to male earnings that were ‘ordinary time’, not including overtime, as part of the interview process. Thus, interviewees were aware that a wage gap existed, even without overtime being taken into account.

Figure 11 - Economic Reasons



As can be seen in Figure 11, the super-category ‘ECONOMIC REASONS’ is further categorised into major categories: ‘THE MARKET’, ‘IT’S THE INDUSTRY’, ‘HUMAN CAPITAL’, ‘DIFFERENT LABOUR MARKET BEHAVIOUR’ and ‘UNABLE TO EXPLAIN’.

Of course interviewees’ comments do not always fit neatly into these categories as the explanation below of why women and men are paid differently illustrates. This comment combines a discussion of ‘IT’S THE INDUSTRY’ and the code: ‘profitability’ categorised under major category: ‘THE MARKET’. These are related to each other as interviewees pointed out men and women are predominantly employed in industries with different market profitability. Thus, the comment below is used to demonstrate both categories and a two-way arrow is shown in Figure 11 between ‘THE MARKET’ and ‘IT’S THE INDUSTRY’.

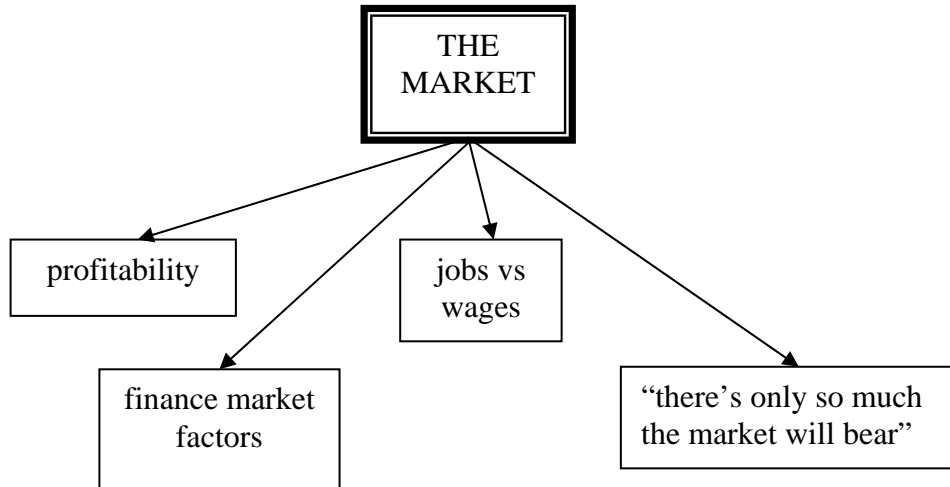
5.2.1 Economic Reasons: The Market

An employer representative made a fairly strong economic point about the industries that women work in being different in having lower ‘**profitability**’ or profit margins.

[M]y understanding of the difference between male and female rates has always been that, for whatever reason, females are in industries that are lower paying because of the fact that they are lower...profit margin, industries to other industries. For example the hospitality industry, where women may exist greater than men...is not an industry that can afford to pay higher wages, no matter what sex you are. Whereas if you are in, for example, the mining industry...they are a higher profit-generating industry...they can afford to pay higher wages. (Interview with employer representative D)

Other, fairly standard, economic explanations given by interviewees centred on supply and demand and were thus coded under ‘**THE MARKET**’ – ‘jobs versus wages’, ‘profitability’ of industries and “there’s only so much the market will bear”. ‘**THE MARKET**’ section of Figure 11 is shown in Figure 12 below.

Figure 12 – Economic Reasons: The Market



A union representative talked about the choice for employers (and to some extent for unions) of **'jobs versus wages'**.

What both governments did was significantly...cut public expenditure and usually the first thing that they cut is education, public education expenditure. In Victoria the major cut...was to the number of teachers, 8000 teachers were cut...conservative governments more often than not increase salaries but decrease numbers. Whereas other than conservative governments, or not quite so conservative governments, tend to increase public sector size but don't increase salaries as much. (Interview with union official P)

In a very similar way a number of interviewees talked about **"there's only so much the market will bear"**, bringing in the argument about profitability and wages, the AIRC's legislative requirement to consider economic impact of decisions and union members' concern for their clients (the parents) not being able to afford their services. A major point made by interviewees was that in feminised industries, such as teaching or child care, labour costs are high relative to other production costs.

//...I think, too, a lot of it is about the ability for the business to be able to respond to wage increases and how price-sensitive it is...//...The economics of child care and social work are fairly marginal aren't they? You know, it's hard to make a profit in child care...//...whilst trying to be

fair and making sure that they are valued correctly, the actual legislation requires the commission to do a bit more than that. They have to look at the economic impact of their decision...//...I am just saying reality has got to set in at some point and say well, there's only so much the market will bear in terms of these rates... People will just get paid, price themselves out of the market...//...Oh but you can't ask for more money and, yes we deserve more money and yes we're worth more money. But that would put our centre in hardship. The parents will have to pay more fees...//

As can be seen “there's only so much the market can bear”, like ‘profitability’, is related to “IT'S THE INDUSTRY”.

‘**Finance market factors**’ or how an occupation or industry is financed were perceived by interviewees to have an effect on wage and industrial relations outcomes in the employment areas studied. The construction market was particularly affected, with unions in the industrial/commercial building sector able to hold employers to ransom at key points in building construction, because the penalty clauses for completion would result in far greater costs than giving in to wage demands.

An employer representative explained that if the building workers withdraw their labour at some crucial point near the contract date and,

...you're a builder, you have a problem. What do you do? It's going to cost me \$5,000/\$10,000 to give in to this particular union demand or claim; or do I run the risk, have a protracted dispute, wind up bringing the job in late, I'm late by five weeks and suddenly I'm out half a million dollars. What would you do? I mean that's called a commercial decision.

(Interview with employer representative F)

In a different way, finance also affects the public sector. Public sector wages come from funds mainly raised through taxation and politicians are concerned about how voters will react to the higher taxes needed to pay higher wages; whereas in the private sector consideration of sales volume or market share are critical issues. This resulted in conclusions, such as those of a public sector employer representative interviewed, that fixing pay inequality is unrealistic in the public sector.

You've also got to take into account that ... [in] the public system where there are large numbers of females employed it's unrealistic to consider that they are going to throw money at trying to fix the pay disparity between males and females...just one percent on some of these public areas is worth millions of dollars, given the size of the workforce.
(Interview with employer representative E)

Thus, in a gender-segmented labour market, unrelated issues such as financial factors may, nevertheless, have an impact on wage inequality.

5.2.2 Economic Reasons: “It’s the Industry”

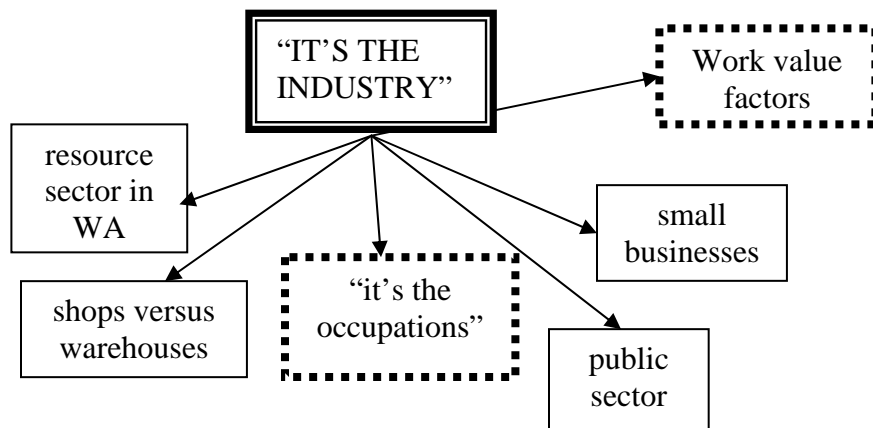
“IT’S THE INDUSTRY” (Interview with employer representative B) was a common response from interviewees who viewed industry of employment as a major factor affecting wage inequality. They pointed out that industries (and indeed occupations) tend to be to be segregated or segmented on the basis of gender, with many men working in male-dominated occupational, or industry, areas and many women working in female-dominated areas. Interviewees pointed out that women tended to be segmented into, or be predominant in, service industries and occupations with lower wages.

//...the segmentation of the Australian workforce, the women tend to be in the service industries...//...The other reality is, of course, with the massive growth of women's participation rate in the labour market you've also had a skewing in terms of segmentation of their involvement and where they actually get involved. That is the hours of work, the nature of the employment and the industries in which they engage...//...increasing service industry work has driven down wages and also the increased flexibility in wages through state workplace agreements have in my view led to an erosion of service sector jobs...Women tend to be...in service industry jobs and therefore there's, in my view, a greater disparity in wages...//...the gender segmentation and the sort of narrow-minded attitudes to hiring that clearly keep women out of some, or reduce the incidence of women being in some areas. Perceptions of ability, all those sorts of things, but...they are slowly being overcome...//

Note that “IT’S THE INDUSTRY” is here dealt with from an economic point of view but is also related to ‘NATURE AND NURTURE REASONS’ given by interviewees for pay inequality. That side of “IT’S THE INDUSTRY” will be dealt with in Section 5.4.3.)

The “IT’S THE INDUSTRY” major category includes a number of categories: ‘resource sector in Western Australia’, ‘shops versus warehouses’, “it’s the occupations...”, ‘public sector’ and ‘small businesses’. This is shown in Figure 13 below.

Figure 13 – Economic Reasons: “It’s the industry”



The ‘**resource sector in Western Australia**’ is an industry which interviewees identified as a major contributor to the relatively lower wages of Western Australian women compared to Western Australian men. The resource industry is male-dominated, has high profitability and is able to bear high wages.

//...one other reason why I think that there is that differential is that many of the men in WA are employed in the resource sector and their earnings are disproportionately higher than a lot of males in other states...//... You’ve got a higher proportion of WA’s workforce in primary, mining or resource type industry work...and again it comes to where you see women in the workforce, I mean I don’t know of a underground miner who is a woman operating a jumbo...which is the highest paid...//...I suspect it is primarily men who are involved in those types of occupations that are

earning those type of dollars out in the remote areas, the Telfers and up north, out east and a lot of those remote mining type locations...//

Coming out of interviewees' comments under "IT'S THE INDUSTRY" (and related to "it's the occupations...") are those referring to wages in retail '**shops versus warehouses**'. Interviewees saw the problem in the retail and wholesale trade industry as being the segmentation of women into retail, as opposed to warehouse jobs and of women within retail into areas outside the more highly paid jobs of management or selling items such as white goods where commissions are paid.

//...women tended to be employed in the retail industry and in straight customer service roles in the retail industry whereas men tended to be employed more in the warehouses...it's really gender segmentation of women for particular... jobs within retail. So the strategies for equal pay in retail are about affirmative action I suspect...there is a low level of over-award payments in the retail industry and it tends to be on the basis of ... either management or other specialised work. And ... 5 years ago, there had traditionally been a larger number of men in those types of roles rather than women...//

Interviewees also talked about women tending to work for '**small businesses**', saying this adversely affected their propensity to ask for wage rises and/or to take action to achieve them. Small businesses were seen as more price-sensitive and less likely to look at returns versus initial costs.

//...They have got awful problems, partly because of low unionisation rate, partly by having a whole host of small employers who are very difficult to deal with...With childcare it's far more difficult when you've got a myriad of small employers and the large proportion of those employers are profit-based employers...a lot of it is about the ability for the business to be able to respond to wage increases and how price-sensitive it is. I worked with companies that every last cent is something that will either make a difference to them either staying in business or not. Very small businesses...really look at money in/money out, but perhaps not the bigger picture of what they get for their money...//

The other code under “IT’S THE INDUSTRY” is “**it’s the occupations that they are in**”. This is a similar argument to industry, in that people are saying the reason why women are paid differently is because of where they work, but the discussion goes further on occupations. Comments from interviewees relating to occupations varied as can be seen below.

//...the industries and occupations in which men are concentrated relative to women are involved with higher over-award payments which may reflect union activity, or may simply reflect market forces...the two sexes don’t choose to distribute themselves across occupations in an identical way...//...there’s the fact of equal pay for equal work has not worked in the sense of improving women’s conditions up to the standards of men, because of women being concentrated in so many areas of occupations which, in many respects, men have abandoned. Education is a particular one I suppose...//...My primary view is it’s the occupations that they are in...//...women occupy, or tend to occupy positions that are not as well paid...//

As shown in Appendix 4, Table A-3, the ‘**public sector**’ is an industry where more women are employed than men. As interviewees pointed out, women predominate in certain public sector occupations, particularly nursing and teaching, which interviewees perceived as being paid less relative to other, similarly qualified, occupations. Essentially interviewees were saying the public sector was different, that it was not a ‘free’ market.

*//...by definition, you know, there often isn’t a market, or, a market is different...//...that’s a public funded industry and the government is just not going to pay higher wages...over and above the market rate.
Researcher: Market rate? There’s a market rate in the public sector?
Interviewee: Well, they’re going to pay the minimum they can get away with...//*

According to interviewees, normal forces of demand and supply are unlikely to operate (at least in the short term) to affect public sector wages. In an example of this a public sector employer representative interviewed claimed that pay equality will be difficult to

achieve in the public sector, because of the large numbers employed in occupational groups where women represent a large proportion of the workforce e.g. nurses and teachers.

You've also got to take into account that... [in] the public system where there are large numbers of females employed it's unrealistic to consider that they are going to throw money at trying to fix the pay disparity between males and females...just one percent on some of these public areas is worth millions of dollars, given the size of the workforce.

(Interview with employer representative E)

From an economic theory point of view this is probable evidence of monopsonistic power in the public sector. As discussed in Chapter 3, Sections 3.1 and 3.3, monopsonies exist where the potential employee has very little or no alternative in employer. The employer is a monopoly buyer of labour. The occupation the employee wants to enter is employed, or (in the case of child care) funded, mainly by one organisation (i.e. government) in the geographical area. The same would apply to teaching, with even non-government teachers' wages being affected by the wages paid in the government sector. In the case of women, this is exacerbated by restrictions on their ability to move to gain employment because of their family responsibilities and the jobs of their partners. This means the employer has more power over the worker than normal and can set wages lower than the market rate would have been (Norris 1993:157-159).

Wage data collected for this thesis (detailed in Appendix 4) indicate that the treatment of public sector wages over the period 1990 to 2003 possibly contributed to gender wage inequality and that this may be related to monopsony. The public sector clerical and administrative classifications had the worst wage outcomes of any of the occupations studied over the period 1990 to 2003. Public sector clerical and administrative classifications studied in Western Australia and in the Australian Public Service gained a 31 per cent and a 39 per cent increase respectively in their wages between 1990 and 2003. This compared to the male-dominated occupations studied that had increases closer to 100 per cent (detailed in Table A-4 in Appendix 4). Of the areas studied, it appeared that successive Western Australian and federal governments had been the most successful employers in restraining wage increases during the period 1990 to 2003.

This same government restraint may also have affected the wages of child care workers which were also influenced by government funding and policies. However, child care outcomes were better (a 43 per cent increase over the period 1990 to 2003 for Victorians, 51 percent for Western Australians). In the case of Western Australian qualified child care givers this was as a result of the minimum rate adjustment case which tied them to Western Australian government teachers after 1993. Female-dominated government teachers in both Victoria and Western Australia achieved better increases in bargaining with the government than other public servants, but relatively poor outcomes (a 50 per cent increase over the period 1990 to 2003 for Western Australian, 59 per cent for Victorian teachers) when compared to private sector male-dominated areas studied.

Interviewees highlighted certain public sector occupations. A union official talked about the wages of nurses compared to police officers.

[W]hen you compare an entry level nurse, following a degree course, with an entry level policeman, following a 12 months diploma at the Academy, the wages are significantly different. \$31,000 versus...I think \$37,000 the policeman gets. (Interview with union official A)

As a union official pointed out there is another economic side to why nurses and teachers get less money, or are valued less, than other occupations, that it was voluntary work previously.

I suppose in those traditional...female-dominated workforces like nursing, caring, education...traditionally a women's role started off as a volunteer. Especially in school support...they actually formalised it in permanent positions but even as late as...the late '80s...those women workers in the Education Department were way behind other women workers in other parts of the public service...their contribution was always undervalued because they were considered volunteers in those areas I mentioned. (Interview with union official L)

An interviewee talked about how cut backs in the public service in Western Australia during the 1990s had led to little or no recruitment, so women had been unable to move into jobs within their department.

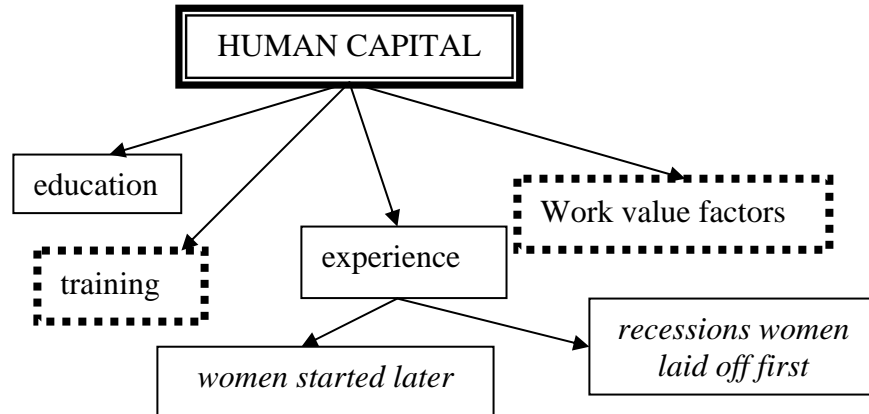
I think it's also happened across other industries and certainly government is that ... during the nineties there has been ...a lot of restructuring has happened in organisations so there hasn't been a lot of recruitment. (Interview with manager C)

Thus, according to this interviewee, gender segmentation in the public sector may have persisted due to lack of recruitment because of poor economic circumstances.

5.2.3 Economic Reasons: Human Capital

The classic 'HUMAN CAPITAL' factors of 'education', 'training' and 'experience' were raised by interviewees as contributing to the gender wage gap. This is shown in Figure 14 below.

Figure 14 - Economic Reasons: Human Capital



'Education' was seen both as an historical problem for women and possibly a continuing one.

//...in many families it was seen as inappropriate to educate girls to the same level as boys...//...Access to qualifications is another one. Those people who can afford the time to go and undertake additional qualifications...will gain some advantage...And once again it's probably true to say that men have a disproportionate access to that. Particularly in

relation to finance...and more importantly, had had a disproportion of access to it and had gained qualifications previous to the imposition of HECS...//

One interviewee felt education was not paid for in the same way if acquired by women compared to men: “*We have the same tertiary qualifications, we do the same work but we receive a lesser income.*” (Interview with union official Q)

On ‘**training**’ as a cause of pay inequality the comments are varied, but as can be seen in the comments below a common theme was that women missed out on training either:

- because they had less time to do it in because of family responsibilities; or,
- employers offered it to them less because of (perceived) family responsibilities.

Economists call this last type of problem statistical discrimination. As discussed in Chapter 3, Section 3.1.3, this is where employers make decisions on average expectations for a group rather than looking at the individual case (Arrow 1972).

However, as can be seen from the final comment below, at least one mining manager thought that this type of discrimination, on training at least, no longer existed in his firm.

//...the focus by companies and management teams were on training and their recruitment processes, although maybe not consciously, but sub-consciously, actually favoured one sex over the other...//...lack of, or restricted access, to either, family-friendly practices in the workplaces to allow access to training or reduced access to training, because of family commitments...//...I mean why don't women get trained in the mining industry, other than truck driving? Because there is a perception that they're not going to stay...//...We don't see any evidence of that. Our mine operations training system is run by a female superintendent and working for her is one female training coordinator and three male training coordinators. So those systemic barriers in our case I don't think exist...//

‘Training’ is also a connector between different categories of reasons – to ‘PSYCHOLOGICAL ATTRIBUTES’, specifically ‘Employers’ attitudes, beliefs and values’. As discussed earlier this connection is shown in Figure 14 by the box for ‘training’ having a dotted border.

‘Experience’ is another area that the economists count as human capital and recognise as affecting wages. There is also a clear link into the economic “DIFFERENT LABOUR MARKET BEHAVIOUR” category: ‘family responsibilities’ discussed below. Family responsibilities limit the amount of women’s experience in the labour market and thus their economic value or wage.

//...the experience factor is also important...//...If you’re around all the time though, you might have the opportunity to be promoted quicker and so forth. So though, where I’ve been...[here] ten years, they might have been here that length of period, but they’ve only actually worked six... Not necessarily lower work experience, but the fact that they go out of the workplace...and they miss the opportunities...//...it’s post-training experience as well...//...the types of work experience - periods in and out of work...//...I think the major one for me is the probable interruption to the career structure and the career stream for family responsibilities. I think that has a big impact. I think in Australia we still pay...a lot of payment is based on tenure and apparent experience rather than skills used and performance...//...women probably remove themselves out of the higher paid type of career path options going into family life and as a consequence, don’t have the same degree of experience to move higher up the corporate ladder...//

A union official had an interesting point of view when he discussed what type of ‘experience’ should be valued in ‘Promotion’ (see ‘NATURE AND NURTURE REASONS’ for more on ‘Promotion’).

[W]hen you are selecting a candidate, a component of that selection would be experience...[for] promotional positions...The question is the balance. In the information that we give out to selection panels or...members who might find themselves on selection panels we say that yes, experience is important but, you should value a broader range of experiences...So, whilst a person is out of the...[work] situation raising a family they may well be involved in...community programmes or whatever where they are

also gaining experience which would be valuable. (Interview with union official P)

This also relates to one of the comments above when a manager said people tended to pay on apparent experience, rather than skill and performance (Interview with manager B). The type of experience valued affects women's job and promotional prospects.

Historically women's experience was also reduced by the fact that '**women started later**' as interviewees pointed out.

//...it probably stems from, from history ...women generally have hit the workforce later than men...//...there will be some time before they actually move through the organisation...//...the males were paid more but that was simply because the males had been there for 5, 10 to 15 years and the women had been there for 3 years or something...Fresh out of uni and things like that and so simply didn't have that experience or ability to be up on that same level of pay, but that was just a question of timing...//

A commissioner also pointed out that historically in '**recessions women** [were] **laid off first**'. He saw this as having been a natural choice when an employer contrasted the situation of a woman with a husband, or without children, with a married man with children, or even a single man. He said women were and perhaps continue to be:

...more vulnerable, they're the second wage earner, or they're seen to be expendable. You know, let's face it you've all got a second job. You can all get married! You know that! You know that's the mentality that still, you know, I think, permeates a lot of society. (Interview with Commissioner B)

First round interviewees were directly asked, when involved in work value cases, what '**Work value factors**' were used to compare wages. Similar themes of skills, education or qualifications, experience and responsibility were identified by interviewees.

//...autonomy on the job, skills...//...length of training; responsibilities, like supervision; the hierarchy, who's in charge of them; as they work what conditions they work under...//...the commission set that really itself ...the primary focus was training and qualifications...skills has always been the most important thing...training was just another way of saying

skilled in an objective way...//...comparison with other occupations requiring similar formal qualifications, similar experience and similar responsibility...//

Thus 'Work value factors' used by industrial relations commissions include 'HUMAN CAPITAL' factors as well as responsibility and working conditions. Later, in Section 5.3.4, interviewees' comments on 'Work value factors' are discussed in relation to 'INDUSTRIAL RELATIONS REASONS'. Comments coded under 'HUMAN CAPITAL' indicate that interviewees believe human capital formation is also connected to 'NATURE AND NURTURE REASONS' and this is discussed in Section 5.4.1.

5.2.4 Economic Reasons: "Different Labour Market Behaviour"

The next major category under 'ECONOMIC REASONS' is "**DIFFERENT LABOUR MARKET BEHAVIOUR**" shown in Figure 15. An employer representative said that his organisation regularly used an economic paper (Nevile & Tran Nam 1992) in evidence in the AIRC that explained:

...the different labour market behaviour of many women in relation to such things as the types of qualifications, the types of work experience, periods in and out of work, motivation of all kinds was the primary reason, overwhelmingly, for the different earnings. (Interview with employer representative B)

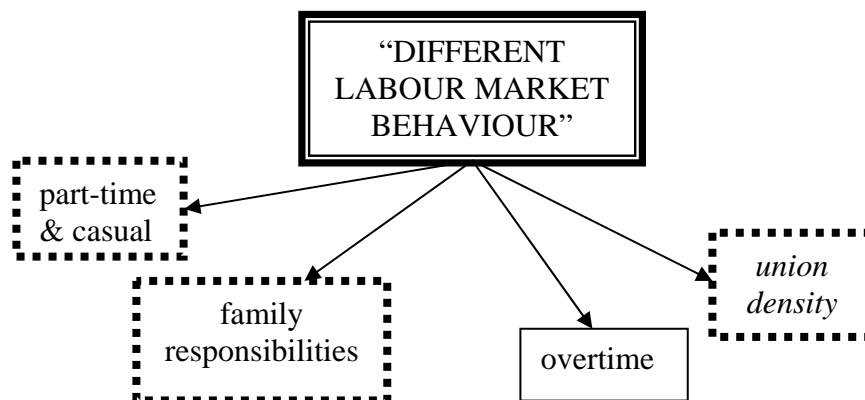
Other interviewees agreed that there were differences between men and women in the labour market (in working 'part-time and casually', in 'union density', in 'family responsibilities' and in 'overtime'). These were coded under "**DIFFERENT LABOUR MARKET BEHAVIOUR**" as shown in Figure 15.

Interviewees said women were more likely to work **part-time or casually** because of 'family responsibilities' and that the wage earned was likely to be the second household income. When asked why women and men are paid differently, this was part of their answer:

//...there's a great preponderance in terms of the total number of women who are part-time and casual than there are men who are part-time and casual...//...rate of women in casual and part-time jobs is higher than

male workers...//...women occupy, or tend to occupy positions that are not as well paid. And that are in female-dominated industries that can be predominantly casual, part time...//

Figure 15 – Economic Reasons: “Different labour market behaviour”



Interestingly the female and male-dominated occupations studied had different outcomes for their part-time and casual workforces. As demonstrated in Table 18, the selected female-dominated classifications were much more likely to have people working part-time and (looking at the data in Appendix 4, Table A-4) the classifications where most people were likely to be working part-time were also relatively the least well paid.

Table 18 – Proportion Working Full-time in Occupational Areas Studied

Female-dominated Occupations	% Full-time	Male-dominated Occupations	% Full-time
Primary teachers	71.6	Metal fitters	97.7
Secondary teachers	81.7		
Teachers overall	71.7		
Child care givers	49.3	Truck driver	91.6
Shop assistants	34.6	Building trades labourer	82.1
General clerks	65.2	Miner	96.9
Public Service overall - Fed	91.0		
Public Service overall - WA	72.0		
Health Dept. WA	50.0	Main Roads Dept. WA	98.0
Health & Ageing Fed.	83.0	Transport Dept. Fed.	94.0

(Sources: JobSearch 2004; Dept. of Premier & Cabinet 2003; Australian Public Service Commission 2003)

However, the relationship was not perfect. For example, in the wage data studied, apart from public sector clerks, private clerks had the lowest rate of increase in wages over the period 1990-2003. However, the proportion of people working part-time as clerks was only 45 per cent in 2003 (Job Outlook section of Job Search 2004), whereas child care workers were much more likely to be part-time (60.4 per cent in 2003) and were paid better. However averaging may cause some of this difference. Interviewees said that the qualified child care givers were better paid than unqualified carers and more likely to work close to full-time, or full-time (Interviews with employers A & C). Unqualified child care workers were also more numerous than those qualified, probably skewing the data. Similarly, the ABS category of general clerk used by Job Search (2004) can include a large range of classifications.

Women dominate both part-time and casual employment in Australia (ABS 2003b). So is it the part-time or casual nature of their employment that leads to lower wage outcomes, even for those working full-time in the same occupation, or is it because women work in these occupations that they are both less well paid and more likely to work part-time?

When the male-dominated occupations are examined more closely, it becomes apparent that, while men might be working full-time in mining and construction, their employment is often casual, either through varying shifts, or through short contract jobs. Yet, in relative terms, these occupations were very well paid compared to other male-dominated occupations, as well as female-dominated ones. In these industries employees were compensated for the casual nature of their employment. For example, in construction this involved extra allowances such as those for redundancy and portable entitlements for long service leave, not included in the wage case figures (Interview with employer representative F). In this and other male-dominated industries, employees were paid shift payments that were also omitted from the wage data (detailed in Appendix 4) as these varied according to the individual. Construction was the most extreme example in terms of extra entitlements and payments, as an employer explained:

[L]oaded on top of the union EBA is superannuation payments in excess of \$100 per week, redundancy payments in excess of \$70 a week; site allowances which can add up anywhere between \$150 to \$250 a week per

man, so those site allowances alone can be just devastating in labour costs. Then you have trauma insurance, income protection which is about \$10 per worker per week on top of all the other bits and pieces. Then you have to pay into the union training levy... (Interview with employer representative F)

The question of choice also comes in here. While one interviewee (Commissioner A) said women want to work part-time, how much **real** choice is there? It would seem, however, that interviewees think it is because “*it is still the case that women bear the vast bulk of the responsibilities in...*” housework and caring for children. When they do paid work, it is perceived that women ‘choose’ to work part-time more often than full-time (Interview with union official R). Another interviewee agreed. She talked about:

... people’s opportunities sometimes dictating where they have to work.
Researcher: *Do you think that’s more for women than for men?*
Interviewee: *I think so, because, you know, more often than not...women may be the primary care givers if they have children. Or if they have ... elderly parents that they look after...and that may dictate where they can work, how many hours they can work and what sort of hours they can work. So...the choices are more difficult for many women who have to work.* (Interview with union official F)

As discussed in more detail in Section 5.4.3 under ‘*personal choice in occupation*’, women’s choice of where they can work and of working hours, was seen by most interviewees as a constrained choice, constrained by nature and nurture factors - social and cultural influences associated with biology and having children. The ‘part-time and casual’ nature of predominantly women’s work also affects ‘Union membership’ as discussed under ‘INDUSTRIAL RELATIONS REASONS’ in Section 5.3.1.

As shown above in Section 5.2.3, interviewees believed women’s ‘**family responsibilities**’ affect their ability to obtain ‘training’ and ‘experience’. They also commented on women’s ability to obtain ‘**overtime**’ and shift work at penalty rates.

//...family and community responsibilities...It is still the case that women bear the vast bulk of the responsibilities in those areas. And therefore...

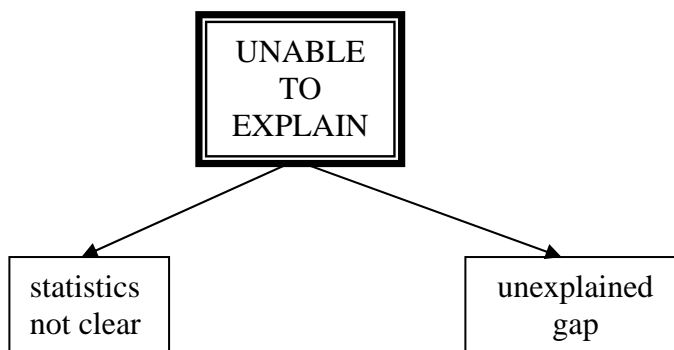
they are, by virtue of that, not as available, perhaps, as male employees, for access to overtime rates of pay, shift work, things of that sort, so there can be a skewing of actual rates of pay as a result ...//...Hours are much more deregulated these days and women just don't get the opportunity to do overtime when you've got childcare responsibilities. If it's not children, it's parents or other responsibilities ...//...females are not as available as males to be able to work that overtime because of their preparedness to commit themselves at a higher level to their family responsibilities than the male partner does...//...if you've got two people working the same job but women getting less wages, it's usually because of their family responsibilities: not having access to be able to work longer hours, the shifts, the overtime etc, in the same way that many men can...//

'Union density' is discussed more fully under Section 5.3.1 on 'Union membership'.

5.2.5 Economic Reasons: Unable to Explain

The final major category under 'ECONOMIC REASONS' is '**unable to explain**'. This, as shown in Figure 16, covers two categories where interviewees referred to 'statistics not [being] clear' and what economists' term the 'unexplained gap'.

Figure 16 – Economic Reasons: Unable to Explain



In remarks coded under '**statistics not clear**' an employer representative talked about the difficulties of separating out the influence of absorbing overtime and penalty, or weekend rates into ordinary time pay and differences in hours worked when comparing award and agreement rates.

I wouldn't be surprised to hear it [average weekly ordinary time earnings] was not distorted because of the mining or the remote industries where high average earnings for all the traditional penalties of condensed work, being away from home above 40 hours a week in most cases would distort any figure around ordinary time... (Interview with manager E)

Under many agreements, particularly in the mining industry, penalty and overtime payments have been absorbed into an annual rate. This may lead to some over-counting of male ordinary time pay compared to previous award rates. When looking at the wage rates analysed for this study, hours were also collected. However, weekly rates were used when comparing wages rates of different classifications rather than hourly rates as the reader tends to relate more to a weekly than an hourly or annual rate.

The only area where significant differences in hours affected the wage rates reported was in mining. In the company studied, miners worked an average of 42 hours per week for their pay. The great majority of other awards and most agreements had hours at 38 per week or 37.5 per week. Table 19 compares hourly and weekly rates for key occupations in 2003. Beginning teachers were included as well as top of the range teachers to give a feeling for how skilled occupations compared to the relatively unskilled miner.

Table 19 – Comparing Hourly Rates for Selected Classifications - December 2003

Classification	\$ per hour	% Metal Trades hourly rate	\$ per week	% of Metal Trades weekly rate
Grade 1 clerk	13.04	64.0	495.60	64.7
Level 1.5 teacher	19.28	94.6	731.32	94.4
Metal tradesperson	20.38	100.0	774.41	100.0
Level 2.3 teacher	28.27	138.7	1074.10	138.7
Public sector Level 6	30.44	149.4	1156.67	149.4
Miner	32.25	158.2	1354.35	174.9

(Source: Western Australian Industrial Gazettes; shading indicates use of agreements instead of awards)

Clearly, when looking at hourly rates, the miner earned slightly less relative to other occupations than in the weekly rate comparison shown in the last two columns of the table. The miner's relativity to the metal tradesperson dropped to 158.2 per cent from

174.9 per cent weekly relativity. However, miners were still paid more per hour than any other classification studied, with the closest being Level 6 public service employees at \$30.44 per hour, compared to \$32.25 per hour earned by miners in the company studied.

On the ‘**unexplained gap**’ an interviewee said:

I don't think the economic variables do account for anything like 100 per cent of relative pay. I mean to suppose that they did is to turn your face on the experience of the 1970s with female pay increasing substantially, not because of any factors that people identified in the supply/demand situation, but because the commission said females have got to be paid more. (Interview with Commissioner C)

Consistent with the influence of outside social and political forces, during the AIRC's 1972 equal pay for work of equal value decision (149 CAR 172) submissions in favour of equal pay for work of equal value were made by both the National Pay Equity Coalition and the federal government.

5.2.6 Economic Reasons - Summary

This section has shown that interviewees did have strongly held perceptions that economic reasons explain at least some (and for some interviewees nearly all) of the gap between men's and women's wages. The view that economic reasons explain some of the gap is certainly supported by the literature, as reviewed in Chapter 3, Section 3.2.1 and the literature has, to some extent, quantified this contribution.

However, it is clear that interviewees perceive some connections for economic variables (such as training, union density, work value factors and family responsibility) to less quantifiable industrial relations and social or cultural issues. These connections, it is felt, may contribute to why economic measures explain some of the wage difference – to why women are less available in the paid workforce, why statistical discrimination exists and why women and men experience different ‘treatments’ in awards, agreements and employer offers of training and experience.

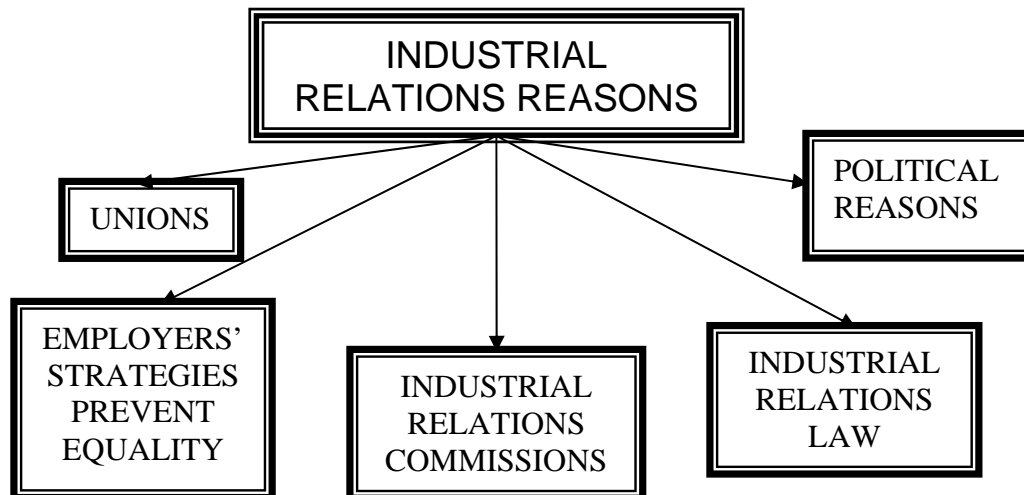
In other words interviewees perceive that women have less desirable qualifications and less training and experience because of social and cultural values about women's role in society and the workplace. Thus the economic studies reported in Chapter 3, Section 3.3,

are also picking up manifestations of social and cultural, or non-economic variables when they analyse the aggregate quantifiable information.

5.3 INDUSTRIAL RELATIONS REASONS

Another super category of reasons given by interviewees for pay inequality was termed ‘INDUSTRIAL RELATIONS REASONS’. This is a very large grouping and was further divided into major categories: ‘UNIONS’, ‘EMPLOYERS’ STRATEGIES’, ‘INDUSTRIAL RELATIONS COMMISSIONS’, ‘INDUSTRIAL RELATIONS LAW’ and ‘POLITICAL REASONS’ as shown in Figure 17.

Figure 17 - Industrial Relations Reasons



Most of the ‘INDUSTRIAL RELATIONS REASONS’ given are about the processes of the industrial relations system and thus **how** the values of society and individual participants in the industrial relations system were translated into unequal pay for women. They explain the processes by which these values are transmitted into wage outcomes and are thoroughly grounded within the mechanisms of award and agreement determination. Thus the wage data studied (and detailed in Appendix 4) provides much context for this section.

5.3.1 Industrial Relations Reasons: Unions

As shown in Figure 18, a number of different categories are grouped under ‘UNIONS’ and a

number of different codes are grouped under each category. These include comments coded under: 'union strategies', 'Internal union processes', 'Union membership' and 'Union power'. Note that 'Union membership' is another variable used in the econometric studies reviewed in Chapter 3, Section 3.2.1.

'**Union strategies**' discussed by interviewees included '*pattern bargaining*', or bargaining for the same enterprise bargaining agreement (EBA) in each enterprise. This is a feature of the construction industry. When asked about the fact that many Western Australian construction EBAs appeared to be exactly the same a union official said:

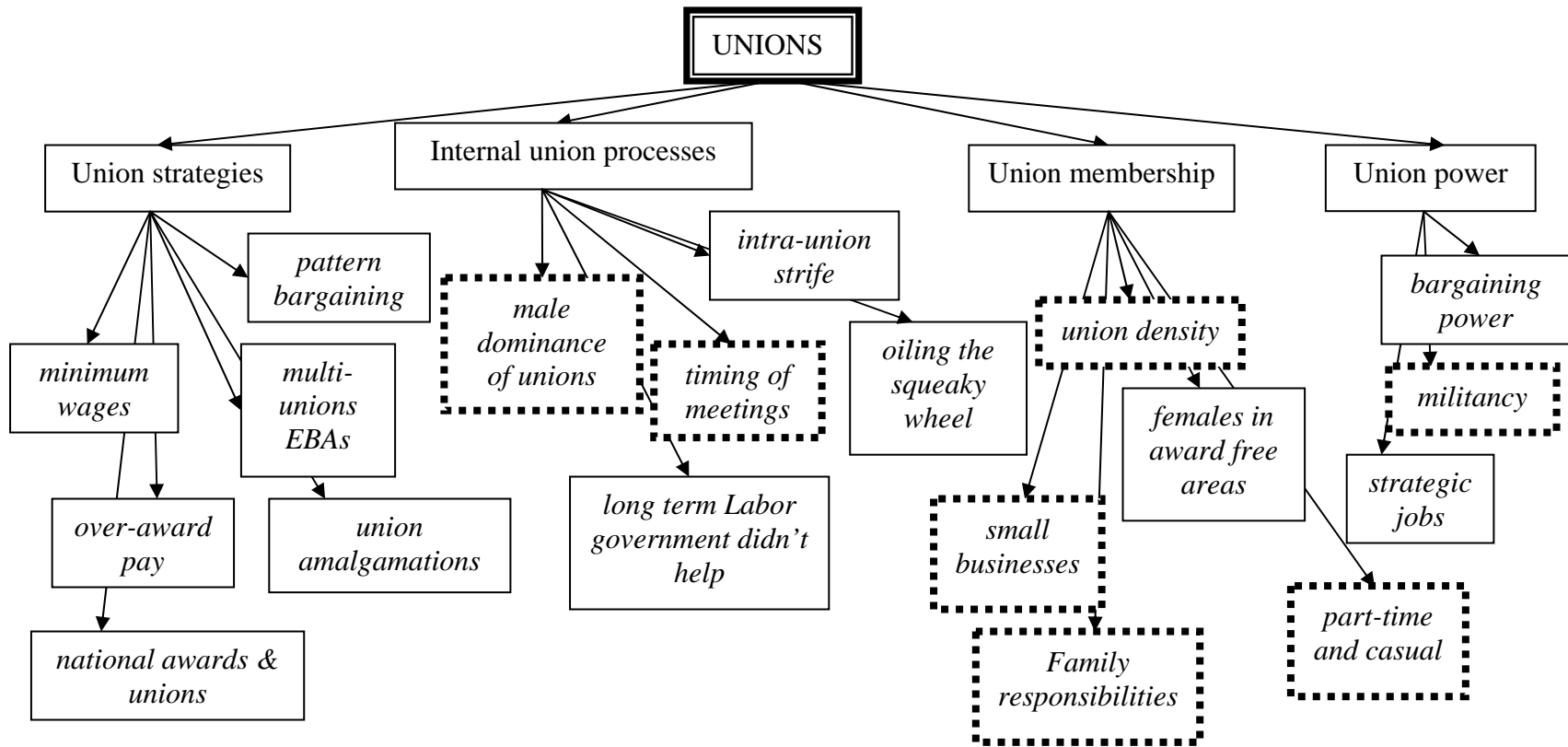
...it's pattern bargaining, there's no question about that in the union and the union never resiles from that. In fact that was part of the code between employers and the union. I mean an employer would say why should I sign up if someone else is going to undercut me? So the onus is then on the union to ensure that people signed up so that there was a level playing field. (Interview with union official G)

Similarly the transport and metal workers employment areas studied sought the same pay increases, if not identical clauses, across enterprises in their EBAs and this is evident in the wage data given in Appendix 4.

'**Multi-union EBAs**' is a union strategy that was a feature of enterprise bargaining, particularly early on, in the male-dominated EBAs studied and a few EBAs for private clerks in Victoria. Where weak and strong unions worked together, more could be achieved for the former.

Unions also sought '*over-award pay*'; created '*national awards and unions*'; increased '*minimum wages*'; and initiated '*union amalgamations*'. This last strategy did not assist women in the clerical areas, particularly in Western Australia, as discussed by more than one union official:

Figure 18 – Industrial Relations Reasons: Unions



//...I don't think...the amalgamation process of the union worked...there was a perception from the old Clerks' side of things that we were being starved and all those sorts of things...//... that used to be a separate union, merged with other unions ...and there is still an ongoing major internal debate in that union about the allocation of resources between the different divisions...//

As explained by these officials, the Federated Clerks Union was amalgamated with the Municipal Officers Association to form the Australian Services Union in the early 1990s. This brought a female-dominated union into a union mainly looking after male-dominated areas in local government and the air industry.

'Over-award' pay (or payment in excess of the award, usually through unregistered informal agreements and more common before enterprise bargaining was introduced) was seen as a union strategy more likely to be found in male-dominated areas (Interview with union official F).

Interviewees were asked about **'national awards and unions'**. Of the awards and agreements studied only the male-dominated areas were national, both in award coverage and in union practice. Female-dominated employment area awards and union branches all tended either to be specific to Western Australia or to Victoria. Interviewees sometimes felt a national approach to be useful as a bargaining tool and sometimes that a state approach was more valuable, so no conclusions could be drawn about effects on women's wages.

The last 'Union strategy', increasing **'minimum wages'**, was seen as useful by peak union bodies to ensure that women, who tend to work more in minimum wage jobs than men, receive at least enough for a living on minimum wages. A union official said *"I think we can do more in the area of pay equity by moving issues across the board, than we can by just looking at single cases."* (Interview with union official A). 'Minimum wages' are discussed further under 'POLITICAL REASONS'.

'Internal union processes' were also seen to militate against pay equality. Interviewees talked about how **'male dominance of unions'** had not helped in ensuring that women became members and that their needs were addressed when they were members.

//...in my union situation the union was dominated by men. I had some fairly significant fights...to get enough resources to get our...[female] membership up to a satisfactory level so they could actually participate in the union...They [the male members] absorbed a lot of our resources and in my view had had more than their fair share...//...the cultural tradition of this for the union movement, still, though changing, tends to be dominated by a WASP and add male to that...So you've got a tendency for well unionised workforces to be the ones that get the attention. Now, even within that I have my doubts that women's interests have been accurately reflected...//

Interviewees (union officials) agreed that their efforts tended to be mostly within the membership areas that were already well organised, active and vocal; in other words that unions are often “**oiling a squeaky wheel**”.

//...I regret to say that enterprise bargaining has and did and still does, dominate in relatively well organised workplaces...//... I'd have to say when it was predominantly a male-dominated union, the squeaky door got the oil...//...it's an issue of under-resourcing but I also think it's a strong issue of oiling a squeaky wheel. We don't have members, they won't damn well go out on strike even if we do have members so we're going to look after this bunch over here, these are really great blokes, they'll go out on strike and they'll take us down the pub...//

'Intra-union strife' was said by officials from two unions to have distracted their unions from the business of gaining wage increases for their female members.

//...At the end of the day it was just the politics of it all...[for] three or four years...it was just about [an] unworkable environment in terms of the organisation operating properly...//...There were internal union problems ...which meant that they were slower in terms of...being able to access the federal arena or able to pursue things like that, so what that meant was that there was significant periods of wage stagnation...//

'Timing of meetings' (after working hours) was seen as a union process that could discourage women from being active union members.

...there were norms within the structure, for instance, of our union office that actually didn't encourage or make it easier for women to participate ...its membership was predominantly female, the workforce of the...union was exclusively male, with the exception of the receptionist. The meetings were actually held on a weeknight at 8.00 at night...So I proceeded to investigate why we had that imbalance. And in speaking to what were quite active women at the workplace in union roles, they were physically prevented from coming to the meetings, because they had other responsibilities. (Interview with manager A)

(See further discussion of this under 'Cultural reasons' in Section 5.4.1.)

A union official explained that the skills of union officials in the early 1990s had been affected by having *'long term Labor governments'*. These governments had made deals with unions at peak levels, negating any need to bargain at the workplace or agency level and many union officials no longer possessed the necessary skills when enterprise bargaining began. A manager interviewed pointed out that one of the problems was:

...the change of government to a Liberal National Party government. The union movement in my view generally didn't handle that well. It had in many areas, certainly the government areas, become quite dependent on a Labor government for 10 years, where the deals were done between the Labor Council executive and the Minister of the day. And they therefore had lost some of the skills in these areas. (Interview with manager D)

Related to all these categories is the issue of **'Union membership'**. Increasing *'union density'* or membership in female-dominated areas of work was held to be a possible solution to pay inequality (Interview with government official A). However, high *'union density'* did not necessarily result in high relative pay outcomes among the wages studied. The primary example of where this operated was in the public sector. While the public sector had the highest union membership of all Australian industries over the 13

year period (detailed in Appendix 4, Table A-7), observed public sector wage increases in the selected classifications were the lowest of all the wages studied.

ABS figures on union membership by industry (Appendix 4, Table A-7) do indicate that union membership was low in some of the other female-dominated areas studied, for example the retail industry, but not in education where membership was second highest at 42.7 per cent in 2002. The union membership of clerical workers is much harder to estimate for, as employer representative B put it: “[a] clerk is not an industry in itself and there will be spatterings of clerical people across all industry groups.” This fact also makes them hard to organise. Child care workers work in the health and community service industry which, on the face of it, had a relatively high union membership of 30.7 per cent in 2002 (see Appendix 4, Table A-7). However, it is very doubtful that this was reflected in (private sector) child care. The relatively high membership figure probably came from the public sector part of the health and community services industry.

Conversely, in the male-dominated employment areas studied, only the transport and storage industry (covering drivers) had union membership rates comparable to health or to the education industry at 36.6 per cent in 2002. The construction and manufacturing industries (building and metal workers) were much lower at 27.3 and 27.7 per cent respectively. The mining industry had only 28.7 per cent ‘union density’, yet much higher wages.

‘Family responsibilities’ (also discussed in ‘ECONOMIC REASONS’ – “DIFFERENT LABOUR MARKET BEHAVIOUR” as affecting training and experience) were seen by interviewees to affect active ‘Union membership’ such as participation in meetings:

Women are harder to organise on one hand because they juggle so much ... most of them still have primary responsibility for family. They’ve got the kids to pick up, they’ve got a hundred things to think about and they usually take all that on, plus their work...they have more difficulty in committing to coming to meetings etc. and what you need to do is structure your organisation around them having to do as little of that as possible...we do a lot of e-mail driven campaigns now. (Interview with union official N)

The ‘*part-time and casual*’ code is shown here as well as under ‘ECONOMIC REASONS’ because an interviewee saw this as affecting women’s ‘Union membership’ and the way they were looked after, if they were members. When workers are part-time or casual they are hard to organise as union members and if only a few are full-time, unions find themselves with less membership density and thus potentially less bargaining power unless jobs held by full-timers are strategic.

An interviewee had worked for a union that:

...had a lot of female membership. A lot of female, casual and predominantly part-time membership in sectors like hospitality, catering and that kind of sector ... the labour-intensive service sector. I saw... the problems of organising that kind of labour force where you had very high levels of turn-over; a labour force that worked shifts. There were a whole range of institutional reasons which, with the best will in the world, it was very hard to overcome. (Interview with government official A)

Interviewees also felt that part-time members were easier for unions to ignore:

What I’m saying is that you can have a very unionised workforce but because of segmentation of women’s participation and their predominance in part-time and casual engagement in a well-unionised workplace, they might be union members, but it doesn’t mean their issues get picked up. (Interview with union official R)

‘*Small businesses*’ and indeed, small occupations (already discussed under ‘ECONOMIC REASONS’: “IT’S THE INDUSTRY”) appear here again, as the fact that women tend to work in these areas affects unions’ ability to organise women.

//...A lot of the female professions for us, like podiatrists and others, were very small. So it actually cost us money to look after them in some ways...//...the old Miscellaneous Workers Liquor, Hospitality and ... have got awful problems, partly because of low unionisation rate, partly by having a whole host of small employers who are very difficult to deal with...//

'Bargaining power', *'militancy'* and *'strategic jobs'* were grouped under **'Union power'** as these factors were the main sources of union power mentioned by interviewees. It was felt that men were inclined to *'militancy'*, to hold *'strategic jobs'* and thus to have more *'bargaining power'*.

'Strategic jobs' were jobs such as grano workers who work on concrete pours for large buildings. There is very little skill in the job; workers are easily recruited; yet this becomes a strategic job giving construction unions considerable power over the employer when a concrete pour is being conducted (Interview with employer representative F).

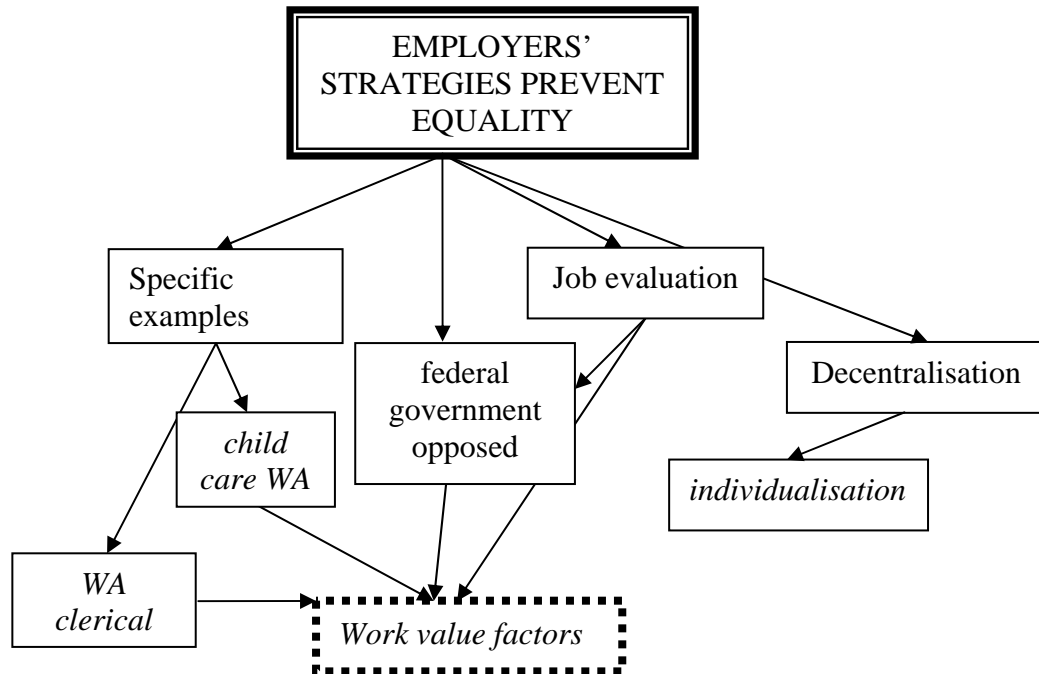
Again, 'Work value factors' could have been brought in here and that is because at least one interviewee (Interview with union official A) felt that the commission's work value assessment of members' jobs had been affected by their ability to take strategic action. *'Militancy'* is shown as a connector in Figure 18 and discussed in most detail in Section 5.4.3 under 'PSYCHOLOGICAL ATTRIBUTES'. Bargaining power clearly also relates to *'militancy'* and both relate to *'union density'* discussed above.

5.3.2 Industrial Relations Reasons: 'Employers' Strategies Prevent Equality'

Figure 19 below shows the categories grouped under **'EMPLOYERS' STRATEGIES PREVENT EQUALITY'** and their codes. These were 'Specific wage case examples', 'federal government opposed', 'Job evaluation' and 'Decentralisation'.

Interviewees talked about the **'federal government...'** as an employer, resisting pay equality for female public sector employees during the 1980s (as also detailed in Chapter 2, Section 2.3.1). **'Specific examples'** included the *'WA clerical award'* restructuring case where the employer representatives were very effective in delaying increases leading to Western Australian private clerks being paid less than those elsewhere; and *'child care [in] WA'* where employers suggested linking child care to teaching instead of metal trades work which may have had the effect of decreasing possible wage increases. The child care example is detailed below in Section 5.3.4 under 'INDUSTRIAL RELATIONS LAW', 'minimum rate adjustment'. It is also relevant to the code *'individuals' personal values affect results'* in Section 5.4.1.2.

Figure 19 – Industrial Relations Reasons: Employers’ Strategies



In the ‘*WA clerical award*’ case, after the Western Australian clerks’ main award, the Clerks (Commercial, Social and Professional) Award was restructured, the pay structure stopped at three grades. This was instead of adding another three grades to create the six-grade structure achieved in most other Australian states. An employer representative involved said “*we didn’t like that structure and there were many counter-proposals and alternatives put. It ultimately ended up in arbitration...*”(Interview with employer representative B)

The other concern the employer representative raised was that going to six grades extended the coverage of the then Federated Clerks Union into the managerial and administrative area and their constitution did not allow for that. According to employer representative B, it was because the Federated Clerks Union’s constitution in Western Australia did not cover the more highly skilled clerical workers:

Our position is...for the Clerks Union to be maintained under their rules ...not to go beyond that...under the federal rules they can cover the CEO, under state laws they cannot. So we certainly had an issue with the extent

to which they could in their current form pursue anything further.

(Interview with employer representative B)

‘Job evaluation’ was seen by interviewees as another technique used by employers and managers, particularly within the public sector, that had mixed value for women. This was discussed in detail with the literature in Chapter 3, Section 3.2.3.

All the above categories were seen to connect to *‘Work value factors’*. The specific examples and the federal government employment areas referred to above, involved assessing work value before assigning a wage. ‘Job evaluation’ is a method of assessing work value although, according to Short (1986), one that was rarely used by the commissions to set wages, but rather by employers within the firm or organisation.

‘Decentralisation’ was something interviewees saw as affecting Western Australian women badly:

//...We had moved away from CPI indexation in the mid-80s to award restructuring and enterprise bargaining. You can see it as a progressive decentralisation... people [who] tend to have less bargaining power...will tend to do less well in a decentralised than a centralised environment where the increase is automatic...//...It's decentralisation in Western Australia...//

Analysis of the wage data that provided context to the interviews certainly confirms this view. The data in Table A-4, Appendix 4, shows a negative effect on the female-dominated wages studied compared to male-dominated wages studied over the period beginning in 1990, when decentralisation began to take effect, to 2003 when decentralisation was evident. The use of EBAs was particularly symptomatic of that decentralisation. All male-dominated areas studied had EBAs or Western Australia Workplace Agreements by 2003 (indicated by shading of relevant data cells in the Tables A-4 to A-6 in Appendix 4). Only female-dominated occupations, child care workers and Western Australia clerical workers, were still on centralised awards.

As shown in Table A-4, the Western Australian data (which are also the most complete and reliable) indicate that, over this period of decentralisation from 1990 to 2003, the female-dominated classifications studied had obtained a much lower increase (31 to 51

per cent) than most male-dominated classifications had received (90 to 228 per cent). The wage rates of the male-dominated classification, metal tradesperson, rose over the 13 year period by 97.5 per cent; the driver classification rose by 93 per cent and the building trades labourer by 125 per cent. For one male-dominated classification, dump truck operator/miner, rates rose by 228 per cent. The Western Australian Health Department Level 6 male-majority classification increased by 34 per cent and the Western Australian Main Roads Level 6, by 37 per cent.

In Western Australia, for female-dominated classifications, the highest increase was 52.5 per cent for a sales assistant, then 51 per cent for a Level 2.5 teacher and a qualified child care giver; then 45 per cent for a Grade 1 clerk; and finally 39 and 31 per cent for the female-dominated lower level public sector employees. (Somewhat oddly and not explained in published decisions, the female-dominated federal public sector health ASO2 gained 65.0 per cent.)

This outcome was really a success story for enterprise bargaining (which decentralised bargaining to the workplace) in the male-dominated classifications studied. As can be seen by comparing Table A-5 (giving wage rates for 1990 and 1993) and Table A-6 (giving rates for 1994, 1996 and 2003), the male-dominated classifications moved from award wage rates to EBA rates earlier and obtained higher wage increases from EBAs, than any female-dominated area. The only exception to this rule was in the more mixed public sector areas which obtained very little from their EBAs, as discussed above in Section 5.2.2.

Even when female-dominated classifications studied did have EBAs, these did not necessarily lead to higher outcomes. For example, teachers on EBAs still gained only a very little more (51 per cent) than private clerks (45 per cent) on awards, over the period 1990 to 2003.

‘Individualisation’, or the move to individual rather than collective agreements, again more prevalent in Western Australia, as discussed in Chapter 2, Section 2.4, was seen by unions as a push by employers against unionisation and as a source of pay inequality. For example, a Western Australian union representative felt that state’s lower relative pay for women was caused by individual contracts:

...that's one of those consequences...of deregulated labour market or the workplace agreement, that whole bringing in of workplace agreements to get people off awards, to get people...out of any sort of centralised bargaining process. Because whereas I still think there are problems with the centralised bargaining process I think that women tend to do better under those processes than they do under...individual contracts.
(Interview with union official S)

An interviewee saw using enterprise bargaining collective agreements as a more convenient strategy than using individual workplace agreements. The manager said:

It was a fair way to negotiate and the idea of actually going down that path and negotiating individually with 5 or 600 employees just well didn't seem sensible or a cost-effective way to do things. (Interview with manager A)

Another interviewee's firm opted for the individual agreements because it gave them more management control and continuity of supply to clients.

[I]ndividual contracts were originally used as a method for ensuring that we were able to guarantee our customers continuity of supply. While that in many areas has been interpreted as purely de-unionising that was certainly a side effect but the prime objective was to get back some management control and ensure continuity of supply. (Interview with manager E)

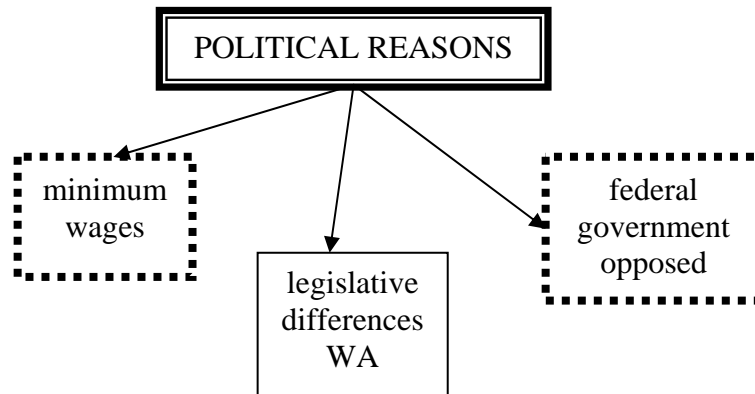
5.3.3 Industrial Relations Reasons: Political Reasons

Under the major category 'POLITICAL REASONS' interviewees' remarks are coded into categories on: 'federal government opposed', 'legislative differences WA' and 'minimum wages' as shown in Figure 20.

The low '**minimum wages**' set by the Western Australian Coalition government from 1992/3 to 2001 (see Chapter 2, Section 2.4) were claimed to have contributed to pay inequality, as women were disproportionately represented amongst those on minimum wages. Interviewees attributed Western Australia's wider gender pay gap to the level at which minimum wages were set during this period and felt it could be reduced by increasing minimum wages when the Labor government came to power in 2001.

//...WA has this lower minimum wage than the rest of Australia ...//... I think we can do more in the area of pay equity by moving issues across the board, than we can by just looking at single cases...//

Figure 20 – Industrial Relations Reasons: Political Reasons



Similarly interviewees felt ‘**legislative differences** [between] **WA**’ and elsewhere in Australia were a source of the larger pay gap in Western Australia. This was covered in some detail in Chapter 2, Section 2.4.5, but was also discussed during interviews so interviewees’ comments are detailed here. (Clearly this code could have been grouped under the ‘Industrial relations law’ category, but governments make laws and the differences between the federal and state laws were seen by interviewees as reflecting political differences.)

The AIRC and WAIRC operated under different legislation. As shown in Chapter 2, Section 2.2.9, this difference mattered, as the Western Australian legislation had no pay equality provisions until the *Industrial Relations Reform Act 2001* (WA).

Federal commissioners’ views on the use of federal provisions to review awards for discrimination (i.e. s.143(1C) *Workplace Relations Act 1996* (Cth)) were sought. One federal commissioner claimed that these provisions were rarely used and felt they did not help (Short 2001:17). Another federal commissioner, who had more to do with award reviews, said that, while adjustment for indirect discrimination in awards was extremely unlikely during AIRC award reviews, at least this encouraged the commission and the parties to maintain awards and keep them up to date. Apparently changes related to equal opportunity were more likely to be about language and removing clauses with

references to age or infirmity, than pay equity (Interview with Commissioner A). The commissioner said:

The [industrial relations] parties did look at direct discrimination in the form of language and provisions especially for women/people with disabilities; these [were] removed. Internal rates, relativities were not looked at. The test case discrimination clause was put into all awards. Age discrimination - rates of pay according to age were removed. There was no real examination of pay equity to my knowledge. (Interview with Commissioner A)

However, in Western Australia, award reviews only started in 2001/2 and then only on the request of the relevant Minister and through Western Australian government funding of unions to review awards, not through any legislative requirement (WAIRC 2003).

Section 40B of the *Industrial Relations Act 1979* (WA) gave the power for the WAIRC, like the AIRC under s.143(1C) of the *Workplace Relations Act 1996* (Cth), to review awards on its own motion. Western Australian awards beginning to be modernized in this process were, without exception, at least partially inconsistent with the *Minimum Conditions of Employment Act 1993* (WA) and often contained pay rates below the minimum wage (Short 2002b). The WAIRC called for submissions from the parties on what it should do under s.40B and summarised these submissions into a discussion paper (WAIRC 2003). The type of s.40B changes to awards suggested in the discussion paper (WAIRC 2003) were somewhat similar to those described by the Commissioner A in the comment above. Only one suggestion in the paper (WAIRC 2003) went further than changing discriminatory language and outdated discriminatory clauses. This was to revisit the Children's Services (Private) Award minimum rate adjustment, which may have been discriminatory, as discussed below in Section 5.3.4. Western Australian awards modernized under the new Act were also only going through the WAIRC very slowly, with many, at the time of writing, still bogged down in negotiation with employers (conversations with WAIRC officers and relevant unions: February 2005).

Federally, award reviews began in 1993 with the insertion of the relevant provision into the federal legislation (s.150 which was first inserted by the *Industrial Relations Reform*

*Act 1993 (Cth)) and continued to at least the end of 2003; and pay equity orders could be made for enterprise agreements under s.170BD of the current federal Act. In Western Australia, as at the end of 2004, there was no ability to adjust any type of agreement for pay equality under the *Industrial Relations Act 1979* (WA). According to a union official, legal advice given to Western Australian unions stated that the state wage fixing guidelines would make any changes to awards for pay equality impossible, without further legislative change.*

...one of the issues that came up is that from our interpretation of the wage fixing principles and our questioning of counsel is that the state wage fixing principles as they currently stand, in fact stand nationally, do not allow or facilitate the running of a pay equity case. (Interview with union official A)

Interviewees' remarks coded under 'federal government opposed' were discussed under 'ECONOMIC REASONS' and are also discussed here. This is because governments are reluctant, according to a commissioner, to spend money on the status of women until votes are likely to be lost through failure to do so:

History shows that too often the government of the day has declined to ruffle the comfortable majority by debating or moving on issues which, when viewed objectively, are issues which should be dealt with. The status of women, including the employment provisions which have operated to the detriment of women over many decades, is an example of one such issue. Until the voice of the community is so strong as to make an issue an electoral liability, governments will usually not allocate budgetary support to issues. (Interview with Commissioner A)

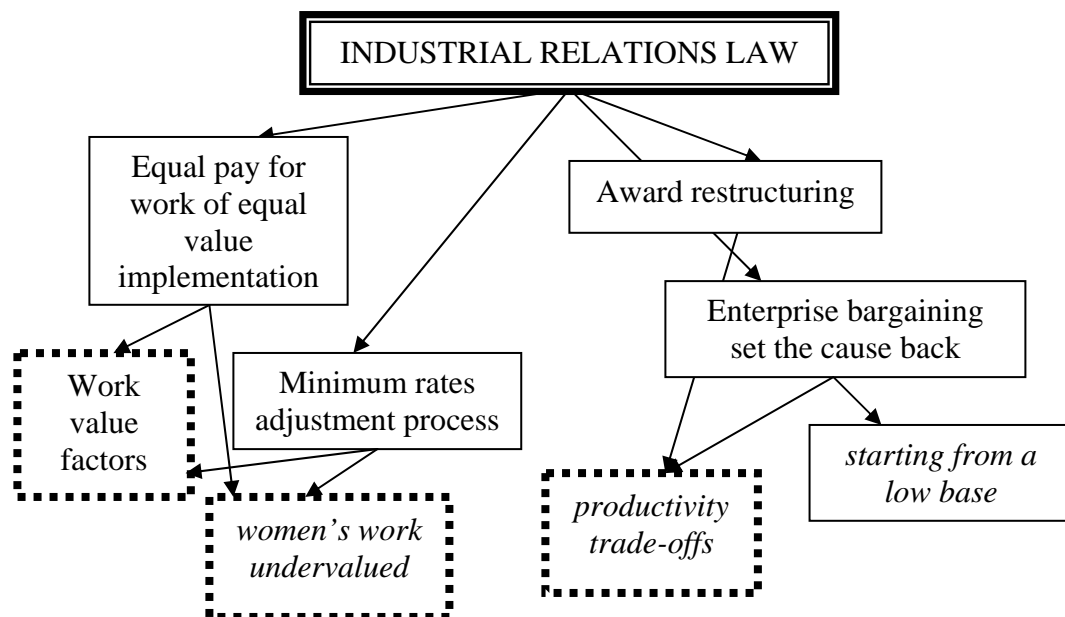
The contrary case must also hold true – if votes are likely to be lost by spending money on female public sector employees instead of on other vote-gaining items, governments will oppose this expenditure. In other words, as employer representative D said “*it’s ... going to come out of the public purse. You’ve got to take that public interest question into consideration as well.*”

As discussed in Chapter 2, Section 2.3.1, the federal (Labor) government opposed equal pay for its employees. When it was finally granted by the AIRC the federal government then allowed these advances to be eroded in the late 1980s and early 1990s during further restructuring (Chapter 2, Section 2.3.2). This was raised by a union official interviewed who pointed out that the federal government had always been “*on the opposing side of every case*” (Interview with union official F) in this process.

5.3.4 Industrial Relations Reasons: Industrial Relations Law

Codes grouped under the category ‘INDUSTRIAL RELATIONS LAW’ are shown in Figure 21 below. Basically these were the different legal approaches identified by interviewees as historically affecting Australian women’s pay, related processes and the main outcome: ‘Women’s work undervalued’.

Figure 21 – Industrial Relations Reasons: Industrial Relations Law



Interviewees felt that ‘Equal pay for work of equal value...’ had not been properly implemented, forming the context to the lower relative wages of women in 1990. When talking about implementing ‘equal pay for work of equal value’ a union official interviewed said:

I think a major problem occurred in Western Australia and I don't know ... how it happened in other states, but at the point at which we removed

female rates of pay from awards there is no doubt that there was a move on at that stage to shuffle women into the lowest category and men into the second lowest category. For example, you had plastic workers, lowest level, which was male and the males received the rate of pay and you had plastic worker female and they received a lower rate of pay. Well, what happened in the transition process was that the union agreed that there would be plastic worker Level 1 where all the men went and there would be plastic worker 'other', where all the women went. And, plastic worker 'other' received a lower rate of pay. (Interview with union official A)

Short (1986:325) shows that this type of shuffle occurred in the federal industrial relations system too, with female-dominated public service typists applying for equal pay for work of equal value being treated in a similar way. They were added on to the bottom of the (male) clerk range with no consideration of their skills in typing which were in addition to the other clerical skills needed for a lower level clerical job. On the record at least, no work value assessment was made and the public service union did not appear to object (53 Commonwealth Public Service Arbitration Report 235).

Something similar happened with *The Age* newspaper. A union official claimed that some unions tried, as in this case, to achieve a more equitable outcome, but employers (or the AIRC) had prevented it. Thus this was seen by the interviewee as an 'employer strategy affecting equitable outcomes', at that time, or else it was related to the role of the commission. The union official said:

... they did the same thing in The Age where we went through the history of wage rates payable to telesales employees who were women. After the 1972 equal pay case the union claimed one particular male rate, but the employer refused to agree to it. The end result of difficult negotiations and ultimately, arbitration, was this women's classification being put on the lowest male rate. So, I think in all of those cases of the application of the equal pay principle, various unions tried hard to get higher rates for their women members, but were knocked off by the commission or by hard negotiating employers. Other unions probably didn't try that hard. (Interview with union official K)

Failure to conduct any analysis of what women did in comparison to men, to assess the value of women's work, is likely to have resulted in retention of historically unequal wage rates in predominantly female awards at the start of this study's time period. As discussed in Chapter 2, Section 2.1.2, Australian women were paid less than men historically, on the basis that women did not support a family and needed less income. As shown above, interviewees consulted felt that the implementation of the 1972 case continued to permit a situation where predominantly '*women's work was undervalued*'.

'*Women's work* was also seen by large numbers of interviewees as being *undervalued*' during 'minimum rates adjustment'; a process mostly carried out between 1991 and 1993. A union official talked about the problems of work value assessment in female-dominated occupations, particularly in the male-dominated Western Australian Industrial Relations Commission.

[W]henver we have a group of nurses who operate technology, who operate some visible system or procedure, then it is far easier to get a work value assessment done on that group of workers, than it is on the group of workers who work in a mental health institute and who, in fact, are required as part of their work, to demonstrate a high level of autonomy in a very dangerous area at times. But of course it's all soft options in terms of an interpretation and a placement of value on that in terms of worker worth. So, that comparison becomes a very difficult one for the Courts and... It's difficult to get that across to commissioners, especially in Western Australia where the commissioners are largely men.

(Interview with union official A)

(Note that '*Women's work undervalued*' is shown above as a connector. In the perception of interviewees, there are also 'SOCIAL/CULTURAL REASONS' for this undervaluation.)

The '**award restructuring**' process (mostly taking place between 1989 and 1992) along with the 'Minimum rates adjustment process' were seen to be aimed (at least partially) at removing inequities, but were found sometimes to entrench them. As Hall (1991:5) put it, award restructuring was seen, at the time, as

...a crisis for equal employment opportunities, a dangerous opportunity to break down barriers and open up careers – or to see the blinds fall on the missed window of opportunity for a long time.

The Employment and Skills Formation Council (1989:vii) similarly said, “[f]or women the restructuring process will either reinforce the existing division of labour by sex or it will mean the revaluing of women’s traditionally undervalued skills.”

By the year 2000, Hunter (2000:13), assessing award restructuring based on the New South Wales Pay Equity Inquiry findings, said:

...the outcomes of award restructuring were less impressive than the aspirations. While gains were made in some areas, in others the establishment of award relativities once more tended to be based on entrenched assumptions about the lesser value of women’s work.

Table 20 gives an indication of when award restructuring and structural efficiency began and ended for the awards selected for study. Relevant increases were identified from published commission decisions. Unfortunately the information used is not complete, as the relevant industrial relations commissions (Western Australian, Victorian and Australian) did not always record reasons for award variations.

Generally, the eight female-dominated awards studied undertook award restructuring or structural efficiency processes later and had more problems with these processes than the eight male-dominated awards studied. As Table 20 shows, of the 17 awards studied, the only awards not to be restructured into a skills-based pay structure were the female-dominated shops awards. It is also debatable whether the teachers’ awards or EBAs were skills-based. For the first eight years of employment the teacher’s pay rates rose through a classification structure based on years of experience and then, after that, there were senior teachers or expert teachers’ classifications based more on skill.

The restructure of the main clerical workers award in Western Australia was problematic as mentioned above in Section 5.3.2. A new classification structure, containing three grades of skill, was introduced into the Clerks (Commercial and Social) Award in Western Australia, compared to six (involving three additional grades on top of the Western Australian levels) grades in major clerical awards in Victoria and most other

states. The wage rate for entry-level workers (Clerk Grade 1, 1st year) was also reduced slightly in the exercise. This was the only example of wage rates decreasing during restructuring in the awards studied.

**Table 20 – Award Restructuring and Structural Efficiency in Awards Studied
1990-2003**

Female-dominated Awards	
Government Teachers	Some restructuring of awards: WA -1995; Victoria - 1994/5 qualifications bar removed, no structural efficiency payments in period.
Childcare	WA - 1990 new skills-based restructured award introduced. Victoria – no details published on restructuring – possibly before 1990.
Shops	WA & Victoria - No real restructuring occurred – award classifications not skills based
Clerical	WA – 3 grade classification structure granted June 1993 . Grade 1, 1 st year rate put down. 6 grade structure 2004 . Victoria – 3 grade classification structure granted 1 February 1991, 6 grades, 8 February 1991 .
Male-dominated Awards	
Metal	WA – finished restructure January 1990. federal – finished restructure before 1990.
Transport	WA - finished restructure January 1992. Federal - finished restructure probably February 1992
Building	WA - finished restructure March 1990 or October 1991. Not clear in decisions. Federal- restructure finished July 1991 or December 1993. Not clear in decisions.
Mining	Award restructure finished April 1993 but bands restructured by company in '95 & '97
Mixed Awards – female-dominated at lower levels, male-dominated at higher levels	
Public Service	WA last structural efficiency payment December 1992, started before 1990. Federal restructure not really finished till 1998 but some restructuring 1991/2 and earlier than 1990.

(Sources: WA Industrial Gazettes; www.osiris.gov.au; www.wagenet.gov.au; Victorian Industrial Gazettes)

The Western Australian branch of the Australian Services Union finally succeeded in negotiations with the Western Australian Chamber of Commerce and Industry when the top three classifications of the national structure were inserted on 1 July 2004 (84 WAIG 2196). This was eleven years after the original restructuring of the award. Interviewees

explained that many factors contributed to this outcome including: problems in getting the WAIRC to recognise that Western Australian clerical workers used higher-level skills and union amalgamation between female-dominated and male unions leading to intra-union strife affecting resources available to use on the case.

Of particular note is the evidence of *‘women’s work being undervalued’* in the process of restructuring the Western Australian clerks’ award. An employer representative who covered the clerical area implied that the commissioner, who presided over some of the case, saw clerical skills as having little or no value. Speaking of the union, the employer representative said:

They didn’t want to arbitrate because quite frankly I believe one of the commissioners at the time just couldn’t even... what were his comments, “How technical it is to operate a photocopier.” It’s like...it was a condescending kind of remark to put down value of the work or he just actually couldn’t do a photocopy. (Interview with employer representative B)

Similarly, the employer representative thought clerical work was undervalued and tied that to the length of time taken to establish its value in the Western Australian Industrial Relations Commission.

Clerical work is not highly regarded or paid well in my view and it is also one of the awards that took a very long time, lots of argument, to establish that value or value of work. (Interview with employer representative B)

‘Minimum rates adjustment’ (MRA) as discussed in Chapter 2, Sections 2.3.5 and 2.3.6, was a commission process used to set a safety net of equitably aligned awards, before further decentralisation in the form of enterprise bargaining. It allowed the basic wage rates in women’s jobs such as clerical and retail jobs to be directly compared to those of male-dominated (metal trades) jobs for the first time. The historical bias against female-dominated jobs could possibly have been corrected within the Australian industrial relations system through this process. MRA, like award restructuring and structural efficiency, was a lengthy, difficult (and thus inevitably expensive) process for all concerned. A senior male union official explained:

...it was resource, reasonably resource-intensive. It required unions to divert resources away from areas which were relatively well-serviced, well-maintained, read for that code: high-skilled male, sectors of the membership, into relatively low-paid, poorly maintained award areas.

(Interview with union official R)

The awards studied demonstrate that the implementation of MRA was not without problems in the public sector clerical and administration and female-dominated awards studied, but was trouble-free in the other male-dominated awards. Three out of four public sector awards studied were never minimum rate adjusted. As illustrated in Table 21, these were the government teachers' awards for both Western Australia and Victoria and the award for Western Australian clerical and administrative public servants. This is because they were not minimum rates awards, but paid, or actual, rates awards that were excluded from MRA. The federal public service award was made into a minimum rate award in 1998 and its pay rates were reduced at that time, to reflect the fact that the rates were now minimums instead of actual pay rates. However, in Western Australia, the public sector awards retained their nominal status as paid rates awards.

Female-dominated awards had later access to MRA, than the male-dominated awards studied. Most of the male-dominated awards studied (seven) and three female-dominated awards (the Victorian and Western Australian shops awards and the Victorian clerical award) included wage increases from MRA by 1991/2. The female-dominated Western Australian clerical award and male-dominated mining award were minimum rate adjusted by 1993. The Western Australian female-dominated child care award was fully adjusted finally in 1994. Given that MRAs were not backdated, the predominantly Western Australian female workers covered by these awards lost earnings that could have been available to them for the period of the delay involved.

According to interviewees, the late date for MRA of the Western Australian clerical award was caused by the problems discussed above over restructuring the award (Interviews with union officials C & J). The commission required the award to be restructured before any MRA took place. However, this rule was relaxed on occasions

and this is how the shops awards in both Victoria and Western Australia were able to be minimum rates adjusted, without being restructured.

Table 21 –Minimum Rate Adjustments in Awards Studied - 1990 to 1998

Female-Dominated Awards	
Government Teachers	WA & Victoria – no adjustment – paid rates award Professional rates review by Fed. Government 1991/2 – no comparison male-dominated occupations.
Childcare	WA began 1991, ended 1994 Victoria – no details published.
Shops	WA - began August 1990, ended October 1991. Victoria - began November 1990, ended November 1991.
Clerical	WA - one MRA payment – June 1993 . Victoria – not clear in decision if received MRA payments, probably adjusted within structural efficiency increases by 1992.
Male-Dominated Awards	
Metals	WA - began April 1990, ended April 1991. Federal - began March 1990, ended August 1991.
Transport	WA - began September 1990, ended January 1992. Federal – not clear in commission decisions, probably did within structural efficiency increases by 1992.
Building	WA - finished probably March 1990 or October 1991. Federal - finished July 1991 or December 1993. Not clear in decisions.
Mining	WA - finished November 1992.
Mixed Award – female-dominated at lower levels, male at higher	
Public Service	WA - no adjustment – paid rates award Federal - converted to minimum rates award 1998.

(Sources: WA Industrial Gazettes; www.osiris.gov.au; www.wagenet.gov.au; Victorian Industrial Gazettes)

The child care MRA case in Western Australia provides evidence of industrial relations commissioners and employers failing to recognise when they had (indirectly) discriminated against women. (This is further detailed in Chapter 6, Section 6.2.2.2.) By comparing child care workers to teaching, another female-dominated occupation and not metal tradesperson, a male-dominated occupation and the standard comparison, the case may have compounded indirect discrimination and provided an example of ‘*women’s work being undervalued*’. Employer representatives suggested this process to the

commissioner (73 WAIG 101 at 107-8) so this case is also mentioned under ‘EMPLOYERS’ STRATEGIES PREVENT EQUALITY’, Section 5.3.1.

Here, also, the researcher and a commissioner talk about the slow and difficult process of MRA and how, by 1994/6, it had mostly had its day as the focus changed:

Interviewee: ... *I reckon the minimum rates adjustment was a bureaucratic nightmare.* Researcher: *Well you did need to have a restructured award, beforehand, usually.* Interviewee: *And then ... the rules changed towards the end and it got slacker and that was that. I mean it was a grand scheme... it would have been great if it had been implemented and fast. ...across Australia it was too slow and too complicated. It was a good idea. Then at the end of it we switched.* (Interview with Commissioner D)

The switch was to ‘**Enterprise bargaining**’ which was clearly seen by interviewees as “setting the cause back” and creating more pay inequality during the period 1993 to 2003. As explained in Chapter 2, Section 2.3.3, with enterprise bargaining the focus moved from the industry and awards, to enterprise-level agreements. All award classifications continued to have their wage rates increased through safety net adjustments arbitrated by the AIRC, which were also adopted by state tribunals, including the WAIRC. Higher wage increases were able to be achieved by bargaining between employers, employees and their representatives at the enterprise level for productivity improvements. As there were many more enterprises than awards for industries and occupations, interviewees noted that more resources were needed for agreements and fewer resources were available for changing awards (Interviews with union officials A & R).

The experience of private sector clerks in Western Australia, detailed in Chapter 6, Section 6.2, demonstrates this problem. Their union was advised that there was little scope within the Western Australian Industrial Commission guidelines under enterprise bargaining for any changes to awards, other than safety net adjustments and that it was better to focus on achieving enterprise bargaining outcomes where these were possible. Two union representatives from the ASU explained the problems involved:

//...the difficulty of actually getting it through the commission and balancing up [spending] resources there [on the award] for a year compared to getting out and trying to strike reasonable agreements out in the field...//...the...further deregulation of the labour market with enterprise bargaining...makes it virtually impossible for you to start pursuing a work value case, in terms of resources. Because...you are now dealing with a broader base of people, most of those people are, you know, a large proportion of our membership...is in local government. We've pursued enterprise bargaining claims in those areas and really that's where our resources go...//

Thus, enterprise bargaining agreements were very rare amongst Western Australian clerks covered by the award investigated and more likely to occur for workers in other areas covered by the same union, where membership density was higher, members participated in union affairs and were more likely to be male. In the perception of a clerical union official, the union leadership's point of view, when comparing membership in their local government and air industry areas with the clerical area, was:

We're not going to put resources in that [clerical] area because in this area the members are working together, take some action, achieve things, whereas this group of people just see it more as an insurance...(Interview with union official J)

The effects of enterprise bargaining on the occupational classifications studied give some context to interviewees' views. The data in Tables A-4 to A-6 in Appendix 4 show clearly that by December 2003 the female-dominated classifications selected for study lagged behind the male-dominated classifications selected. As can be seen in Table A-6, only public sector employees in more male-dominated (higher level) classifications and drivers had increases over the period 1994 (when EBAs began to occur) to 2003 that are similar to (if still higher than) the female-dominated classifications. Female-dominated classification increases ranged from a low of 19 per cent for Western Australian qualified child care givers to a high of 42 per cent for APS Health Department administrative service officers Level 2 (ASO2s). Most increases were in the range 25 to 30 per cent. The male-dominated classifications, by contrast, received a range of

increases from 30 per cent, for Western Australian Main Roads Level 6s, to 85 per cent, for Western Australian building trades labourers. The increase for other male-dominated classifications ranged (except for the public servants) from 40 to 80 per cent, or about twice as much as for the female-dominated classifications.

Providing some rationale for these results, interviewees made comments about 'productivity trade-offs' related to 'Award restructuring' and 'Enterprise bargaining'. In particular, interviewees talked about non-service organisations having more to trade-off. A public sector union official said:

...the service delivery agencies had always been quite streamlined. They didn't have a lot to restructure...you've got some agencies which...don't offer a service to the community in a sense, they're policy for government and they're policy for industry etc. And they have...they had a lot more beef and so they had a lot more opportunity to offer wage increases by normal restructuring, where those others had no opportunity to do that.

(Interview with union official N)

Related to this were comments about women's industries and occupations 'starting from a low base' when coming into enterprise bargaining. Most awards were restructured into skills-based classifications before enterprise bargaining, yet many female-dominated awards were not, as was shown in the female-dominated award data collected for this study and discussed by this interviewee:

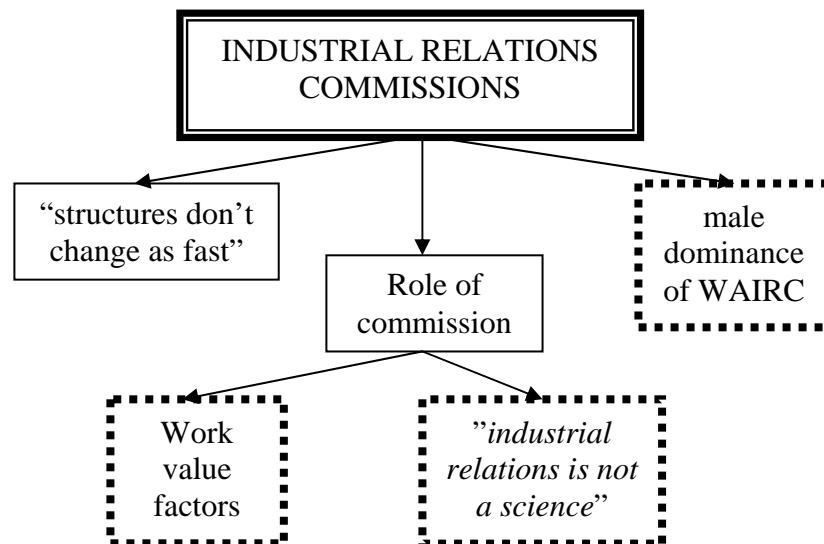
I mean the problem that we have with a lot of our awards if we go back to the Food Preservers award was that it was at a very low base before we even started enterprise negotiating, much lower...if I use the example of the Cleaners and Caretakers Award, that award has never been restructured. It does not have a skills based [wage structure]. So if you go and look at those rates of pay they're quite horrific... (Interview with manager A)

'Work value factors' again show up as a connector in Figure 21, as these are factors used to set wages during commission processes for 'Equal pay for work of equal value' and for 'Minimum rate adjustment'.

5.3.5 Industrial Relations Reasons: Industrial Relations Commissions

This major category brings together comments made about industrial relations commissions during interviews and is depicted in Figure 22. Categories and codes included are: ‘structures don’t change as fast’ ‘Role of commission’ (with codes “*industrial relations is not a science*” and ‘Work value factors’) and ‘male dominance of WAIRC’.

Figure 22 – Industrial Relations Reasons: Industrial Relations Commissions



In comments coded under ‘INDUSTRIAL RELATIONS COMMISSIONS’ interviewees pointed to the ‘male dominance of the Western Australian Industrial Relations Commission’ (discussed as a connector in SOCIAL/CULTURAL REASONS in Section 5.4.1.2) and indicated that the ‘**role of the commission**’ is mainly restricted to reflecting the views of the parties:

//...it is also reliant on the parties, what the parties gave them to make their decision. A lot of ...these adjustments were done by consent in which case there wouldn’t have been much of a decision by the tribunal... Where there is an arbitration they look at all the evidence put to them...//...I am very much for a more inquisitorial method in the commission instead of sitting back and waiting for the adversarial process, where both sides put

up an argument. But I didn't actually persuade any of my colleagues to that point of view...//

Interviewees also said that the commissions were '**structures that did not change as fast as society**'.

I think we have institutions that take time to change and we have a very structured IR system. That has a lot of benefits for workers but what it also has is structural impediments, or periods of time it takes to get the debate in the industrial commissions up to speed with the debate in the community about the worth of those things. And...if you run reclassification arguments based on gender equity issues etc, most of the commissioners wouldn't probably know what you were talking about. So it's about re-educating the people also making the decisions about how the structure fits into place. (Interview with union official N)

In comments relating to "industrial relations is not a science", commissioners and other industrial parties made it clear that in many cases, particularly those involving any assessment of the value of an occupation, value judgements and inexact estimates were used. (This code also links to the categories discussed below in 'NATURE AND NURTURE REASONS' connecting with 'individuals' personal values affect results' and will be covered in more detail there.) Interviewees also noted the subjective nature of commissioners' assessment of 'Work value factors' such as responsibility. Judgements became a result of personal perceptions as well as arguments put by the parties, as this comment from a commissioner shows, when asked how he assessed the work value of nurses.

...it was comparison with other occupations requiring similar formal qualifications, similar experience and similar responsibility. (Researcher: What ... did you see as similar responsibility?)...[S]chool teachers having responsibility for children and nurses having responsibility for patients, it's very, very subjective. (Researcher: So you're saying that the process of working out the work value for that occupation at least was a subjective process?) Yes, yes. (Interview with Commissioner C)

5.3.6 Industrial Relations Reasons: Summary

Some of the economic regression studies on the gender wage gap reviewed in Chapter 2, Section) attempted to quantify industrial relations and legal factors. Chapman and Mulvey (1984), Wooden (1999) and Pocock and Alexander (1999) used union membership as a variable. Miller (1994b) used different time periods to conclude that AIRC equal pay decisions were the source of a dramatic narrowing of the gender wage gap from 1973 to 1989; but Kidd and Meng (1997) found legislative change on equal opportunity and affirmative action had not affected the gender wage gap in the period from 1981/2 to 1989/90.

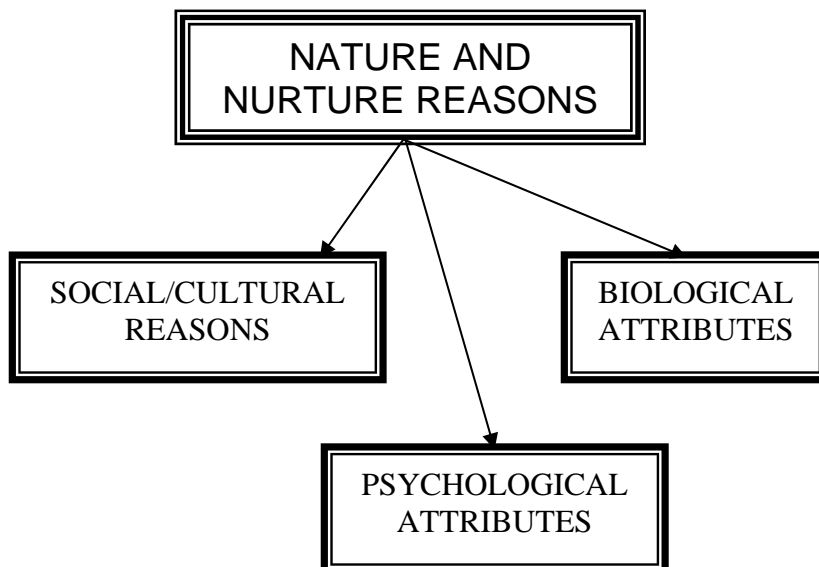
However, again, the perceptions of interviewees analysed in this section showed the deep connections between how the industrial relations system works and less quantifiable factors (relating to social and cultural issues) that may supply reasons for the way the industrial relations system works to maintain lower wages for women. This is evident, above all, when interviewees talk about “*industrial relations is not a science*”, but also when they comment on ‘Internal union processes’ and factors influencing union membership and union strategy. The social/cultural nature of commissioners’ views and interviewees’ perceptions about how these have impacted on decisions such as those about work value of female-dominated occupations during award restructuring and minimum rate adjustment was also beginning to emerge.

5.4 NATURE AND NURTURE REASONS

There was a range of reasons for gender pay inequality given by interviewees that were not measured by variables in the econometric studies reviewed in Chapter 3, or at least only very indirectly, as with the union membership variable discussed above. Even when interviewees commented on economic and industrial factors above, it is evident that something else, apart from economic and industrial relations explanations, was felt to be important to gender wage inequality. The interviewees proposed that other, non-economic and non-industrial, factors contribute to gender wage inequality. When employer representative D talked about women being in different industries to men “*for whatever reason*”; when Commissioner C said women chose different occupations “*for reasons that lie outside the realms of economics*” and found assessing the responsibility

of nurses to be subjective; and when Commissioner D said “*industrial relations is not a science*” these issues were emerging.

Figure 23 – Nature and Nurture Reasons



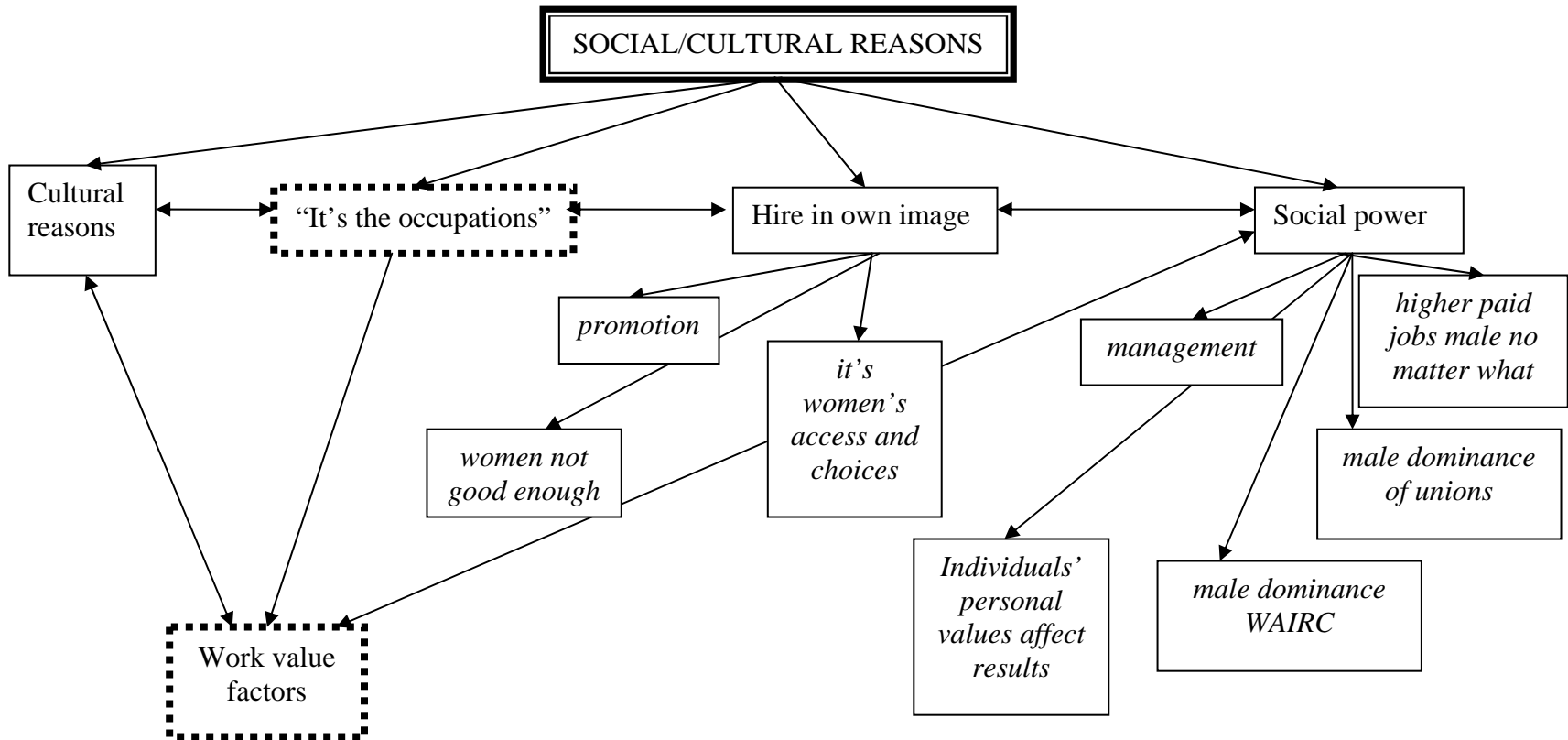
The super category ‘NATURE AND NURTURE REASONS’ covers these issues and is made up of major categories named ‘SOCIAL/CULTURAL REASONS’, ‘PSYCHOLOGICAL ATTRIBUTES’ and ‘BIOLOGICAL ATTRIBUTES’ as shown in Figure 23.

Many of the categories and codes used under this super category are also coded under the earlier economic and industrial relations super categories, but comments reported here brought out the ‘NATURE AND NURTURE REASONS’ side of the issue. ‘ECONOMIC REASONS’ such as ‘training’ and ‘IT’S THE INDUSTRY’ have their social and cultural side as well. ‘Work value factors’ used by the commissions and how these are assessed are affected by social and cultural issues or values, as will be shown below; and ‘*personal choice in occupation*’, a ‘NATURE AND NURTURE’ code, is clearly connected to the economic categories of “IT’S THE INDUSTRY” and “It’s the occupations...”

5.4.1 Nature and Nurture Reasons: Social/Cultural Reasons

Figure 24 below shows categories grouped under ‘SOCIAL/CULTURAL REASONS’.

Figure 24 – Nature and Nurture Reasons: Social/Cultural Reasons



Some general comments from interviewees on 'SOCIAL/CULTURAL REASONS' are considered and then more specific social and cultural issues will be discussed. First, a manager's comment:

I mean on the surface if one was to look at industrial awards it actually suggests that everybody's paid the same and certainly the move towards equal pay some decades ago was to in fact achieve that. I think the reality of achieving that lays in other things such as...social and cultural norms.
(Interview with manager A)

An industrial relations commissioner concluded as follows.

Discrimination in wage outcomes still exists decades after the right to equal pay was achieved in 1969. The discrimination is covert, to the extent that it is not based on numerical outcomes of a wage rate which can be easily identified, but arises from a range of other factors which are based on cultural or societal values and responsibilities which are not easily overcome. (Interview with Commissioner A)

Another commissioner agreed:

I think it's more a sociological phenomenon than an industrial one, you know, we've just been caught up in the same society that everyone exists in. (Interview with Commissioner B)

Interviewees pointed out that historically, social and cultural values had ensured that women were paid less than men in Australia. They talked about the 'bad old days' when women and men were paid separate male and female rates under Australian awards.

//... it was socially accepted, you know 100 years ago that women didn't have rights...//...there is a history of men and women being paid differently as teachers...which continued until the end of the 1960s... there were actual differences in rates of pay for people doing the same job up until the end of the 1960s and that had always been the case...//...going back I would have thought 40 or 50 years, then there may well have been ...discrimination [in terms of pay], but I would think that that mentality is probably changed or gone at this stage...//...some of it is historic in terms

of views about roles and that roles that women have traditionally undertaken more than men ...//

In Chapter 2, Section 2.2, it was noted that women were characterised, in early industrial tribunal decisions, as supported by a husband or father and thus as needing less income, so were paid less.

Similarly, it is a matter of historical fact that Australian society used to hold the cultural value that women's place was in the home. Interviewees talked about:

//...the old archaic ideas that we should be home caring for our children...// ... the concept that women's place was in the home and so that ... in many families it was seen as inappropriate to educate girls to the same level as boys...//

Interviewees acknowledged that these historical cultural values about the place of women in society might still be affecting women's pay rates today. Others felt this had all been removed.

The more specific '**Cultural reasons**' that were raised by interviewees had to do with historical organisational culture, ethnic culture and social culture. Interviewees talked about organisational cultures not being friendly towards women in certain 'male' jobs such as management, or mining, or construction. This even extended into working in industrial relations itself. A union official previously employed in large statutory corporations said:

...when I used to work for [X Corp] and [Y Corp], it was the case that ... certain classifications which afforded ... better career advancement were generally male-dominated and not that open to women. For example, industrial relations has been traditionally something of...a boys' club. And it has afforded, certainly when I was at [X Corp]... a more lucrative career path.... (Interview with union official C)

There is clearly a link here with comments from a previously described category: "It's the occupations".

More than one interviewee talked about how their cultural background gave them a different insight into why women and men are paid differently. For example, a manager

explained below, that different waves of migration to Australia (and particularly to Western Australia) brought in cultural values than may have led to persisting pay inequality.

...what you tend to have is a lot of economic migrants to Australia. But people who are coming to us for economic reasons are actually coming to us from countries that are not as developed as...Australia...And so therefore, with each wave of economic migration to this country, you are finding that people are coming to us whose social and cultural norms are different to what we would view western norms as being...so therefore the role of the woman in the family...is viewed differently to...the standard western norm... (Interview with manager A)

‘Timing of union meetings’ was seen as an ‘INDUSTRIAL RELATIONS REASON’ (discussed above in Section 5.3.1), but comments about the same issue were coded under ‘cultural reasons’. It was said that a union’s meetings being organised for after 5pm did not fit into the cultural norms of the ethnically-dominated workforce involved, who felt women should be home straight after work to look after the husband and children. The interviewee said he/she had come into contact with:

...large numbers of women who were employed in...manufacturing with a range of cultural backgrounds. There were lots of social norms that provided barriers to them to actually participate in particular activities...they had husbands and family members who were concerned about their welfare if they went out alone at night. (Interview with manager A)

The next grouping of comments is under the category entitled: “It’s the occupations they are in”. The economic side to interviewees’ comments on occupations has already been discussed but it was also interviewees’ perception that women’s occupational choices are affected by social and cultural issues.

//...it's traditionally fed through parents, I think, so nursing's OK and teaching's OK, working in an abattoir is not. Applies to some extent to men, as well, but it doesn't seem to have been as determinative in influencing men's choices as it has been with women...//...individual

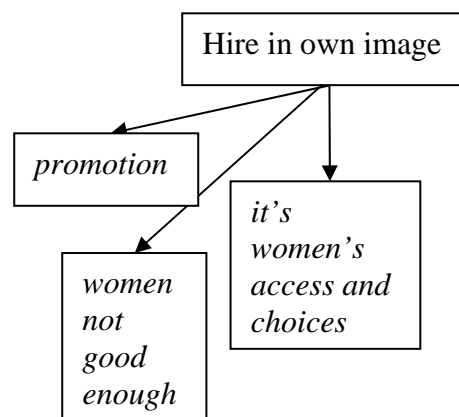
choice is obviously affected by socialisation... Women tend to choose occupations which involve, you know, human interaction ... you look at the occupation, caring, childcare ... teaching and social work, they all involve people issues. Helping people and children...//...It's actually the jobs they are doing and to get any move in this, it is not about wage rates, it's about broadening the scope of jobs that women take up...//...a sort of pastoral, caring sort of role has been seen as less than, less responsible or worthy of less pay than a job that males have taken up which may not involve the same level of responsibility and complexity...//

This again connects into 'Work value factors' used by the commissions that has been discussed at length above.

5.4.1.1 Nature and nurture reasons: social/cultural reasons: hire in own image

Given the complex nature of the categories shown under 'SOCIAL/CULTURAL REASONS' a sub-set of Figure 24 is shown below as Figure 25 to illustrate the codes under the category 'Hire in own image'.

Figure 25 – Nature & Nurture Reasons: Social/Cultural Reasons: Hire in own image



As interviewees pointed out, male-dominated management hire and promote staff, giving them the ability to limit women's access to well paid jobs. This is particularly the case if they '**Hire in own image**'. (Note that this category is closely allied to the next

category of the ‘SOCIAL/CULTURAL REASONS’: ‘social power’ and in particular the code ‘*management*’.) A commissioner explained that, in his perception, management were more likely to relate to men (with families at home) than (single) women.

The commissioner said:

...men are the people who control at the management level and identify better with the person who says I’ve got a wife and kid at home. And the female says I’ve got no home, I’ve got no family, I live in a flat somewhere and look after myself. Well, you’re the only one affected. (Interview with Commissioner B)

An employer representative brought in social values when he claimed that:

...the industrial relations system can’t actually fix the difference. What needs to be looked at is how come females don’t get jobs in the higher paid occupations... (Interview with employer representative E)

This perception was coded as ‘*it’s women’s access and choices*’. The employer representative pointed out that the industrial relations system had failed to deal with pay inequality so far and he saw the causes to be social, rather than industrial, with the solutions being in ensuring better access for women to higher paid jobs. He saw this as coming through equal employment opportunity (legislation and practice) and through trying to re-orientate girls in the education system towards the new economy and higher paying, previously male-dominated, jobs.

Related to ‘Hire in own image’ were miners’ perceptions reported by an interviewee (Interview with union official O) that ‘*women [were] not good enough*’ to work in mining – that they should stay in the office instead. Men at a mine had resisted women learning how to drive dump trucks and other machinery. As the union official O said “*it was a real struggle to get them to...recognise the fact that the girls could actually drive the trucks*”. This attitude may now be changing with a mining employer making it clear that women are treated equally by his company:

...we offer the same opportunities...for females who drive trucks...There’s certainly some old fashioned views in mining because we have been so

heavily male-dominated for years but they're eroding. (Interview with manager E)

In comments coded under '**Promotion**' a commissioner pointed out that the issue was not just about women getting into management jobs, but that having them there may change the firm's values about how much they pay people in traditionally sex-differentiated jobs.

In my experience, obstacles to women in promotion positions and senior levels of companies are a major problem. Until senior positions are equally shared by men and women and a fundamental change in the culture of many workplaces and the range of needs and values of workers are fully considered in decision making which impacts on employees, then the differential outcomes between male and female wages will continue.
(Interview with Commissioner A)

Other comments related to specific examples where women's promotion had been and may still be blocked. For example a union official said:

[T]here's issues like the glass ceiling...When I first started as a teacher the only way you could get promotion was to go to the country and for women with families that just wasn't an option. And the men did though because the women went with them. So that is just a clear plain indicator of inability to go up the ladder and even today that situation hasn't been largely redressed. (Interview with union official G)

A manager explained how women are further disadvantaged in promotion by the common organisational habit of valuing volume and process, or being present, rather than quality and getting the work done.

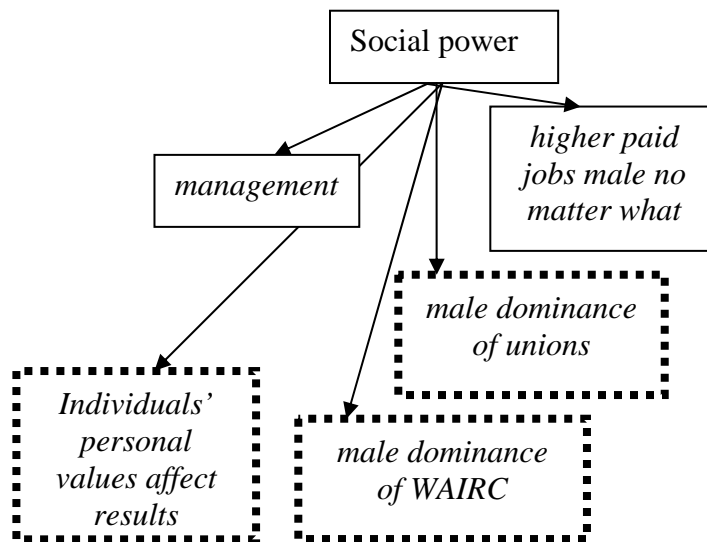
[I]t's what you value, there's a perception of how much you do, as opposed to the reality of what you're actually doing, exactly what that's worth. I think some people value volume and process. You know, you're here from 9 to 5 so you must be doing a good job. As opposed to hey, if you're the primary carer for your kids and you're out of here at 4 o'clock

each day and I can't find you at 4.30 when I really need you, you're not prepared to stay, well you're not worth it. (Interview with manager B)

5.4.1.2 Nature and nurture reasons: social/cultural reasons: social power

The last category coded under major category 'SOCIAL/CULTURAL REASONS' is 'Social power'. As shown in Figure 26 below, codes grouped under 'Social power' are: 'management', 'higher paid jobs male no matter what', 'male dominance of unions', 'male dominance of WAIRC' and 'individuals' personal values affect results'.

Figure 26 – Nature and Nurture Reasons: Social/Cultural Reasons: Social Power



In the perception of the interviewees (both male and female) men wield power in society that overrides that of women. A male union official talked about power:

...there is this power relationship running that deeply conditions the way you look at the world and I would say that, it's certainly my experience that women come off second best when you get down to that. It's not something that is [overt]...even if you look at this data it wouldn't surprise me if I would raise that, say with senior union officials, they'd probably, wouldn't believe it initially. (Interview with union official C)

An employer representative (E) talked about '*higher paid jobs being male no matter what*', as men had better access to these than women. Another interviewee appeared to identify the reason for this continued better access to and control of, higher paid jobs. When asked if there were any other reasons why women were paid less, the male union official responded:

Pure and simple, prejudice and discrimination, pursuit of self interest and greed...by people who are doing alright, thank you very much. (Interview with union official R)

This ability to pursue self-interest is supported, whether consciously or not, by the '*male dominance*' of management, unions and the Western Australian Industrial Relations Commission mentioned by interviewees. As already shown above, interviewees see '*management*' as male-dominated:

//...men are the people who control at the management level ...//...management teams...on training and their recruitment processes, although maybe not consciously but sub-consciously, actually favoured one sex over the other...//...3 out of 19 CEOs... [in the public sector] are female, [yet] 60 per cent of our workforce is female...//...even in the public sector, there's still that glass ceiling...//...embedded within the whole system...is a culture...where people have views etc. which, it's a bit intangible, an invisible barrier, but that does in fact exist...//

The last two comments tie back to '*Promotion*' and the glass ceiling that can exist for women trying to get into management.

As explained above, under the '*INDUSTRIAL RELATIONS REASONS*' category of '*UNIONS*', historically unions were male-dominated and this is only changing slowly as union officials pointed out. Interviewees talked about the '*male dominance of the WAIRC*' but not the AIRC. Union official A talked about "*Western Australia where the commissioners are largely men*". However, the AIRC is also predominantly male, particularly at higher levels. In 2003, the AIRC had one female head of tribunal out of six (AIRC 2003:21).

Greatly connected to the issue of ‘*male dominance...*’ in unions, commissions and amongst management and employers is: ‘*individuals’ personal values affect results*’. This is an important category where interviewees give their perceptions of the effect individuals – commissioners, union officials and employers - can have on wages and industrial relations commissions’ processes, such as minimum rates adjustment. As discussed by a commissioner this is how personal values come to affect women’s wages.

Someone gives you a perspective of the way you should go and you either modify that, accept that, or reject that. But, in accepting it you usually, I suppose, add your own values to it...But, I suppose I bring to those exercises the value judgments of a male, who had lived in full employment when he left school. Who’s never...experienced a depression. Who had heard about recessions but has never been directly affected by them. And, who, if he had known what neurosurgery was when he left school, could have been a neurosurgeon, because...he could have gone to university ...done anything he liked. So, you know, I have had...a dream run and have inherited a set of values that were based on a society which was male-dominated in the 40s and 50s. And I suppose they’re the things I have to guard against, but also, intuitively, probably go back to. (Interview with Commissioner B).

Another commissioner demonstrated the effect of individuals on the system when discussing perceptions of a previous President of the AIRC:

Maddern, of course, had been an employer advocate and...had been appointed by, I think, a Coalition government, but was well respected... And he was concerned about a lot of these issues and the MRA was a grand design which I think the ACTU came up with but was adopted with some enthusiasm by him. But he and Kelty fell out...I think it was over the push to enterprise bargaining and the National Wage Case and the... Labor Government...supported the ACTU and said this is the way it’s going to go in the future and Maddern said he didn’t think they were ready. And, then Kelty publicly called the decision a heap of vomit, abused

him and that sort of thing, which meant that a very productive creative kind of focus was lost as a consequence. (Interview with Commissioner D)

When you then tie together, as shown in Figure 26 ‘*male dominance*’ of industrial relations commissions, unions and management and how ‘*individuals’ personal values affect results*’, it is clear that women must deal with a lack of ‘Social power’ that affects results for them in the industrial relations system. Interviewees believed social power to be tilted in favour of men within the labour market.

Underlining the issue of male power, particularly amongst managers or employers whom interviewees perceived as more likely to be male, are the results of examining interviewees’ views on key categories by gender and type of stakeholder (union representative, employer etc.). These results are detailed in Appendix 3. These show that employers’ representatives interviewed were far less likely than any other group interviewed to realise that the gap between women and men’s wages was higher in Western Australia. This was despite the employers’ representatives interviewed being principally from Western Australia (only one interviewed was based elsewhere), unlike union officials and commissioners. Employers’ representatives interviewed were also less likely to perceive any social explanations for the wage gap and therefore may have been more resistant to any action in this area. Given that the balance of power shifted during the period under study towards employers (as the system became less centralised and more deregulated – also discussed in Section 5.5 on ‘CHANGE’), this is not likely to have encouraged change and may have exacerbated the persistence of unequal pay between men and women.

Comments under ‘*individuals’ personal values affect results*’ are also linked to another major category under super category ‘NATURE AND NURTURE REASONS’ – ‘PSYCHOLOGICAL ATTRIBUTES’ which are discussed in 5.4.3 below.

5.4.2 Nature and Nurture Reasons: Biological Attributes

Figure 27 shows the categories grouped under “NATURE AND NURTURE REASONS” – ‘BIOLOGICAL ATTRIBUTES’. It should be noted that many social and cultural values that limit women are almost inextricably linked with the biology of

having children. Similarly the ‘PSYCHOLOGICAL ATTRIBUTES’ discussed in Section 5.4.3 connect with issues reflecting both biological and social influences.

First, a general comment that demonstrates all these connections and a connection to economics. A commissioner brought in, not just social and psychological, but biological issues, yet did so through the language of an economist.

...those things feed in through the supply side. Women for social/psychological reasons supply their services in different ways to the way men supply them. Now if you ask the question why is it that women are the people who interrupt their careers rather than men, apart from the obvious biological explanations, sociological factors are powerfully important. (Interview with Commissioner C)

‘**BIOLOGICAL ATTRIBUTES**’ were raised by many other interviewees and these were further categorized, as seen in Figure 27 below, into ‘Having children’, ‘physical attributes’ and ‘biology in personal choice’. Various codes were gathered together under the heading ‘**Having children**’ which was definitely viewed as a disadvantage for women, but not men, when it came to pay. This is mirrored in the econometric studies discussed in Chapter 3, Section 3.2.1 and relates to the discussion under ‘DIFFERENT LABOUR MARKET BEHAVIOUR’ - ‘family responsibilities’ in Section 5.2.4.

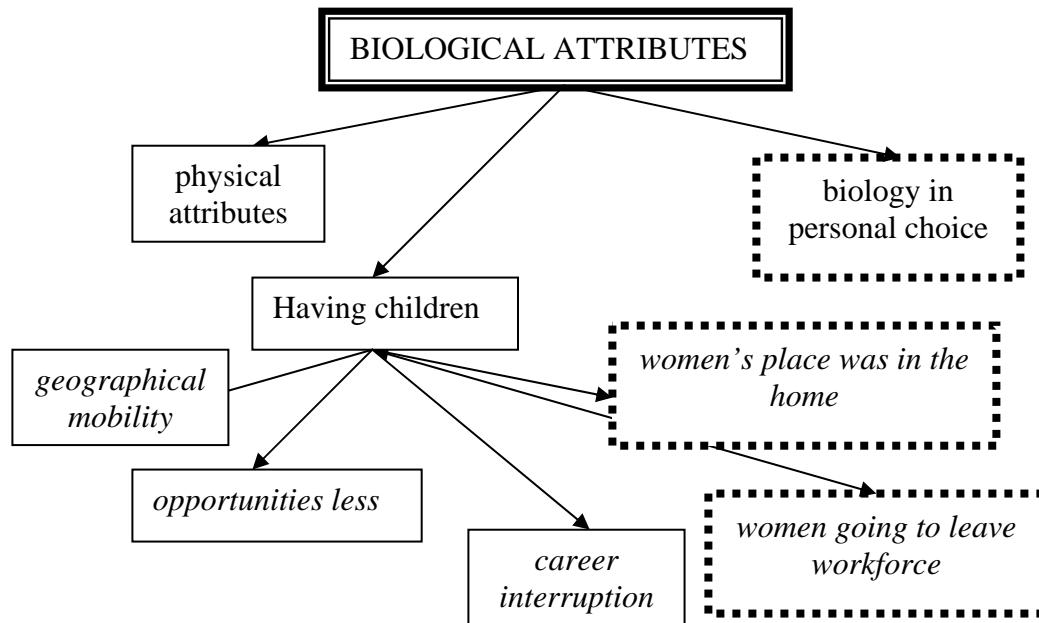
Interviewees talked about employers saying ‘**women will** [fall pregnant and] *leave the workforce*’ even if women had other intentions. For example a union official said:

...generally there’s a perception that they are not going to hang around in the workplace, so there’s no point...the old cliché that they are going to get pregnant and leave...[employers think] if you get pregnant and leave... I’ve got to train someone else to do your job...and what do I do with that person when you come back? Because you might only be back for two years and go and do it all over again. Now that’s discriminatory, but nevertheless you’re not going to stop people thinking that way. (Interview with union official O)

Interviewees’ perception that ‘*women [are] going to leave the workforce*’ (which an economist would class as statistical discrimination) is related to ‘Employers’ attitudes

and beliefs’ (discussed in 5.4.3 below), because this is clearly an employer attitude that is being discussed.

Figure 27 – Nature and Nurture Reasons: Biological Attributes



Interviewees talked about how historically, ‘*women’s place was in the home*’, as discussed above under ‘SOCIAL/CULTURAL REASONS’. Interviewees felt this view may still have contemporary repercussions and is clearly related to women’s biological attributes for having children. Interviewees felt that the ‘*career interruption*’ caused by ‘Having children’ affected women’s careers as it reduced their experience, or more importantly, opportunities.

Researcher: *So you’re saying women’s lower work experience also contributes to the fact...* Interviewee: *Not necessarily lower work experience, but the fact that they go out of the workplace and that they may, for a year or two years miss the opportunities...People are going to get upset if they come back in and get, you know, the senior position that they didn’t otherwise work towards or whatever else.* (Interview with employer representative D)

A union official pointed out another aspect to a career break for women:

Even women who have been out of the workforce for 3 or 4 years have enormous disadvantages because of technology, computers and things of that nature. And therefore their access to range of work is much more limited so I think that's another factor. (Interview with union official G)

Children, an interviewee felt, contributed to '**geographic mobility**' restrictions as parents have problems with access to child care (or indeed schools).

[M]en are particularly advantaged because they have the mobility to go where the work is. I remember there was a woman who was working down at Bunbury and she had a young child. It was virtually impossible for her to work on one of these big jobs to get the better money because of child care arrangements. (Interview with union official G)

Generally having children meant, in the opinion of an interviewee that women have '**less opportunities**'. These opportunities are for jobs in the first place, for training on the job and thus for promotion. For example:

...there's not as much opportunity for women because obviously women with children and family commitments isn't seen by employers as an employable option because they'll have a lot of extended family leave.
(Interview with union official Q)

The physical limitations of being biologically female were discussed by interviewees and coded under '**physical attributes**'. However, it was generally agreed that these limitations were now being bypassed by using suitable equipment and technological advances had only increased this process.

//...Researcher: Why weren't they [women] allowed to [be casting inspectors]? Interviewee: Oh, they just never...well I suppose the excuse was because it was heavy...//...they have avoided areas that command higher pay. There are 2 kinds. One is areas that are extremely exacting in terms of professional requirements and post-training experience...And the other is occupations that...entail severe demands on manual effort and application, of which an obvious example is building...//

An employer's representative took the biological dimension further than physical attributes and children. In discussing why women choose to work in (less well paid) occupations, or what is coded as '**Biology in personal choice**', he said:

...there must be, also, some sort of biological basis to a lot of those choices. I don't know what it is, but, you look at a lot of the biological studies and there's huge literature studies of the way men and women behave differently...it's crucially important to individual choice. Women tend to choose occupations which involve...human interaction...caring, child care and teaching and social work, they all involve people issues; helping people and children. (Interview with employer representative A)

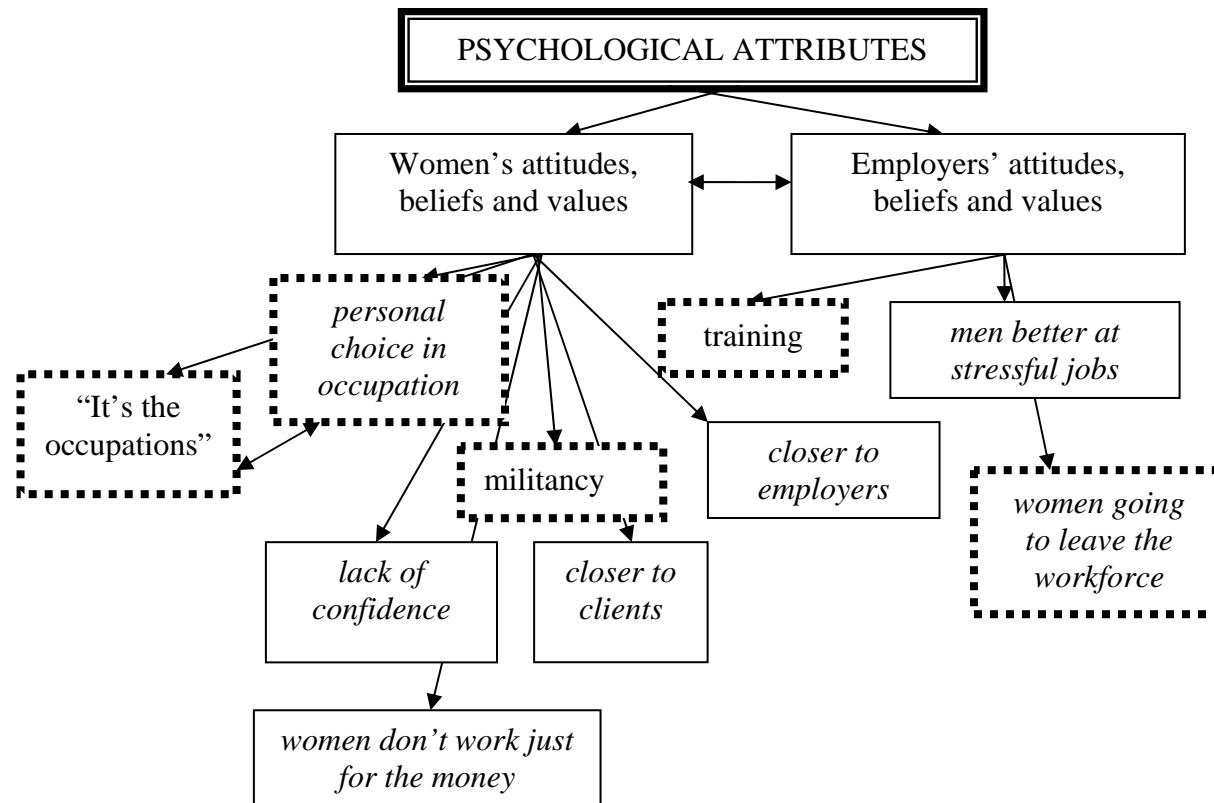
5.4.3 Nature and Nurture Reasons: Psychological Attributes

The major category 'PSYCHOLOGICAL ATTRIBUTES' brings together categories on 'Women's attitudes, beliefs and values' and on 'Employers' attitudes, beliefs and values' as shown below in Figure 28.

The first code and important connector under the category '**Women's attitudes, beliefs and values**' is '*personal choice in occupation*', which is related to the 'BIOLOGICAL ATTRIBUTE' code, 'biology in personal choice'.

//...I would...never like to see my two children...feel that they have to go into home economics type of industries or arts industries simply because they are female. I would like them to think that...if they want to be a pilot of an airplane or they want to go and work in a mine then... [they will have] every opportunity to do that...//...women find some work unattractive. You find very few women choosing to go into engineering... [or] onto building sites and partly that's because they think they will be the subject of informal discrimination. And they're probably right...//...why do people go into different occupations? You know, obviously there is a high degree of socialisation. There's also personal choice. People choose... things that interest them...as a group, not as individuals, males and females seem to show more interest in different types of work. Have always done, so, perhaps they will continue to do so...//

Figure 28 - Nature and Nurture Reasons: Psychological Attributes



An employer representative brought in a counter-view to the thought that women's occupational choices might be restricted:

...there's always other occupations. I mean...there's no monopoly, they're not forced into any type of work...there are...a range of choices that people make. (Interview with employer representative A)

Yet this was the same employer representative who talked about biology determining occupational choice. Given a chance to see the above comment in context²⁸, the interviewee further explained:

It is possible, after all, to reconcile biology influencing choice, even strongly influencing it and individuals choosing what biology may give them a predisposition to want to do by way of an occupation, assuming that the evidence discloses such a predisposition. (Interview with employer representative A)

Thus the employer representative is saying biology can both restrict and become part of personal choice. A union official saw this differently, seeing women's choice of occupation as more restricted than men's choice by social factors and responsibilities associated with biology or sex type.

...women may be the primary care givers if they have children, or if they have elderly parents that they look after; and that may dictate where they can work, how many hours they can work and what sort of hours they can work. So...the choices are more difficult for many women who have to work. (Interview with union official E)

An interviewee gave her perceptions of the different 'personal choices in occupation' or industry made by women and men:

[T]he main factor is that differential between women's work and men's work, different industries being worth more. Researcher: How do you think women end up working in different industries? Interviewee: I guess it really starts from the educational aspect and where they're encouraged to

²⁸ As part of the methodology explained in Chapter 2 all comments used in published/publishable material were fed back to interviewees to give them a chance to see them used in context and make any changes they felt necessary.

go into. I presume that's where it comes from...I don't imagine women automatically think of a career as an engineer. I think the educational streaming pushes them into valuing what they can do using their feminine skills and that pushes them towards careers like; childcare, nursing, you know caring professions, those sorts of areas. Researcher: Is it the conditions that bring people in, or? Interviewee: Because the barriers aren't there, you know. Other reasons, I mean school teaching is seen as an attractive thing because when you are a parent yourself you can take all the school holidays when you're a teacher. I think women take those sort of caring responsibilities and...caring skills into account. Whereas a man probably just looks at the money available, chooses a career that way. So I think it probably starts at a very early age, society really streaming people one way or the other. (Interview with union official F)

This is a complicated but valuable discussion. It suggests that women “*are encouraged to go into*” certain types of education. Encouragement comes from society (presumably family, teachers and friends) “*streaming people one way or the other*” according to gender. For women male-dominated jobs become less valued and money less important than using feminine caring skills. However, women are also choosing these occupations because they take on the major burden of family responsibilities, so therefore choose jobs that fit in with those responsibilities.

Is this then real choice? Are women in fact being treated differently to men, not just by employers, but by their families, teachers and friends, because of what society views as the ‘right’ thing for women to do? Do not women constrain their own choices by anticipating different treatment if they were to do male-dominated jobs? This last point was discussed by a senior male commissioner:

... women find some work unattractive. You find very few women choosing to go into...engineering. Very few women choosing to go onto building sites and partly that's because they think they will be the subject of informal discrimination. And they're probably right. (Interview with Commissioner C)

Not surprisingly '*Personal choice in occupations*' is shown in Figure 28 as connecting up to "It's the occupations" in the same way that the choices made about which occupations to work in are, in the opinion of interviewees, strongly connected to why women are paid less.

A female manager said women are less assertive and suffer '*lack of confidence*':

...I think women generally undervalue themselves, so they're probably not as assertive as males in saying I think I deserve more and I want more and I'm prepared to take a walk if I don't get more, basically. (Interview with manager B)

Another manager talked about women lacking the confidence to apply for management positions in teaching as they thought they lacked the skills to do so. He pointed out that male teachers aspired to management roles from the beginning of their careers and were far less likely to downplay their skills in this way.

Maybe men grow up believing that they're meant to assume these roles and they don't have the same reluctance. So it doesn't come down to one's ability, it comes down to, maybe, what people look for...what sort of career people have in mind when they initially start out. Certainly in teaching ... not many men [who] went into...primary teaching saw themselves as just remaining in the classroom. Most of them aspired to becoming a deputy or a principal. (Interview with manager F)

Women were perceived as being '*closer to clients*' than men and having sympathy with clients' position as this comment shows:

I think it's about the psyche of women generally, you know. No, they don't want to cause trouble...they're in caring industries often, service industries, those sorts of things and that would disrupt the service to the client, to the children, to the aged carers. (Interview with union official B)

Similarly women were perceived to be '*closer to their employers*' than men. The primary example given here is the clerk or secretary in a small business. She (and they mainly are female) tends to develop a personal relationship with her boss and would be much less likely to join a union or take action against her employer:

They may have a very individual relationship with their employer as opposed to an organised union collective relationship with their employer ...//...We visited every...[business] and picked up hundreds of underpayments and irregularities. We wrote to the staff in the area and said join and we'll fix these for you. All they did was give the letter to their boss and he'd fix their pay... what it boils down to is small business, close working relationship ...//

A female union official raised the issue of '**women don't work just for the money**':

I think that women see work differently to men. I know it's a fairly sweeping statement, but men work largely because they have to work to earn the money. Whereas...obviously women need the money, but they also like to have a job that they enjoy. And I know women who are happy to pick mushrooms for \$10 an hour because, you know, that's a social thing for them as well as a job. (Interview with union official G)

Interviewees talked about a related perception that women dislike some jobs because of the conditions. An employer representative talked about one of his client's businesses.

Where they are hot and dirty, difficult conditions to work in, for whatever reason; they have difficulty in recruiting women ... some sort of metal manufacturing process where you had to be in front of a furnace, wear leathers and all the rest of it. You get paid quite well. He managed to recruit two women, one left and then within 12 months the woman [left] said, look I'd rather take a pay drop and work in the office. (Interview with employer representative D)

Of course, what is perceived to be an unpleasant working condition is a personal and psychological issue that may also be tied to social values and gender.

'**Militancy**' is shown as a connector as it relates to '*union density*' already mentioned as an aspect of "DIFFERENT LABOUR MARKET BEHAVIOUR" in Section 5.2.4 and "Union membership" in Section 5.3.1. It is interesting to note that, while increasing union membership might be thought a solution to pay inequality by some (Interview with government official A), high '*union density*' did not necessarily result in higher

relative pay outcomes, or ‘*militancy*’ for the occupations studied. The primary example of where this operated was in the public sector. While the public sector had the highest union membership or density of all Australian industries (detailed in Appendix 4, Table A-7), it was only the very occasional public sector agency that exhibited any ‘*militancy*’²⁹. To add to this is the fact that, over the 13 year period, observed public sector wage increases in the selected classifications were the lowest those studied.

Yet the role of ‘*militancy*’ and ‘*union density*’ in supporting wage outcomes was sustained by interviewees. For example, a government official pointed out that there was “*a fairly reasonable differential between unionised and non-unionised employees*” with the former gaining higher wage rates, particularly under enterprise bargaining. Employer representative F described building trades labourer’s rates as “*obscene*” in comparison to the rates paid to teachers and nurses and put this down to the extreme ‘*militancy*’ or “*...anarchy, thuggery*” of building workers and their union.

Interviewees expressed the view that the employees in the male-dominated Western Australian Main Roads Department, who received higher wage increases for some of the period under study were far more likely to be militant than employees in the female-dominated Western Australian Health Department who received lower wage increases.

Now we had a number of battles up at Main Roads and...I’ve addressed a number of stop work meetings out in the car park there and members came and they let their voices be heard and they stood up for themselves...you call a meeting of members in the Health Department, you’re lucky to get five people there. And you do the walk throughs, you try and get the delegates, you try and get a structure there and they didn’t have that identity with a union culture in the same way. Now when you go to an employer in those different circumstances, you have a different bargaining base and that’s the reality of our life. (Interview with union official N)

Interviewees generally felt women were less likely to be militant.

²⁹ ABS (2000) indicates that the, mostly public sector, education and health industries are far less likely to lose working days to strike action than the construction, manufacturing and mining industries, thus indicating militancy is low even in public service areas with skill shortages. Clerical and administrative public servants were seen by interviewees (Interviews with union officials N & P) as even less likely to take industrial action than those in skills shortage areas.

...women generally...don't want to cause trouble...they're in caring industries often, service industries, those sorts of things and that would disrupt the service to the client, to the children... (Interview with union official B)

Another union official supported this view, saying women were less militant because they worked in jobs where they were closer to their clients.

...when people are dealing directly with a customer, you know a client they're not going to be as militant as when you're dealing with an order book or something like that. So the guys in the warehouse, they don't have any relationship with the clients and therefore they don't care, they're happy to stand them up. (Interview with union official H)

An employer representative in the retail area found the above view interesting but was uncertain that it was correct.

That's an interesting perspective. I don't know that no contact with clients means greater militancy, but certainly a large group of employees in one spot...Researcher: You get that in a big shop, a retail shop. Interviewee: Just thinking about, you know, "smoko" time in the warehouse, it is almost a down tools kind of thing, a regular gathering of people. (Interview with employer representative B)

Thus 'militancy' may also be affected by the workforce's ability to gather together on regular occasions. Workers doing shifts and/or working part-time, as many women do, are less likely to be able to gather together.

Union official H went on to talk about the nature of the work in warehousing causing 'militancy'.

I think it's more the nature of the work. You know, working in a warehouse is a bugger of a job, you know shift work, night work, working to very strict, very intense pick rates, all these sorts of things, it's very, very difficult work. Handling enormously expensive equipment, it's a bugger of a job. Equally the companies need the supply because the value-add by the warehouse is enormous. Therefore it's a choke point, you know.

In other words, the strategic nature of the job also helps to create ‘*militancy*’, or power, in bargaining. The strategic jobs identified in the employment areas studied were all male-dominated jobs, the building trades’ labourer who as a ‘grano’ worker can hold up a concrete pour on a tower block and the warehouse worker.

The next category under major category ‘PSYCHOLOGICAL ATTRIBUTES’ is ‘**Employers’ attitudes, beliefs and values**’. An interviewee talked about employers’ perceptions about ‘*men* [being] *better at stressful jobs*’. This was related to management jobs as well as working in industrial relations and resolving disputes with unions.

[T]here is definitely the issue of, a culture which suggested that dispute resolution was a difficult and often a fairly stressful process where that tended to be the domain of men. (Interview with union official C)

While ‘training’ has been discussed above under both ‘ECONOMIC REASONS’ and ‘BIOLOGICAL ATTRIBUTES’, employers also have beliefs and attitudes towards women and the possibility that they might leave the workforce to have children, that appear to restrict employers’ offers of training to women. Under ‘ECONOMIC REASONS’, the amount of training made available by employers to women was discussed as being affected by statistical discrimination, or the perception that what might pertain to one woman, e.g. leaving the workforce to have children, is true of all women the employer might hire. The econometric literature reviewed in Chapter 3 showed that training has an important positive effect on pay, as higher wages are generally associated with more training. However, the econometric literature (Preston 1997 & 2001) shows the effect is not as great for women as for men and this may be due to the ‘NATURE AND NURTURE REASONS’ discussed above.

The other category shown in Figure 28 under the area of ‘PSYCHOLOGICAL ATTRIBUTES’ is termed ‘Value and Values’. This is a major connecting category or concept emerging from the analysis done so far. The connections are so deep and complex – connecting up ‘NATURE AND NURTURE REASONS’ with ‘INDUSTRIAL RELATIONS...’ and ‘ECONOMIC REASONS’ that this can now be termed a theoretical construct. The description of the theoretical constructs that emerged

from the data described here is dealt with in the next chapter where these are compared to the literature and their final forms develop.

5.4.4 Nature and Nurture Reasons: Summary

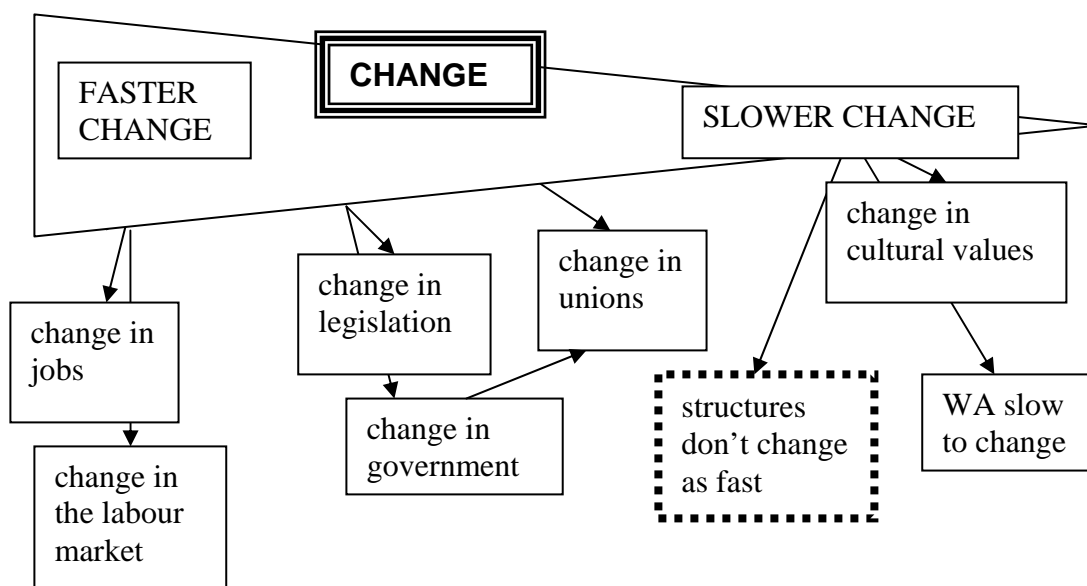
‘NATURE AND NURTURE REASONS’, the less quantifiable of all the issues involved in the gender wage gap, are clearly seen by interviewees as key reasons for the existence and persistence of the gap. This confirms a trend seen in the seminal literature (from Webb (1891) to Fenstermaker and West (2002)) reviewed in Chapter 3, Section 3.1, towards analysis of the social and cultural issues involved. It is the exploration of these more qualitative aspects of interviewees’ perceptions on the existence of the gender wage gap that distinguishes this study from others. Interviewees perceive that social/cultural factors relating to biological and psychological attributes affect the quantifiable ‘facts’ of women’s qualifications and the training and experience offered to them. They believe that commissioners’ judgments are affected by their social and cultural backgrounds, as are the actions of all the players – union officials, employer representatives and workers themselves.

5.5 CHANGE

As mentioned in the introduction to this chapter, one super category, ‘CHANGE’ provides not so much a reason for the gender pay gap, as the context within which it occurs. Many interviewees discussed change. Generally, they characterized economic factors as changing faster than industrial relations processes and quite a bit faster than social and cultural values and other ‘NATURE AND NURTURE REASONS’.

This is depicted in Figure 29 below with the elongated triangle showing a continuum of interviewees’ comments on change from: ‘FASTER CHANGE’ ‘change in jobs’, ‘change in the labour market’; to slightly less rapid: ‘change in legislation’, ‘change in government’; to less rapid again ‘change in unions’; and ‘SLOWER CHANGE’: “structures don’t change as fast”, ‘change in cultural values’ and ‘WA slow to change’.

Figure 29 – Context of Change



‘Change in the labour market’ was probably the most profound change remarked on:

//...The other things that would have been going then would have been a dramatic increase in part-time and casual employment. I know that was particularly pronounced in the late ‘70s onwards...//... 20 years ago, 10 per cent of the top graduates went into teaching. Now, 95 per cent of the lowest graduates go into teaching. It’s just changed so dramatically...//...because it has changed so rapidly and I think there are a lot of people who actually aren’t aware for example of how work patterns...and...workforce participation rates have changed. And also too...the increase in casual employment...//

Accompanying this is **‘change in jobs’**. Interviewees noted that changes in technology had changed jobs very rapidly, sometimes to the disadvantage and sometimes advantage of women and that women were moving into traditionally male jobs:

//... Even women who have been out of the workforce for 3 or 4 years have enormous disadvantages because of technology, computers and things of that nature...//...One of the changes ...was because of...the increasing impact of mechanical equipment in the warehouses; they were becoming much more feminised. And equally the change in the nature of the workforce

also meant that there are a larger number of men in service roles. When I first started with the union there would not have been a single service assistant in K-Mart who was a bloke, but if you go into a K-Mart store now you're as likely to find a guy serving you as a woman...//...More women are getting into more leadership positions and more women are getting into a broader range of jobs that were solely the province of men in the past...//... A lot of traditional jobs have gone and others surfaced. Some of the new ones seem to be dominated by men. They're the ones where the market rates drive them up, computers, IT ...there's something about computers that makes them more attractive to men...//

Interviewees' comments on '**change in government**' included those already discussed above with other comments under 'UNIONS' about union officials losing skills while operating in a system of centralised bargaining during the long-term Labor government period, from the mid 1980s to 1993 (Western Australia) and 1996 (federally). Other comments are about how change in government meant a '**change in legislation**' and thus wage fixing processes:

//...it's [1992 when the gender wage gap in WA sharply increased] just at the time when we were beginning to decentralise but hadn't yet deregulated the labour market if you make that distinction. We had moved away from CPI indexation in the mid-80s to award restructuring and enterprise bargaining. You can see it as a progressive decentralisation. But we still had significant union and third-party involvement; the commission was the mechanism through which those things were done. Which clearly was not the emphasis of the...previous state Coalition government or the Howard government since '96; who have been much more about deregulating rather than... in the sense of removing third party intervention...rather than decentralising...//...From an employer's perspective we had a looming change of government and we had had what we believed were reasonable industrial relations with unions. Unions were obviously very nervous about the impending change of government. We didn't want to give them reason to believe that we were going to jump out of the existing industrial relations

system into the others. We didn't necessarily, as a company, support all of the values that were being articulated by the then Liberal opposition...//

These changes in industrial relations legislation towards both decentralisation and deregulation are also outlined in Chapter 2 and Section 5.3.5.

Comments made about '**change in unions**', as discussed above and shown by the arrow between these codes in Figure 29, are related to 'change in government'. Other changes discussed by interviewees were about the decline in union power and membership and the increasing feminisation of peak union bodies (although as noted above most unions remain male-dominated).

//...the reality is the unions are really not necessarily part of current and future society as they were in the past ... The reality is that, in the old days, 60 per cent of the work force or so were union covered, so people would grow up with someone in the family being a union member and all of what that meant. The reality now is that if you take the public service bias out of the union members, one in 10 families...//... the industrial scene has changed so much, hasn't it? The ACTU is not the power it was...//... The ... participation of women, back in 1972 it was a male movement...Now some of that changed because of demographic change in the union movement, particularly in the 1980s with the affiliation to Council of the...teachers and ...the CPSU as it is today...and the ANF...//

Interviewees' comments about '**structures don't change as fast**' were about how the commission and its outcomes – awards and agreements' classification structures - had not been very responsive to the more rapid change in the labour market and in jobs.

//...The part-time, casual, labour-hire...arrangements...basically the labour market is changing more rapidly than the institutions that attempt to regulate it ...//...I think we have institutions that take time to change and we have a very structured IR system...[with] structural impediments or periods of time it takes to get the debate in the industrial commissions up to speed with the debate in the community...for example, if you run reclassification arguments based on gender equity issues most of the commissioners

wouldn't probably know what you were talking about...//...women, up until relatively recently, haven't been seen as breadwinners and have tended to go into occupations to supplement the family income rather than be the main source of the family income. Now I think that has changed considerably in recent times. But I don't think culturally and I think the structures that have actually arisen over the time haven't changed to accommodate that...the award structures for example...I think they reflect what has been traditionally a male culture in terms of unions and employers...//

'Change in cultural values' was seen by many as being slow:

//...I think the double shift aspect of women's lives is very important and so it has not been easy for those who want to make change to actually get a groundswell of opinion to have that change...//...in areas that are traditionally female-dominated that have been undervalued by society they are still looked upon in child care, in teaching, in nursing...[as] handmaidens to someone, not in a disparaging or pejorative way but that was a role they were happy to adopt and fulfill the stereotype that men imposed upon them. Quite a bit of change is happening and I don't know that it has been a revolution, but it will be a slow revolution...//

Other interviewees saw cultural change as not happening at all:

//...There would still be a very strong attitude in schools that a part time deputy ...or a part time principal isn't the done thing. So, I think there is still a lot of cultural change that hasn't happened yet...//... the value of work in, say cleaning and security...has never been assessed, never. These are low paid workers because they've got no market force...and I don't think it's ever going to change...//... I just know what the culture is like out in schools and ... it just simply hasn't changed. I mean the levels of resentment about any measures that you put in place to encourage increased promotion rates for women...I ...won't...even begin to tell you some of the comments we got because we put paid maternity leave in our last agreement...//

When commenting on the larger (than any other state or territory) gender wage gap in Western Australia, an interviewee claimed that state was slower to change its social/cultural values than any other state and to become less male-dominated.

...things contributing...more conservative values in WA...the preponderance of male commissioners in WA...the preponderance of male union officials.

Researcher: *And you think that's not the same in the rest of Australia?*

Interviewee: *WA's been slower to change.* (Interview with union official A)

Another interviewee, as already discussed above under 'SOCIAL/CULTURAL REASONS' code 'cultural reasons', saw these more conservative values as having been reinforced by waves of migrants into Australia, particularly Western Australia, who held more traditional values about women's place in society:

...what you tend to have is a lot of economic migrants to Australia ...with each wave of economic migration to this country, you are finding that people are coming to us whose social and cultural norms are different to what we would view western norms as being...the role of the woman in the family or the female in the family is viewed differently to what the standard western norm is. (Interview with manager A)

Examining interviewees' views on the pace of change in different aspects of the industrial relations system provides a useful context to the study. It is clear interviewees' reasons for poor female earnings have a geographic or spatial component as the system is viewed as continually adapting to change in economic, industrial relations and political, labour market and social and cultural factors and as adapting differently at different times and in different geographical regions.

5.6 SUMMARY

This chapter has described the field data collected for this study and the categories and codes that fit, work and have theoretical relevance (Glaser 1978:56). Four super-categories of: economic, industrial relations and nature and nurture reasons are perceived by the interviewees to relate to differences in wages between men and women. Changes over time in Australia underlying these have been identified. Categories and codes that make up these super-categories have been detailed.

It is clear that interviewees perceive that, as discussed in some of the literature reviewed in Chapter 3, it is not just economic and industrial relations factors that are important, but also social and cultural factors related to psychological and biological attributes. Interviewees also perceive these social and cultural factors to be slower to change than the other factors. The next chapter compares emerging theoretical constructs from this analysis with the literature already reviewed and some new sources, in order to identify theories on why and how interviewees perceived gender wage inequality persisted in Australia (and worsened in Western Australia), over the period 1990 to 2003.

CHAPTER 6 – THEORY EMERGING AND ILLUSTRATED

6.0 INTRODUCTION

This chapter describes the emergence of theoretical constructs from the data analysis reported in Chapter 5. Categories and codes are integrated into theoretical concepts or constructs that explain both why wage inequality has persisted during the study period (1990 to 2003) in Australia and how this happened. These are further illustrated by details from two of the employment areas studied: qualified child care givers and private clerical workers. Literature findings are also compared to these theoretical constructs in order to identify points where these reinforce each other (or otherwise).

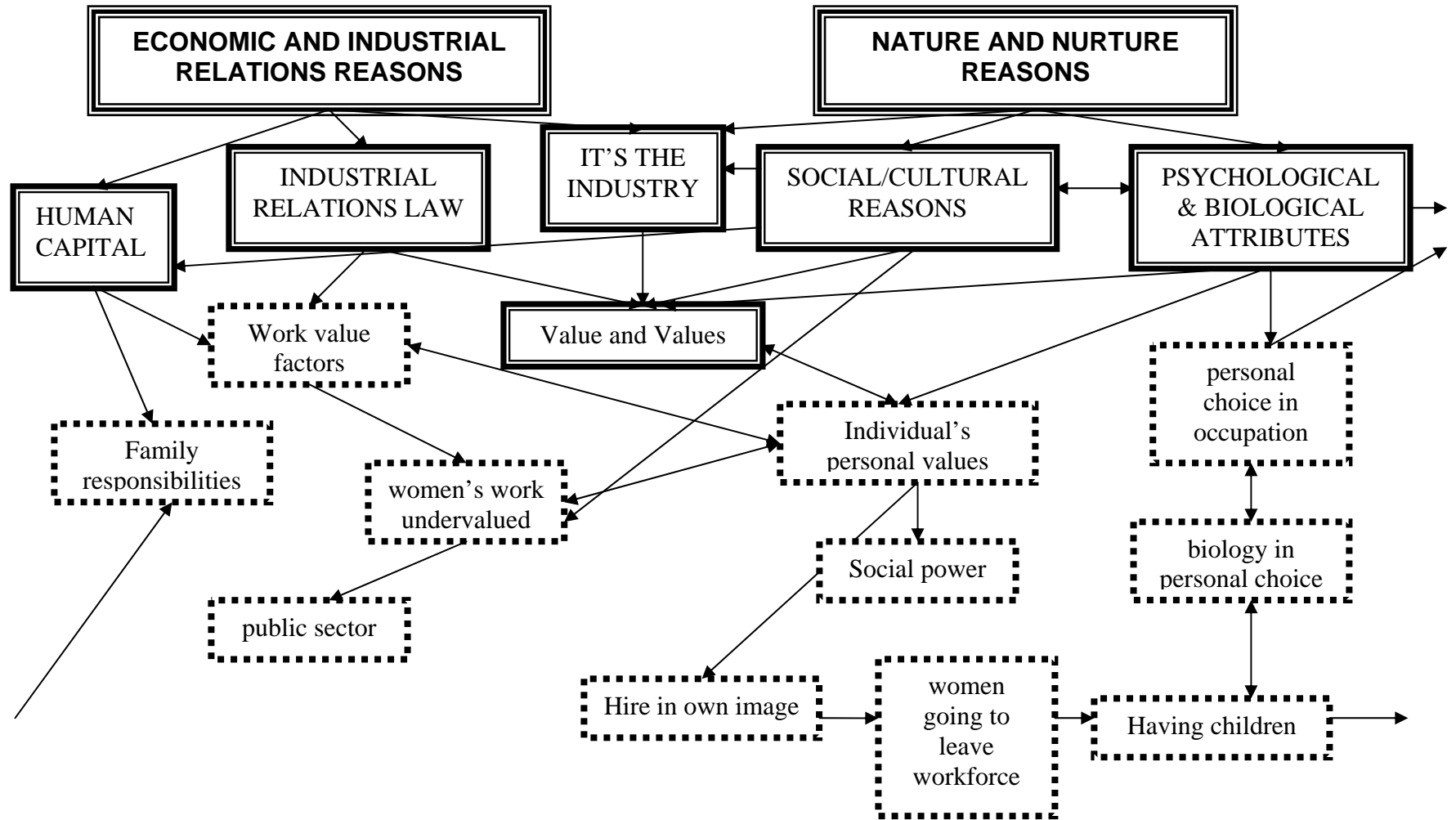
6.1 BRINGING ALL THE CATEGORIES TOGETHER – WHY DOES GENDER WAGE INEQUALITY PERSIST?

From the discussion in Chapter 5 on the ‘NATURE AND NURTURE REASONS’ influencing wage equality, the interviewees were clearly ascribing an important position to social and cultural values and biological attributes and how these feed into individual psychology. Interviewees agreed with the literature reviewed in Chapter 3, that economic and industrial relations factors also influence wage equality, but their comments demonstrated that interviewees felt key economics and industrial relations factors responded to influences outside the boundaries of the paid labour market, being social and cultural issues.

The economic literature and interviewees’ comments on economic and industrial relations factors illuminate two aspects of the gender wage gap, the existence of what the economists term:

- adverse treatment for identical characteristics e.g. failure to hire/promote women candidates with the same qualifications as male candidates; and,
- apparently adverse treatment for identical characteristics e.g. men and women having the same qualifications, at the aggregate level, but adverse treatment of women in the labour market because the type of degrees held by women mean that they are qualified to work in the caring job area, which is not rewarded equally to a degree in a non-caring job.

Figure 30 – Connections: Why Women are Paid Inequitably – Value and Values



The employer's assumption that women will leave to have children, with its effects on job and training offers, is an example of adverse treatment for identical characteristics. The phenomenon of rising relative educational levels for women compared to men at an aggregate level, yet continued lower wages, is an example of apparent adverse treatment. Both result in lower wages for women. However, what nature and nurture or social/cultural reasons do, according to interviewees, is explain **why** these events occur.

Using grounded theory's constant comparison method to find connections in interviewees' perceptions of why, on average, women are paid less than men; it became clear that the categories and codes that connect between major and super categories (or those with dotted borders in the figures) held part of the answer. The most significant of these connecting categories are shown in Figure 30 above, illustrating the first stage of the emergence of the concept Value and Values. Of particular note is the group of categories directly connected to 'women's work is undervalued'.

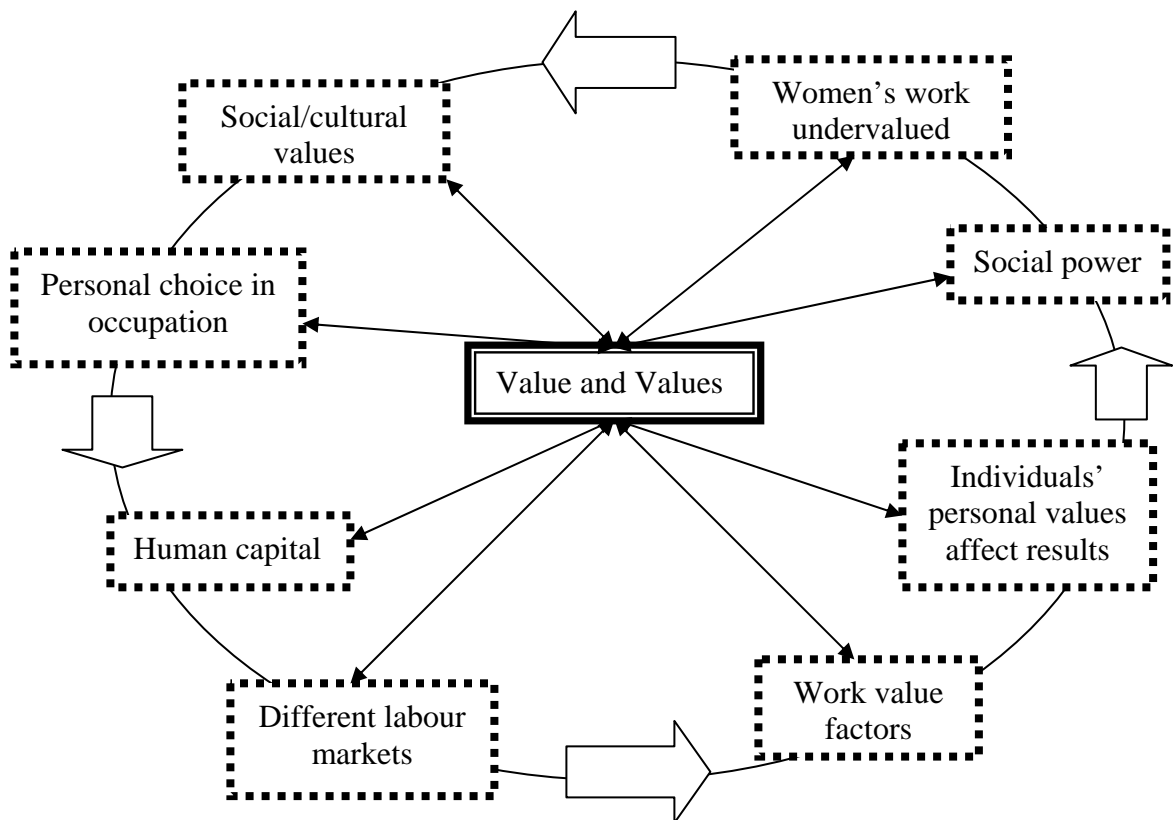
On re-analysing the connectors in Figure 30 and distilling this further, it is apparent that emerging from the main connectors between these categories and codes is a central concept that is about 'Value and Values'. The categories involved are 'SOCIAL/CULTURAL REASONS' (or what is now termed social/cultural values), '*Personal choice in occupation*', 'IT'S THE INDUSTRY' (which is now characterised as the concept 'Different labour markets' being the different labour market segments experienced by men and women), 'HUMAN CAPITAL' or 'Work value factors', '*women's work is under-valued*' and '*Individuals' personal values affect results*'. The concept of Value and Values is shown as fully emergent below in Figure 31.

As these factors interconnect with each other, they are shown in a circle rather than a hierarchy, with two-way arrows connecting to the centre indicating that the central issues, identified by interviewees when considering why and how women are paid less are in fact about value and values in the labour market. These main connectors, or what are now called concepts³⁰, are explored a little more below.

³⁰ The descriptor conventions laid out at the beginning of Chapter 5 for categories – font, capitalisation and quotation marks etc. - are no longer used here as categories become concepts or theoretical constructs.

Moving anti-clockwise around Figure 31, in the direction of the arrows from top left, first, as interviewees have pointed out, there are **social or cultural values** that affect individuals (and their reference group – family, peers and teachers) and their **personal choice** of study area/occupation. This choice affects the **human capital** (education, training and experience) individuals accumulate. In turn interviewees indicate that the type and amount of education affects which industries and occupations people end up in. That is, once in the market, interviewees point out men and women face **different labour markets** or market segments as many industries and jobs are segmented by gender.

Figure 31 - Value and Values – an Emergent Concept



As discussed above, where people work is felt by interviewees to be a prime reason for why the gender wage gap exists. Interviewees say they believe economic factors – industry, the market (demand and supply), profitability and human capital (education, training and experience), as shown in Figures 30 and 31, affect wages offered in particular jobs and industries. Which occupation people work in was seen to affect the

amount and type of training received both on- and off-the-job. Training offered by employers to women was also thought to be constrained by social and cultural attitudes, beliefs and values, particularly those to do with family responsibilities and having children. In the industrial relations system education or qualifications, training and experience needed to perform a job are **work value factors** used to measure the monetary value of occupations, both in the industrial relations commissions and in job evaluation schemes within industry.

Those making the decisions (three out of four commissioners), as well as other stakeholders interviewed who put up submissions to the commissioners, felt that cases determining wages in industrial relations commissions can be and have been affected by their own and other stakeholders' personal values. Interviewees also believed **individuals' personal values affect results** in the industrial relations system. According to interviewees, while the role of the commissions is to reflect the views of the parties, in assessing work value, subjective judgments are made. The reason why the personal values of individuals affect results is because they have **social power** and as our interviewees have claimed, this social power rests with the predominantly male management, male commissioners and male union representatives in the industrial relations system. This social power is exercised both in the commissions and in the firm. Thus interviewees felt this male social power results in predominantly **women's work being undervalued**. In an invidious way this undervaluing of predominantly women's work in monetary terms feeds back into social and cultural values about what work is most appropriate for women and men.

Most interviewees discussed how they thought women's work was undervalued (or others' claims that it was undervalued) by society and thus also in the industrial relations system. For example, a peak union official said, on being asked why women and men are paid differently:

I think it's about the value of work. That the work women do is valued less.

Regardless of where they work, what they do and at what level they work.

Researcher: *Why?* Interviewee: *Oh, I just think it's an inherent bias, you know...You know, when men do things it seems more serious, more important and therefore more valuable.* Researcher: *Do you think this is*

something psychological, or economic, or social? Interviewee: Probably social, you know social structure of society, patriarchal nature of society. (Interview with union official K)

An employer representative agreed.

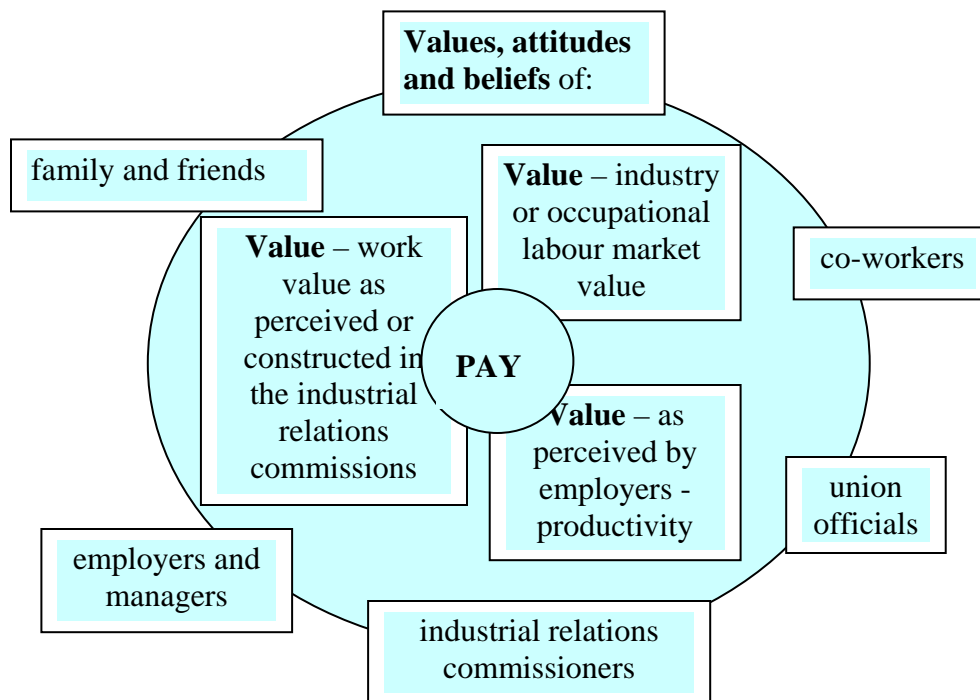
I think a lot of it has to do with industries that women either...want to work in or find themselves working in and the value of that work according to the market and according to the perception...And I personally think that the work of our educators and nurses are undervalued. I personally think the work of certain tradespeople are totally overvalued, but that's just really my personal values rather than it coming from any statistics or experience in the job. (Interview with employer representative B)

An industrial relations commissioner also talked about women's work being undervalued:

...women have been employed, I suppose, as everyone keeps saying, in areas that are traditionally female-dominated that have been undervalued by society. They are still looked upon in child care, in teaching, in nursing, those sorts of areas [as] handmaidens to someone, not in a disparaging or pejorative way but that was a role they were happy to adopt and fulfill the stereotype that men imposed upon them. Quite a bit of change is happening and I don't know that it has been a revolution, but it will be a slow revolution. (Interview with Commissioner B)

Thus, as shown in Figure 32 below by the boxes within the circle, interviewees believe women's pay is assigned a **value** (or monetary worth) by the circumstances of the relevant labour market (demand and supply) for their industry or occupation, by proceedings in the industrial relations commissions and/or by decisions of employers and managers in the enterprise. The activity, or lack of activity, of unions, as one of the actors in a particular labour market context and in the commissions, also affects earnings outcomes or value.

**Figure 32 – Values Affect the Economic Value of Women’s Work –
Why Pay Inequality Persists**



The value boxes are shaded to indicate that interviewees believe value is **affected by the values** (including attitudes and beliefs) of women and men who are: family members and friends, employers, managers, union officials, commissioners and co-workers in both the formal and informal parts of the industrial relations system. These interested parties are labeled around the outer circle in Figure 32 representing values, attitudes and beliefs. As, in the opinion of interviewees, these values are slower to change than labour markets and industrial relations legislation, this results in a persistent gender wage gap.

The process of theoretical categorising led to a more specific focus to the research than the original research question. In answers to direct questions about why women and men are paid differently in Australia, interviewees gave opinions and perceptions that could be used to explain both why and how gender wage inequality persists, despite many attempts to fix it. This is now the emergent central theoretical construct (Glaser 1992).

6.1.1 Comparing Interviewees' Views with the Literature

6.1.1.1 Economic and industrial relations theory

It is clear, from the literature already covered in Chapter 3, that while the seminal literature tends to concentrate on economic and industrial explanations, many theorists had at least hinted at the role that social and cultural forces play in wage determination. In the economic theory literature reviewed in Chapter 3, Section 3.1.1, Webb (1891) talked about custom or public opinion affecting wages. Becker's (1957) discrimination theory was also based on the tastes of employers and employees that, in his opinion, lacked objectivity in not determining wages "on considerations of productivity alone" (Becker 1971:39). Arrow's (1972) theory of statistical discrimination found one explanation for employers' apparent taste for white men versus black men and women – that employers' information was poor so that they used their average expectations (of unreliability) about women and black people to determine their hiring practices. The institutional economists (Doeringer & Piore 1971) agreed that individual firms screened their potential employees in this way, leaving the disadvantaged (including women) out of their high skill, high wage internal labour markets and in the more competitive, low skill, low wage market outside.

Dunlop (1958:9) talked about the context to the industrial relations system as involving the technological, and financial environment as well as the "locus and distribution of power in the larger society", thus not explicitly including social forces, but hinting at them through a reference to power. Dabscheck and Niland (1981:25-29) provide a summary of the critique and development of Dunlop's theory. In relation to social/cultural values identified, it is useful to concentrate on two of these critiques. Hyman (1975), while presenting a Marxist approach to the theory of industrial relations, argued in part for "totality" in industrial relations theory. By this he meant: "...the fact that different social phenomena are interrelated and that no area of social life can therefore be satisfactorily analysed in isolation" (Hyman 1975:4). Dunlop (1958:5) appeared to agree with this sentiment when he said:

An industrial relations system is to be viewed as an analytical sub-system of an industrial society on the same logical plane as an economic system, regarded as another analytical sub-system.

However, he did not make any explicit mention of social or cultural forces in his analysis of the industrial relations system.

Dufty and Fells (1989:1), building on Dunlop's (1956) system, agreed more with Hyman (1975) than Dunlop (1958) and indicated that the "employment relationship between employer and employee is central to what we term 'industrial relations'". They put this relationship in a wider context of the industrial capitalist society with three dimensions of society – economic, legal and social. Dufty and Fells (1989:2) believed that:

The nature of work, together with the effect of the legal framework of society, influences the way in which employment relationships are established. Once established these continue to be influenced by the economic and legal dimensions but are also influenced by the social aspect of work activity....

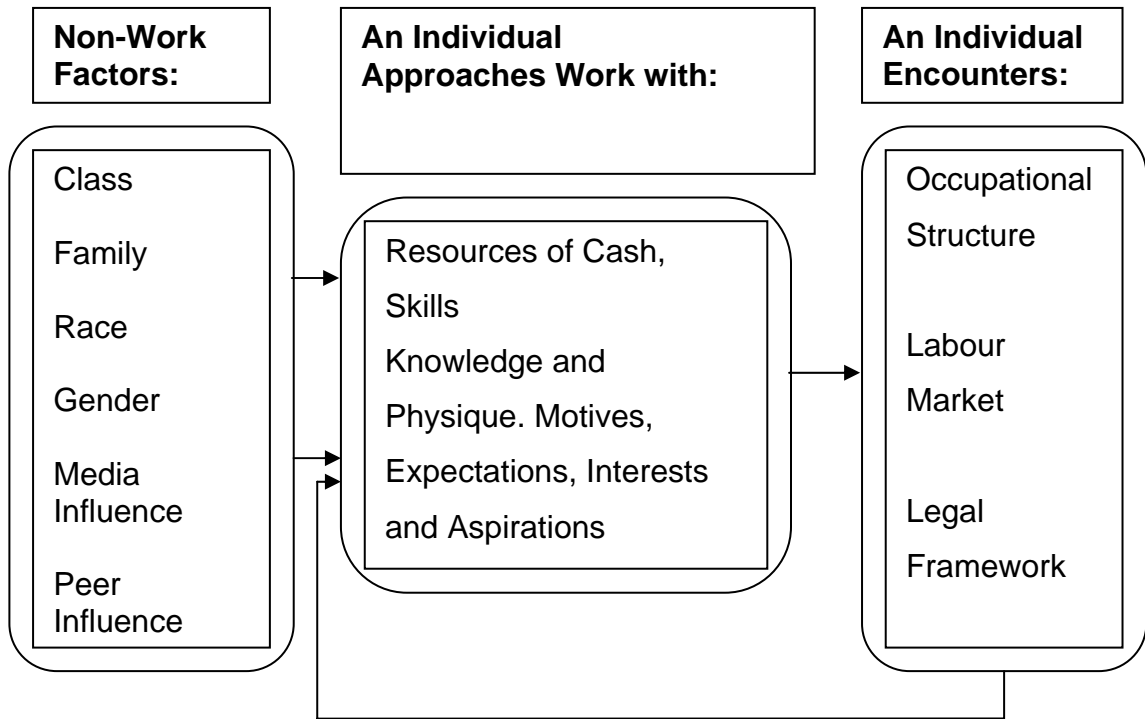
Dufty and Fells (1989:13) make this implication of a wider role for social forces more explicit when describing the factors influencing an individual's approach to work. Again, they illustrate this with a figure, which is reproduced as Figure 33.

As Dufty and Fells (1989:12) put it:

... an individual's approach to work is the product of a range of non-work factors as shown in Figure 1.3 [Figure 33 here]. Individuals enter work from a society which is structured on the basis of an unequal distribution of resources and who themselves have differing resources (cash, skills, etc.) and motivations (Watson, 1980:63-4). Individuals' choices and opportunities differ widely.

As can be seen in Figure 33, Dufty and Fells' "non-work factors" and factors that "an individual approaches work with" have some parallels to this thesis's nature and nurture factors. Interviewees talked about the influence of family, race, gender and peers (but not media) on women's pre-market choices.

Figure 33 - Dufty and Fells’ – ‘Factors influencing an individual’s approach to work’



(Source: Dufty and Fells 1989:13)

Dufty and Fells’ (1989:13) resources of “knowledge and physique, motives, expectations, interests and aspirations” are very similar to interviewees’ ‘nature and nurture’ factors – social values affected by individual psychological and biological attributes discussed in Chapter 5, Section 5.4. What Dufty and Fells (1989:13) said an “individual encounters” at work (occupational structure, labour market and legal framework), is very similar to the economic and industrial relations factors identified by interviewees discussed in Chapter 5, Sections 5.2 and 5.3.

More recently, industrial relations research (Ellem 2003, 2004) has been carried out applying the concepts of human geography and space. This research shows how geography, capital and labour intersect and are affected by and affect social relations at a particular time and place. The research is about “the importance of space to understanding connections between unions, work and community in specific geographic sites.” (Ellem 2004:112). Ellem’s work focuses on how, in the Pilbara in Western

Australia, union revival had to come, not from the workplace, but from the community into the workplace. In other words, Ellem demonstrates how industrial relations, or work practices such as fly in fly out (FIFO) and local community values, affect each other. In the Pilbara, for example, with the advent of FIFO, populations plummeted and social clubs and other community support disappeared. It was therefore in the interests of the community to support the reintroduction of unions, who hoped to restrict FIFO.

Thus, there is support in the general economic and industrial relations literature for the perceptions of interviewees reported in the last chapter that social forces affect the operations and outcomes of the industrial relations system through the individuals who operate within it and vice versa.

6.1.1.2 Feminist theory

The work of feminist economists and sociologists reported in Chapter 3, Section 3.1.7 (Macdonald 1995; Bergmann (1974); Trieman & Hartmann 1981; England 1992) all refer to the effects of socialisation on employers' expectations of women's reliability, the jobs they should be working in and on the choices of women and girls in and out of the labour market. Fenstermaker and West (2002) go further and show how gender is daily constructed by both ourselves and others of our society.

Interviewees said little about employers' tastes beyond commenting on employers' assumptions about women's propensity to leave to have children (and the effects this has on training and promotions offered to women), but did discuss women's tastes or "choices" in occupations in terms of their socialisation from childhood to the workplace. Some felt this was changing:

//...I would like them to think that ...if ...[my daughters] want to be a pilot of an airplane or they want to go and work in a mine then...[they will have] every opportunity to do that...//... it's the way kids are brought up right from when they are born. We try and...[counter] gender bias...We start right here [at child care] at 6 months old. We let the boys play with the dolls and the girls play with the trucks and cars and things like that...//

Others had different explanations:

//...women find some work unattractive. You find very few women choosing to go into engineering...[or] onto building sites and partly that's because they think they will be the subject of informal discrimination. And they're probably right...//...why do people go into different occupations? You know, obviously there is a high degree of socialisation. There's also personal choice. People choose...things that interest them... //

As Silvera (2000:161) puts it, factors that operate before joining the labour force and outside it are used to justify pay discrimination.

These factors are grounded in gender relations and also hark back to the division of roles within the family sphere, including differential access to education and training, unequal sharing of domestic work, existence of a “male breadwinner wage” supposed to cover the needs of the household, and conversely, consideration of women's earnings as secondary...

Similarly again, England (1992:18) claims the different job choices of men and women:

... are sustained by lifelong socialization that leads men and women to find different jobs interesting, respectable, of value, or consistent with their gendered identities. ... Preferences for certain kinds of work entail preferences for exercising certain kinds of skills. The socialization that forms these proclivities begins in childhood and continues throughout adulthood. It operates through reinforcement patterns, role models, cognitive learning, sex-segregated networks of peers, and other processes.

This is what the union official referred to when she talked about family and “*educational streaming [pushing women]... into valuing what they can do using their feminine skills*” (Interview with union official F).

6.1.1.3 Real or socially constructed differences?

As explained in Chapter 5, employer representative (A), however, appeared to believe that people had some kind of real, unconstrained, personal choice or preference for certain types of work. He said “*...there's always other occupations. I mean, you know, there's no monopoly, they're not forced into any type of work. You know, there are choices, a range of choices that people make*” (Interview with employer representative

A). Yet employer representative A (elsewhere in the same interview) also acknowledged the importance of social influences in occupational choice, saying: “*individual choice is obviously affected by socialisation, but it’s not just socialisation.*” What he was referring to was the possibility of biological determination, he said: “*The biological basis of some male/female behaviour is one of the reasons why the choice of different occupations.*” (Interview with employer representative A)

Recent literature from biologists on sex differences claims that indeed there are biological differences between men and women that affect behaviour. For example Lytton (2000:153) said: “The same hormonal mechanisms that develop neural structures responsible for differentiated sex organs also underlie the development of gendertyped behavior.” Girls exposed to extra androgen in the womb (Lytton 2000:153) “were more tomboyish and aggressive than unaffected girls, they chose more typically masculine toys, and their spatial abilities were also more enhanced.” (Lytton 2000:153) Higher level mathematical ability also appeared to be affected (Lytton 2000:153).

However, these effects from androgen are debated. As Alexander and Hines (2002:468-9) point out:

... influences of hormones on human play behavior are not universally accepted. Phenotypic masculinization, which occurs to variable degrees in girls exposed to androgenic hormones prenatally, could alter the social environment (e.g., parents may expect or encourage androgenized girls to play in more masculine-typical ways) (Fausto-Sterling, 1992). In addition, hormone exposure could alter cognitive development related to gender (e.g., androgenized girls may develop a less firm identification as female) rather than directly influencing neural processes related to play.

Lytton (2000:171) also talks about the interaction between environment or culture and biology. He makes it quite clear that while gender can make a difference within cultural groups (e.g. boys score better on various mathematical high level tests than girls), it is environment that makes the greater difference between these groups (Chinese American children of both sexes do better at mathematics than non-Chinese American children).

In a similar vein, Grumbach (2004:16), reviewing the recent upsurge of literature in the area of biological sex differences, concludes: “It is the interaction of genes and sex hormones (nature) with the environment and experience (nurture) that is critical in gender identity and sex-typed behavior but none by itself is deterministic.” Thus, there is some support for the perception that behaviour in certain areas, such as aggression and high level mathematics, is more male than female due to hormonal differences, but biologists make it evident that they believe it is also nurtured by social and cultural environmental factors.

However, this begs the question of whether men’s skills in aggression and high level mathematics are really worth more than women’s, also fairly well documented, skills in co-operation and caring? This determination depends on the perceptions of the people making decisions about wages.

Interviewees also commented on the “caring” occupations and industries of women.

//...they’re in caring industries...//...female-dominated workforces like nursing, caring, education ...//...Women tend to choose occupations which involve...human interaction ...caring, child care and teaching and social work, they all involve people issues. Helping people and children ...//

As mentioned in Chapter 3, Section 3.1.7, Guy and Newman (2004) contend that relational or emotional labour is absent from the lists of knowledge, skills and abilities required in the descriptions for these jobs, except in the form of “interpersonal skills”. They (Guy & Newman 2004:293) claim that “care is a natural activity that neither deserves nor requires remuneration.”

In other words, these skills are too close to skills used in non-market, unpaid situations to be recognised within the market and valued in money terms. In a similar way, as discussed in Chapter 5, an interviewee talked about some women’s jobs having been “voluntary work previously” (Interview with union official L) and that this affected the way they were valued in the paid labour market. These skills become invisible when they are possessed by women, except when they are absent (Guy & Newman 2004: 293).

How do firms manage to devalue these productive skills? Women are segregated (as noted by interviewees and discussed above) into certain (usually caring) jobs and industries where their (caring) skills become invisible and not paid for (Guy & Newman 2004; Pierce 1999; and Fletcher 1999). England (1992) puts it slightly differently, as jobs using caring skills suffering a wage penalty.

6.1.1.4 Intra-occupational inequality

The focus so far has been on interviewees' perceptions of what is sometimes termed horizontal wage inequality, or unequal pay for work of equal value in different types of jobs. However, there is a wealth of literature on vertical inequality or intra-occupational discrimination, as already discussed in Chapter 3, Section 3.2.4. Interviewees' perceptions were consistent with some of this literature.

In the theoretical literature, the firm was highlighted by institutional economists (Kerr 1950 & 1954; Dunlop 1957; Doeringer & Piore 1971) as creating a different type of segmentation in the labour market – one that exists inside the firm. As pointed out by Russell (2003) the problems within the firm and occupation begin with different men's and women's treatment and perceptions of this. A male union official interviewed felt that men were not aware of the different treatment of women in the workplace.

I don't think men generally take...this on board. Because what they would say is, well, the award, in effect applies to both men and women, but then they don't see the...intangible issues that will determine why men get promotion and why women don't get promotion. [T]he view that...women are not going to be as strong participants in the workforce because they are going to have kids, those sorts of things; deeply still condition the way in which these issues are determined and...it's a hidden factor in the way these issues are unfolding. (Interview with union official C)

A male union official talked about how women were treated in his previous organisation.

...certain classifications which afforded more, or a better, career advancement were generally male-dominated and not that open to women. (Interview with union official C)

Commissioner C explained how women faced a hostile culture in male-dominated work, putting it initially in terms of women not liking the work. He said:

...women find some work unattractive. You find very few women choosing to go into engineering. Very few women choosing to go onto building sites, and partly that's because they think they will be the subject of informal discrimination. And they're probably right.

Much of this hostility would appear to be caused by what Tharenou (1997) explains as a tendency for people, already inside an organisation, to hire in their own image.

Commissioner B agreed that male management tended to identify with the men who worked for them: “...men are the people who control at the management level and identify better with the person who says I've got a wife and kid at home.” A manager talked about “management teams...on training and their recruitment processes, although maybe not consciously but sub-consciously, actually favoured one sex over the other. (Interview with Manager A)

Interviewees saw education as an historical problem for women and a possibly continuing one.

//...in many families it was seen as inappropriate to educate girls to the same level as boys...//...Access to qualifications is another one. Those people who can afford the time to go and undertake additional qualifications...will gain some advantage...//

The literature in fact shows women are increasingly more educated than men in Australia. According to the 2001 ABS Census, “across all employees, there were more female than male degree holders. Just under one-fifth (19.4%) of all employees were graduates, 54 per cent of whom were women” (Preston & Burgess 2003:502). However, the problem may not be so much with the level of education held by women, but the type of education (e.g. an arts or social work degree compared to a science or engineering degree). As discussed in Chapter 3, Section 3.2.1, Langford's (1995) study illustrates that, if regression equations on earnings also include tertiary field of study, field of study has explanatory power and the gender wage gap reduces from that normally found.

Interviewees agreed with Wernick (1994) in that they felt management restricted access to training either directly, or through not providing family-friendly practices and unconscious biases. Interviewees talked about:

//...the focus by companies and management teams were on training and their recruitment processes, although maybe not consciously but sub-consciously, actually favoured one sex over the other...//... lack of, or restricted access, to either, family-friendly practices in the workplaces to allow access to training, or reduced access to training because of family commitments ...//

Interviewees also felt that women lose opportunities for this type of experience or developmental opportunities through career breaks caused by having children.

//...the fact that they go out of the workplace...and they miss the opportunities...//...I think the major one for me is the probable interruption to the career structure and the career stream for family responsibilities...//...women...going into family life...don't have the same degree of experience to move higher up the corporate ladder...//

An interviewee pointed out that if an organisation values presence more than product, this can have a major effect on how women's performance is assessed.

[I]t's what you value, there's a perception of how much you do, as opposed to the reality of what you're actually doing, exactly what that's worth. I think some people value volume and process. You know, you're here from 9 to 5 or whatever so you must be doing a good job. As opposed to hey, if you're the primary carer for your kids, and you're out of here at 4 o'clock each day and I can't find you at 4.30 when I really need you, you're not prepared to stay, well you're not worth it. (Interview with manager B)

Simpson's (1998) research on presenteeism, or the pressure of being seen to be at work in order to gain promotion or retain a job, supports this view.

There was a perception amongst interviewees that women's family responsibilities are the reason why women do not go on to become managers. They said:

//...women probably remove themselves out of the higher paid type of career path options going into family life...//...the probable interruption to the career structure and the career stream for family responsibilities. I think that has a big impact...//...they are trying to balance family and work commitments and that makes it really difficult...to make...decisions about whether they are going to be a career person or...a parent...//

As discussed in Chapter 3, Section 3.2.4, research studies (Tharenou 1995, 1997 & 1998) have examined whether the family roles of Australian senior female managers have affected their advancement and concluded that this is not strictly true. Instead, consistent with interviewees' views already reported, she finds family tends to limit the opportunities such as for training and experience that lead to management jobs.

Interviewees also talked about job evaluation, which is seen in the literature as a more general source of pay inequality in the firm, not restricted to the management area, but often encountered on the way to it. A union official talked about how, when employers argued for using a job evaluation system in a pay equity order case, the union “*brought in as evidence all the critiques of those systems*” (Interview with union official K). Another union official who was involved in public sector job evaluation said:

[T]hey use the Cullen Egan Dell type, Hay type [job evaluation] systems. Which I think is entirely subjective myself. But I'm told not, and I'm told the parties to the contracts with those organisations are thoroughly convinced that they are all objective. (Interview with union official F)

The literature (Equal Opportunities Commission not dated; Burton, Hag & Thompson 1987; Short 1992; Figart 2000; Cox & Leonard 1991) supports this assessment of subjectivity and shows that job evaluation is affected by the perceptions of employers, employees and job raters, which can adversely affect women's experiences and pay.

The literature has supported interviewees' perceptions that, within the firm, when managers are hiring staff, their actions may be affected by social/cultural values about the family responsibilities of women. The literature agrees with interviewees that, in the firm, job evaluation, promotion and human capital formation (through training and experience or developmental opportunities) can be affected by values related to gender.

Women, according to the literature and interviewees, tend to be hired into less skilled occupations/on an initially lower wage, often associated with devalued nurturing skills, and find it harder to acquire/are less likely to be offered the training and experience needed to rise up to management levels. Women’s opportunities (the boxes on the right of Figure 34) are constrained by their social/cultural values, family responsibilities, biological and psychological attributes, personal values and employer attitudes and beliefs (the boxes on the left of Figure 34). This also means women tend to work in less well-paid and female-dominated jobs.

Figure 34 – The Application of Values Relating to Gender in the Firm

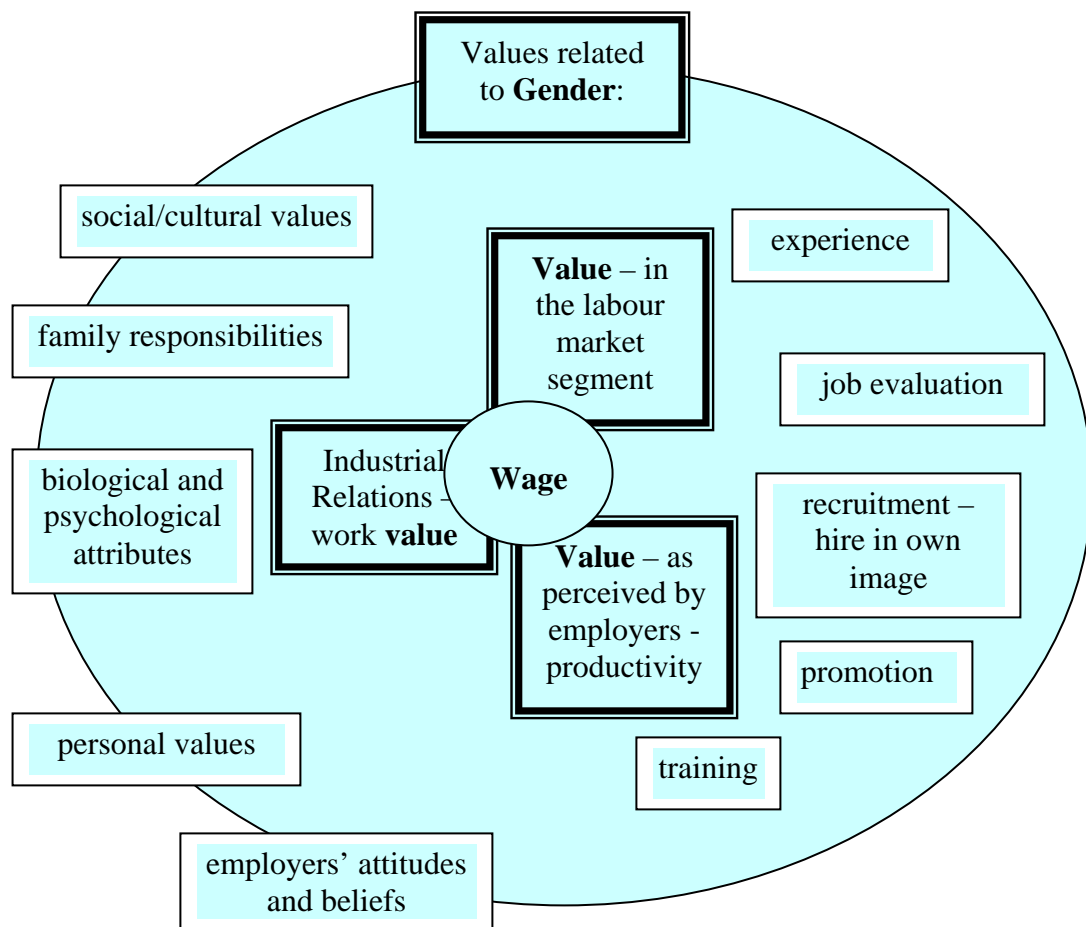


Figure 34 maps this section and summary, showing women’s experiences within, rather than before the labour market, as in Figure 32. Figure 34 shows how values relating to gender affect the firm. The boxes on the rim of the circle indicate that social/cultural values about women’s psychological and biological attributes affect personal values and

employers' attitudes and beliefs. This all influences the economic or monetary value offered within the labour market segment, the work value as defined in the industrial tribunals and the productivity perceived by employers and managers in the firm. Values relating to gender affect initial hiring decisions, training, promotion, job evaluation and development opportunities offered or experience, and thus pay.

6.1.2 Conclusions on Why Gender Wage Inequality Persisted

From the literature and interviewees' comments discussed above it is clear that the values, or nature and nurture factors, shown as emerging from interviewees' comments at detailed in Chapter 5 are, in fact, values related to **gender** which are learnt through socialisation and are reinforced within daily life, including in the workplace. These values are seen to affect social expectations about male and female roles and thus which occupations are believed to be suitable for men and women. The biological and psychological attributes of women affect the expectations of individuals and their parents about which skills will be paid for in the market and thus educational choices before the market.

Educational choice and gender role expectations affect occupational choice. In turn, the level of human capital (education, training and experience) possessed by an individual and the occupations available to that person are affected by their gender and employers' attitudes and beliefs. Gender stereotyping about what is appropriate for women to do results in women predominantly working in the service industry sector, where skills used are more likely to be caring or emotional and to be invisible because of their association with the female gender role in unpaid or voluntary work outside the market. Emotional or caring skills used by women are seen as natural and innate and therefore to lack economic worth in the marketplace.

As discussed in Chapter 5, Section 5.2.3, in the Australian industrial relations tribunals, work value is dependent on human capital associated with an occupation and less quantifiable factors such as job content (e.g. caring as compared to technical work), responsibility and working conditions. According to interviewees, work value assessments made by the tribunals are affected by participants' personal values relating

to gender. A comment from a commissioner about how the work value of nurses (a predominantly female occupation) was assessed illustrates this process:

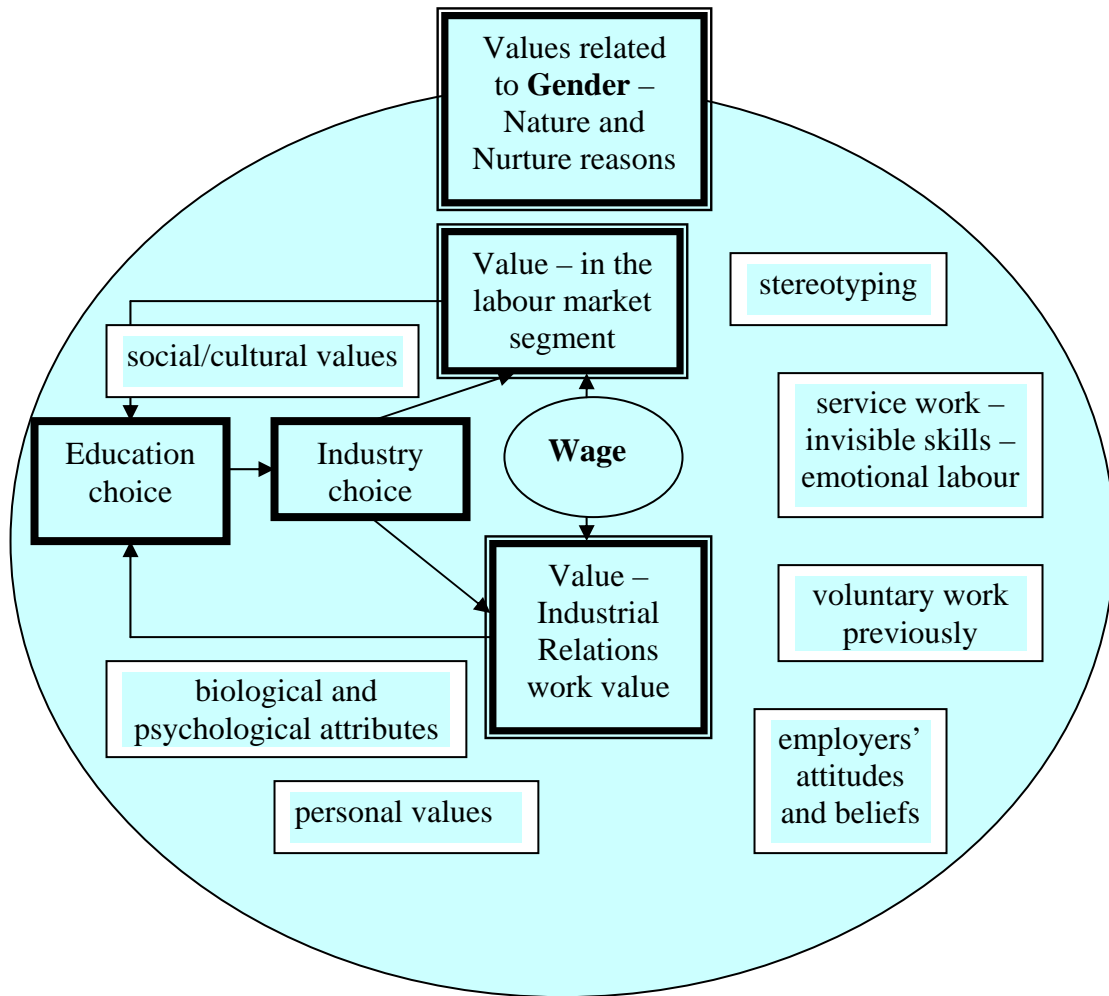
...it was comparison with other occupations requiring similar formal qualifications...experience, and ...responsibility. Researcher: What...did you see as similar responsibility...Interviewee: ...school teachers having responsibility for children and nurses having responsibility for patients, it's very, very subjective. Researcher: So you're saying that the process of working out the work value for that occupation at least was a subjective process? Interviewee: Yes, yes. (Interview with Commissioner C)

Finally, the literature discussed in Chapter 2, Section 2.3.2 (Bergmann 1974; Blau & Ferber 1992; Fenstermaker & West 2002) indicates, as did the interviewees, that it is values relating to gender that ensure a segmented labour market in Australia (Pocock & Alexander 1999; Wooden 1999), where many women and men work in occupations, levels within occupations and industries that are dominated by one gender.

Figure 35 below brings back some categories from Chapter 5 into Figure 32 (shown at the beginning of this chapter) in order to illustrate this summary. The circle represents society, or the social system, and the colouring or shading represents social/cultural values pervading educational and industry choice and then the wage or value set in the labour market for that particular labour market segment, as well as the work value set in the industrial relations tribunals.

Social/cultural values and personal values associated with biological and psychological attributes, affect choices before the market. These also affect employers' attitudes and beliefs, which result in stereotyping (women will leave to have babies; women should be nurses, teachers or secretaries). These values and attitudes also tend to influence women's choice to work in service industry occupations that were often voluntary in the past. Feedback loops show how discrimination in the labour market is anticipated in educational choice. All of this then acts to reduce the monetary value of occupations predominantly held by women.

Figure 35 – The Effect of Values Relating to Gender



Thus the economic literature reviewed in Chapter 3 found evidence of women being treated differently for the same characteristics of men and this section has demonstrated interviewees' views form a theoretical concept explaining why this occurs. Interviewees also had perceptions relating to how these different treatments occur, some of which is shown in the next section.

6.2 PERCEPTIONS OF HOW WAGE INEQUALITY PERSISTED

As indicated by the boxes within the values circle in Figure 32, the factors discussed by interviewees that appear to explain **how** pay inequality occurs in an Australian industrial relations system are those grouped under economic and industrial relations factors. Interviewees depicted the industrial relations system as a sub-set of Australian society,

pervaded by the same beliefs and values as the rest of society. These values are seen to be translated into the individual psychology and beliefs of industrial relations participants or actors. They are, in the opinion of the interviewees, reflected in the processes and outcomes of the industrial relations system and in the way the institutions and actors of the industrial relations system operate.

Figure 36's theoretical sub-construct (subordinate to the main one on values and value setting in the industrial system shown in Figure 32) shows how gender wage inequality persisted from 1990 to 2003 for two of the classifications studied in Western Australia: Qualified Child Care Giver and Clerk Level 2 (both private sector). Some historical context is also given, as this contributed the situation for these occupations in 1990.

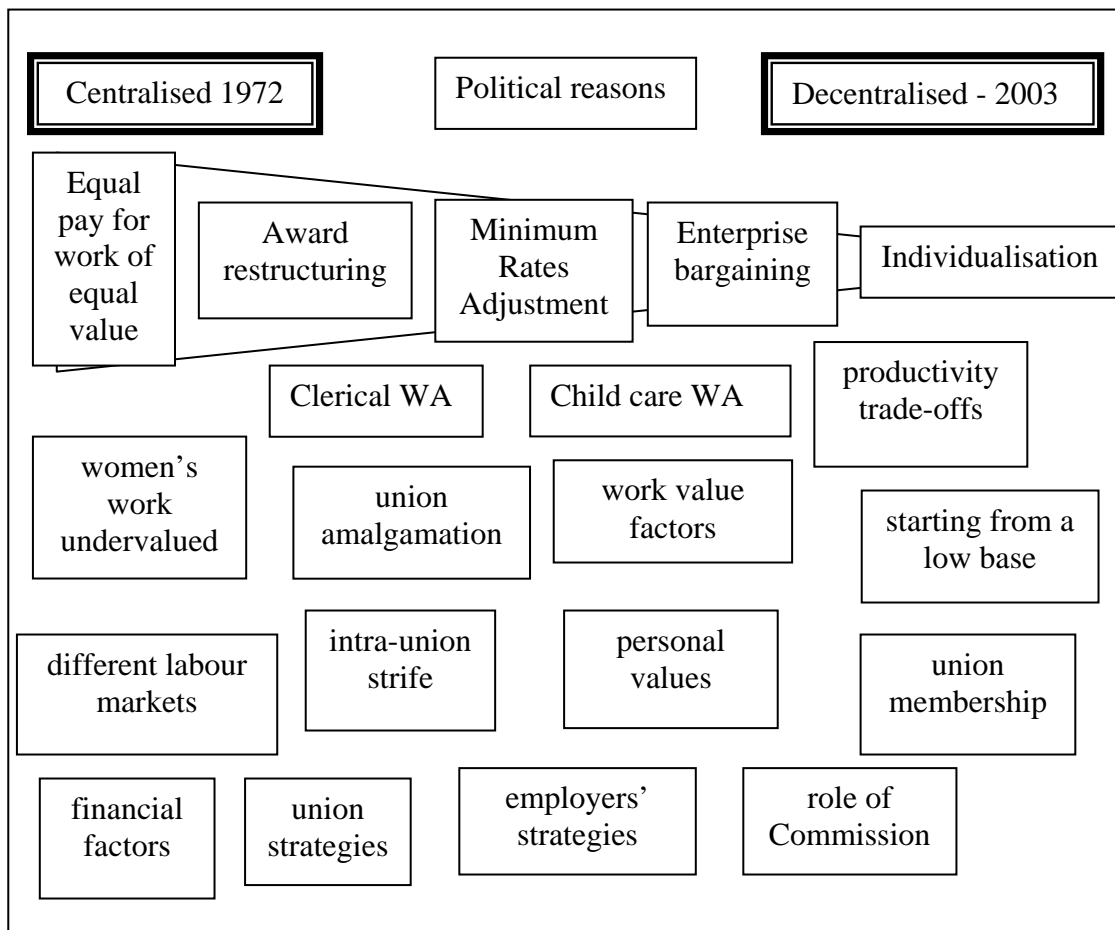
The focus in this section is on the way the commissions and other stakeholders implemented industrial relations legislation, including factors such as employers' strategies, union amalgamation, inter-union strife and militancy and union density or bargaining power for these two occupations. Market factors such as finance, human capital and product differentiation are also mentioned where relevant.

The review of the experience of these occupations is also focused on how personal values affected results in commission decisions for child care and clerical work in Western Australia and thus how, the literature and interviewees confirm, gender construction is integral to these occupations and the low wages paid to those working in them. These occupations are used as, in both jurisdictions, but particularly Western Australia, they experienced the most problems relating to gender wage inequality of the nine occupations studied. They also illustrate central concepts for how gender wage inequality persisted in all of the female-dominated occupations studied. In particular the occupations provide evidence from interviewees' perceptions, supporting the economic literature on the importance of such factors as education and work experience, but also, unlike the equal pay literature to date, illustrate how these enter into the decisions on wages made in the industrial relations commissions and by employers.

As indicated in Figure 36, this section is presented firstly in a timeline following industrial relations legal changes, from the literature and interviewees' comments on the AIRC Equal Pay for Work of Equal Value Decision in 1972 (127 CAR 1142), when the

formal system was centralised at the commission and peak body level, to those on enterprise bargaining and individualisation in 2003, when the formal Australian industrial relations system had become much more decentralised and deregulated. Figure 36 indicates relationships between these processes and some of the (again mostly connector³¹) categories that were used in Chapter 5. The oblique triangle depicting change in Figure 36 also signifies the decreasing centralisation of the Australian formal industrial relation system. Other categories of interviewees' comments from Chapter 5 are shown below this timeline, in roughly the order they apply to each case.

Figure 36 – How Gender Wage Inequality Persisted in Two Western Australian Occupations



³¹ This time the categories and codes depicted are those that were shown as connectors to 'work value factors' in Chapter 5 that connected with codes in all super categories (but mostly across economic and industrial relations reasons) and related major categories.

The beginning of the timeline shown in Figure 36 is outside the main focus of this study (1972 compared to 1990 when this study begins). Nevertheless interviewees' comments on the implementation of the 1972 equal pay for equal value case are included because they form a context for women's wages in 1990, in that interviewees felt the effects of only partially implementing that decision were still evident in 1990.

Some of the concepts in the bottom half of Figure 36: women's work undervalued (an outcome of the 1972 equal pay case); different labour markets; and starting from a low base; also give an historical context to what was happening to child care and clerical wages in 1990. Other codes fit more neatly into the time period under study, some applying to both cases, such as union and employer strategies, the role of the commission, personal values and work value factors; others are more specific e.g. union amalgamation and intra-union strife apply only to clerical work in WA and financial factors to child care. All theoretical concepts shown contributed to how female dominated occupations' wages were reduced relative to those of male dominated occupations studied over the period 1990 to 2003.

6.2.1 Equal Pay for Work of Equal Value

As discussed in Chapter 2, Section 2.2 and Chapter 5, Section 5.3.4, in 1972 the AIRC granted female workers the right to equal pay for work of equal value (1972 *Equal Pay Case* (1972) 147 CAR 172). The main problem for child care and to some extent clerical workers, particularly those working in the 1970s and '80s, was how equal value would be determined in the commissions. As Short (1986:321) asked, "equal to what?" It is important to note that both of these occupations were very female-dominated (particularly child care workers). According to the Job Outlook section of Job Search (2004), as at May 2003, 78.5 per cent of general clerks (clerks, receptionists and secretaries) and 95.9 per cent of child care workers were female. Clerks were also, as with all of the occupations studied, much more female-dominated at entry level, which is the classification level studied for clerks (and shop assistants, teachers and public service clerical and administrative employees). This meant that, in the 1970s and 1980s when equal pay for work of equal value was being implemented, there were very few or no men working alongside the women in these classifications.

Short (1986) looked at all the cases in the Australian Industrial Relations Commission emanating from the equal pay for work of equal value decision and found only cases involving public sector clerks rather than those working in the private sector. Short (1986:319-20) describes the experience of typists in the Commonwealth Public Service:

A traditional nexus with clerical assistants was re-established, providing a comparative wage justice element. A work value adjustment, for changes to their work since the last work value assessment, brought the typist's wage up further to about the level of a Grade 2 clerical assistant. In this way typists gained a 6 per cent wage raise for equal pay work value but they were compared only with another mainly female and less skilled classification – clerical assistant (Commonwealth Public Service Arbitration Report 53:235).

Similarly Short (1986:325) reported the experience of secretaries in local government:

There appears to have been no attempt to compare dissimilar work in equal pay cases at the federal level. Even though secretaries were involved in all the municipal officers' cases, the approach taken by the union was usually to arrange with the employer to add secretaries into existing (male) clerical administrative divisions and raise their pay accordingly. There appeared to be no attempt to actually assess the work value of secretaries or typists relative to that of other workers, which, given the almost complete female domination of the occupation and thus lack of males doing similar work, would have necessitated a comparison of essentially dissimilar work. Typing was simply assumed to be inferior to clerical work and typists were added onto the bottom of the clerical range, despite the fact that typists require a specific skill (typing) in addition to the ability to carry out clerical work.

In the 1970s professional child care workers would have been far fewer in total numbers and even more female-dominated. There were no applications made for equal pay for child carers in the Western Australian and federal commissions between 1972 and 1984 (Short 1985).

6.2.2 Awards, Structural Efficiency and Minimum Rate Adjustment

As explained in Chapter 2, Section 2.3.1 and Chapter 5, Section 5.3.4, the next opportunity for combating pay inequality was during the structural efficiency (*National Wage Case August 1988* (1988) 25 IR 170) and minimum rate adjustment (MRA) (*1989 National Wage Case* AIRC Print H9100:11-13) processes used to change awards before enterprise bargaining was introduced. Both private clerks and child carers in Western Australia suffered significant problems in trying to apply these processes to their occupations. In the discussion below, changes in and comparisons between the awards used from Western Australian and Australian Industrial Relations Commissions between 1990 and 2003 are also explained where relevant.

6.2.2.1 Clerical workers and restructuring

The Western Australian award used for private sector clerks is the Clerks (Commercial, Social and Professional Services) Award for the whole period 1990-2003. The Victorian awards used are the Industrial Relations Commission of Victoria-registered *Clerical and Administrative Employees Award (Victorian)* from 1990 to 1993, and then the federally-registered awards, the *Clerical and Administrative Employees Award (Victoria)* 1995 and 1999 (C1128/AW773032) after the Victorian state industrial relations system was handed over to the AIRC. In each case, the award recommended by the Australian Services Union (ASU) as covering the most private sector clerical workers in each state was used (Interviews with union representatives E and C).

As Table A-22 in Appendix 4, Section A4.4.4, shows, Western Australian private sector clerks were paid between \$12 and \$28 per week less than Victorian clerks for the whole period 1990 to 2003. This difference was widest and most consistent, ranging from \$18 to \$28, during the period February 1991 to July 1993. The end of this period coincided with Western Australia gaining a minimum rate adjustment for its clerks.

Compounding this disadvantage for Western Australian clerks, the structural efficiency reclassification exercise that preceded minimum rate adjustment of the Victorian award resulted in a six-grade structure, whereas Western Australia's reclassification resulted in only three grades. These were equivalent to Victoria's base grades 1-3. This illustrates how location can affect wage inequality.

This problem with career structures was widespread in Western Australian clerical awards. Other clerical awards were even worse, as they paid by age rather than skill, something that was illegal under anti-discrimination laws. The Western Australian Industrial Relations Commission website (WAIRC 2002-2005) showed that, of fifteen private clerical awards current in Western Australia in 2004, only three (the Clerks' (Commercial, Social and Professional Services), the Clerks (Grain Handling) and the Clerks (RAC Control Room Officers) Awards) had a restructured award with classifications based on skills. The other eight awards, including Clerks (Hotels and Motels), Clerks (Taxi Services), Clerks (Accounting Employees), had an **age**-based classification structure with wages going up by year of age, even for adult employees³². This structure usually ended at age 25. The Clerks (RAC Control Room Officers) award had a four-level skills structure.

Nearly all the federally-registered clerical awards (like the Victorian award used here which became federally-registered in 1996) listed on the Commonwealth Government data bases of AIRC decisions (OSIRIS 1990 to 2002, WageNet 2002-2005) used the six-level skill-based classification structure developed in Victoria. The only clerical award with this type of structure in Western Australia was the Clerks (Grain Handling) Award which went up to seven levels, but covered very few people.

The federally-registered clerical awards researched (OSIRIS 2000-2002, WageNet 2003-2004) included a fairly large number of Victorian awards, and awards applying to South Australia, the Northern Territory, New South Wales and the Australian Capital Territory. Most of these awards used the same six-level skills-based classification system. Only two of the Victorian awards, which appeared to be superseded as they had not been kept up to date, used an age-based structure. An ASU official from Victoria also pointed out that, in 2002, most Victorian clerical workers were paid at Grades 3 and 4 (Interview with union official E). At that stage, Grade 4 did not exist for most Western Australian clerical workers.

³² On 30 July 2005 the WAIRC website showed these Western Australian awards continued to have age-based classifications contrary to the *Industrial Relations Act* 2001 (WA), Section 40D and the *Equal Opportunity Act* 1984 (WA).

Overall, this meant that, not only were Western Australian private sector clerks Grade 1, 2nd year of experience, being paid an average of \$17 less per week than their Victorian counterparts over the period, but they also had less career structure available and thus less likelihood of higher future wages. Furthermore, a number of other private clerks in Western Australia still had awards with discriminatory wage structures based on age.

It is worth explaining in some detail why the structural efficiency exercise on the Western Australian clerks' main award, the Clerks (Commercial, Social and Professional) Award, stopped at three grades, instead of the six grade structure achieved in most other Australian states. In particular it illustrates the WAIRC's attitude at the time towards the skills of clerical workers and problems with union amalgamation that affected both restructuring and enterprise bargaining. An employer representative involved said the six grade structure:

...didn't happen for two reasons, actually probably three. There were union issues at the time in terms of their level of activity and capacity to pursue that application. It took them a very long time to gather it all together, there were very protracted proceedings in WA, we didn't like that structure and there were many counter-proposals and alternatives put. It ultimately ended up in arbitration...They didn't want to arbitrate because quite frankly I believe one of the commissioners at the time just couldn't even...what were his comments: "How technical it is to operate a photocopier." It's like...it was a condescending kind of remark to put down value of the work or he just actually couldn't do a photocopy. So having had that decision for the first 3 grades... (Interview with employer representative B)

The other concern the employer representative raised was that going to six grades extended the coverage of the then Federated Clerks Union (FCU) into the managerial and administrative area and their constitution did not allow for that. According to employer representative B, it was because the FCU's constitution did not cover the more highly skilled clerical workers:

Our position is...for the Clerks Union to be maintained under their rules

...not to go beyond that...under the federal rules they can cover the CEO, under state laws they cannot. (Interview with employer representative B)

However, in a later interview in 2002 the union representative said...*what I've done is... progressed a claim to extend the constitutional rules. (Interview with union official C)*

The union officials interviewed talked about the difficulties of trying to convince the Western Australian Industrial Commission (WAIRC) that clerks did work at the skill levels described in the new structure. The WAIRC and the employers seemed to think that clerks in Western Australia were less skilled than elsewhere.

I think they had a fairly... jaundiced view, the Commission in Court Session about, really, the extent of the skills...on the basis of that a decision was handed down in 1993 which said, we'll give you the three levels but we won't extend it to the six levels. (Interview with union official C)

The WAIRC did a survey that, according to the union, was not favourable to the workers:

...he did site inspections but he only looked at a selection of the workforce... I don't quite know what happened but, generally when I've been involved in site inspections your main aim is to direct the commissioner to, obviously, the people you want him to talk to, to ensure that he gets, or you get, the best scenario of this case that you can then develop. It...didn't seem as though that happened. (Interview with union official C)

The WAIRC granted just a three grade structure and basically told the parties to go away and sort out the next three grades amongst themselves:

...their view was that it could, but that the parties needed to go away and develop the claim and then come back to...make another application and then add on to the existing three levels. (Interview with union official C)

The employers resisted because, according to the union:

...it was really just a costing issue. I think they saw the possibility of a Grade 6 employee, I can't recall what the figures were, but say it was \$30 odd thousand dollars whereas their argument was along the lines that the market rate at the moment was only paying \$25,000. So it's going to result

in people losing jobs... (Interview with union official J)

Then, union amalgamations began to occur. The FCU was amalgamated with the Social Workers' Union, and the Municipal Officers Association creating the new Australian Services Union (ASU). At the same time the deregulated industrial relations environment began to have its effect, causing scarce resources to be removed from the relatively low membership female-dominated area of clerks and relocated to the higher membership, more male-dominated, local government area.

...a large proportion of our membership is in local government. We've pursued enterprise bargaining claims in those areas and really that's where our resources go. Now, if you think about the traditional work value case that you mounted...in the 80s, this requires a huge amount of work in terms of getting together the evidence and getting together the...witnesses you need to start developing a claim. (Interview with union official C)

From that time until around 2002/3, the union would occasionally review the situation and decide that their resources did not allow them to run what would be an expensive work value case under industrial regulations unfavourable to their case.

...there wasn't the ability to or the resources to actually mount a proper campaign...we got some external consultant help...he looked into the matter and his advice at the time was along the lines of, "You're better off putting your resources into striking agreements at the enterprise level rather than going through the commission process of trying to arbitrate additional levels." (Interview with union official J)

However, enterprise agreements were only rarely struck in the private clerical area. Recently, the union saw the industrial climate as again being more favourable to such restructuring/work value cases in Western Australia (with a change to a Western Australian Labor Government) and after negotiations with the Western Australian Chamber of Commerce and Industry the extra grades were finally inserted on 1 July 2004 (84 WAIG 2196). This was **eleven** years later than the last award restructuring exercise in the male-dominated awards studied.

It should be noted that employers in Western Australia felt that clerks operating at the missing higher skills levels were not being paid less than the Victorian rates (Interviews with employer representative B and employer B). For example:

... if you ask those people, are you paying at least these rates, of people doing similar work in Victoria to this category that is not covered in WA, not in my experience, or anything that I see in the market, would say that we would be paying less than those rates. I work with a number of labour hire companies that do clerical work only, they pay some pretty good money and it's not just the basic female clerk type roles which are covered by the award. (Interview with employer representative B)

Even though these higher-skilled areas were award-free in Western Australia, the employer representative believed market pressures would ensure reasonable wages. An operator of a clerical employment agency interviewed confirmed that they certainly paid at least Victorian rates for that level of skill.

We're an agency, of course, so we send temps out, so there are times we do just pay the award, but generally it is above the award. And that's well above the minimum award which would be the Clerks Social... (Interview with employer B)

However, as pointed out by the proprietor of the clerical agency and an employer representative, this labour hire part of the market for clerks would also represent the upper reach of skills and productivity amongst clerical workers, so would also command the best pay.

In our industry you know, we can only place people who are above average in abilities. So we would certainly not want to get a reputation of paying a minimum award or anything like that... (Interview with employer B)

As already mentioned, the clerical employer representative B supported this view.

However, there is still ample reason to suspect the classification structure difference led to lower wages for women in Western Australia. The Victorian branch of the ASU pointed out that: *"the majority of our members would be Grade 3 or Grade 4."* (Interview with union official E) and Grade 4 is non-existent in the Western Australian

award. The Victorian official interviewed also said that when they had moved to the new six-grade structure they had many fights with employers who wanted to put all clerks not in training into Grade 2, regardless of skill.

[I]t was a big issue at the time; negotiating with employers when the new skill structure came in to actually properly place people within the grades. You know they wanted to go for the lowest common denominator...
(Interview with union official E)

Thus, while clerical employment agencies may be forced by their greater exposure to market forces in the casual employment market to pay good wages, this still does not mean the average small firm using a highly skilled clerical worker always pays them according to their skill level, even where the classification exists to cover them. However, the employer representative interviewed felt employers generally paid over the award in Western Australia: “...really when you go through the Clerks Award they are complying with that and pay them more.” (Interview with employer representative B)

It should also be noted that the Western Australian MRA case (of which the above structural efficiency exercise was a necessary precursor) resulted in a wage decrease for Grade 1 (1st year) clerks in Western Australia. For clerks in their first (not 2nd year as used in Appendix 4) year of experience, wages went down from \$361.10 granted in October 1991 to \$358.80 in 1993, when the MRA was set at 86 per cent of the tradesperson (Short 2001:24). This was the only time a wage decreased through MRA in the awards studied here and indeed, on asking Western Australian union officials and employer representatives, they could not remember any other example. The relevant employer representative said the decrease in entry level pay:

... would have to be based on an age average because it was all based on age before. Researcher: Right, so they averaged out the pay. Interviewee: Yes, if you were 16 this is the rate you go up to... it went up to 25. This is the rate you got; it didn't matter what you did. (Interview with employer representative B)

Thus the decrease was caused by a calculation of the average age of the clerks in Western Australia (the previous classification structure paid by age) resulting in a lower average age than elsewhere in Australia, which meant employers asked for a slightly lower rate of starting pay (Interview with employer representative B).

6.2.2.2 Child care workers and MRA

The awards used for child care are the Children's Services (Private) Award for Western Australia and for the Victorian/AIRC equivalent: the Day Child Care Workers Award (registered in the Victorian state tribunal until 1995/6) and Children's Services (Victoria) Award (1995 /1998 C0772/AW772675) registered in the AIRC when the Victorian state industrial relations system was handed over to the AIRC. The relevant wage data are listed in Appendix 4, Section A4.4.2, in Table A-9. The classification used is a Qualified Child Care Giver (which requires a Certificate IV). The union uses this classification to compare across all states and territories. Child care registration requirements (both for the individual and organisation) vary across Australia (Bennett 1991:31; Interviews with union officials B and Q) so it is important to use a classification accepted as being common between the jurisdictions.

As can be seen in Table A-9, child care was one of the few Western Australian occupations studied that was paid more than their equivalent in Victoria. This was particularly so after the Western Australian branch achieved an apparently favourable MRA phased in by 1994. Western Australian qualified child carers received around \$15 to \$33 more per week than their Victorian counterparts in 2003.

Unfortunately there was nothing published about MRA in the Victorian awards during the study period. From the comparison of wage rates, it is likely that adjustments made followed the Australian Capital and Northern Territory MRA test case run by the ACTU and the Federated Miscellaneous Workers Union (FMWU) and brought down in 1990. In this case the Full Bench (AIRC Print J4316:6) aligned qualified child care givers at level three (as used in this study) with the metal tradesperson's rate:

In order to conform with the National Wage Case guidelines, the parties adopted as a basis for comparison the training experience which the two classifications of worker must undertake. It has been shown that both must

have work experience to complement their academic studies and both are taught a range of skills which must be applied in circumstances calling for the exercise of responsibility. The evidence showed also that the student in child care studies will have had approximately twice the number of hours of academic training as will the student pursuing the trade certificate course in the metal and engineering industry.

The Full Bench (AIRC Print J4316:6) conducting the case referred more than once to not applying the standard work value comparison methods:

...the parties did not suggest that the vocation of Child Care Worker could be compared with that of the Tradesperson in the usual way that comparisons are made. It is apparent that the decision in the National Wage Case August 1989 did not require that direct comparisons of skill, responsibility and work conditions had to be found before relativities could be approved; if this was required, very few categories of worker in awards other than the trades awards would qualify.

The result was that, despite the AIRC's finding that qualified child care workers training was in excess of that required for a metal tradesperson (i.e. equivalent to an Associate Diploma or Certificate IV), they were aligned with a Certificate III or tradesperson rate. This would appear to be based on the Full Bench's perception that tradespeople had more responsibility and/or worse working conditions than child carers.

Child care was chosen as a study area for this thesis because of the way MRA was carried out for private child care workers in Western Australia. While child care workers in Western Australia received more from MRA compared to Victorian child care workers, union officials in Western Australia felt even more could have been achieved if a less discriminatory approach had been used. For example, a union official said:

...in the child care case the commission forced, actually forced an interim decision to compare female-dominated workers with [a] female-dominated workforce. Which in itself, came out with a suppressed outcome, rather than, what the union had intended to do, which was compare child care workers as a female-dominated workforce, traditionally suppressed, with metal workers,

who were setting the standard... (Interview with union official A)

The commissioner judging the case (unlike those on the Federal Full Bench case mentioned earlier) did appear to have trouble with using the traditional comparison in MRA cases – metal tradesperson. As the commissioner said, when being interviewed:

...how you undertake the cerebral exercise of aligning a child care worker with a metal tradesman evaded me. So I said, you know, I just can't do it that way, so we went back and looked at teachers and saw them, the child care worker, as part of the teaching process and aligned rates with teacher's rates of pay. [emphasis added] (Interview with Commissioner X)

When writing up the case for the Industrial Gazette, the commissioner put it a little more formally, saying:

I have considerable difficulty in aligning a trained child care worker with the classification in the Metal Trades Industry Award on the basis of relative skill, responsibility and the conditions under which work is normally performed in each industry. (73 WAIG 101 at 109)

In the decision the commissioner pointed out that “the Metal Trades Associate Diploma courses were being re-written and that the final competency level...has yet to be determined” (73 WAIG 101 at 109). He went on to say:

[t]he points I have referred to demonstrate the difficulty which I have encountered in translating the work value of a Trained Child Care Worker to a metal trades engineering framework” (73 WAIG 101 at 109)

The commissioner went on to explain the teacher comparison.

The skill, training, responsibility and conditions under which work is normally performed by a trained child care worker is more readily assessable within the framework of pre-primary education. That is not to say that the two are identical. Clearly they are not. However, I consider that an environment which is substantially structured around the formal education of pre-primary aged children is more relevant to the consideration of a Key Minimum Classification rate for those involved in

quality child care and developmental learning than is the metal trades workshop. (73 WAIG 101 at 110)

On being interviewed it was clear that the commissioner did not understand the union's objections to this process.

Now I would have thought that in the area of teaching, where male and female professionals, have, I know, got equal status in terms of the number of principals, deputy principals and administrators, and certainly in terms of the wage rates, female teachers don't get less than male teachers, so by this alignment, I would have thought we had completed an exercise that recognised the worth of a child care worker, not because it was a female-dominated industry, almost exclusively female-dominated, but because it was recognised for the worth it provided to society and to the value for the people who were paying, not only the parents, but also the government through subsidy. (Interview with Commissioner X)

He felt that, because there was no direct evidence of pay inequality in teaching as male and female teachers got the same pay, then this was a correctly valued occupation that could be used in a MRA case. However, the issue is not about direct discrimination, but about indirect discrimination. The fact that child care workers and teachers both use skills that are seen as caring skills (feminine skills that are often given away for free in non-market situations) could and as suggested above, did, affect their pay. Thus, as the union official stated above, it would seem that the WAIRC was using an undervalued occupation (teaching) to set the value of another (traditionally undervalued) occupation.

The independent teachers' award used for comparison had also not been properly minimum rate adjusted. The commissioner referred to the independent teachers' award used as being a minimum rate award (73 WAIG 101 at 114), yet it was paying the same national benchmark (of \$38,000) as the government teachers' award that was still a paid rates award. He also said, of the adoption of the national benchmark in the independent teachers' award: "[t]hat determination under the Special Case Principle effectively initiated the Minimum Rates Adjustment in the teaching profession in this state." Yet, if

this benchmark was set under the special case principle, it was not achieved using the MRA process of comparing to the metal or building trades rate.

While the commissions have used occupations as comparators in MRA cases that were not the metal trades rate, interviewees reported that the occupations used were, as far as they knew, already minimum rate adjusted. It seems therefore, that using teachers as the comparator in an MRA case was inappropriate and certainly the LHMU in Western Australia (as at early 2004 – conversation with LHMU official) was seeking to reopen the case on that basis. It should be noted that these problems around MRA are far from unique in female-dominated occupations. The pay equity inquiries in New South Wales (Glynn 1998) and Queensland (Fisher 2001) found similar problems.

6.2.3 Enterprise Bargaining

As discussed in Chapter 2, Section 2.2.3 and Chapter 5, Section 5.3.4, the introduction of enterprise bargaining and decentralisation to the workplace led to a widening of the wage gap between the male and female-dominated occupations studied. This was due to the difficulties experienced in gaining enterprise bargaining agreements (EBAs) in female-dominated occupations. Both child care and private clerical work in Western Australia provide good examples of this process. As explained in Chapter 2, Sections 2.3.1 and 2.3.3 and Chapter 5, Section 5.3.4, with enterprise-level bargaining for productivity-related wage increases, unions could gain higher increases than through safety net adjustments to awards.

This negative finding for the gender pay gap under enterprise bargaining was also reflected more generally in Australia. Heiler, Arsovska and Hall (1999:108&113) show this using data from the then Commonwealth Department of Employment, Workplace Relations and Small Business Workplace Agreements Database (WAD) and the then Australian Centre for Industrial Relations Research and Training Agreements Database and Monitor (ADAM). The WAD data (Heiler, Arsovska & Hall 1999:108) indicate that women gained lower average annual wage increases (AAWIs) than men under the workplace agreements monitored in 1995, 1997 and 1998 (but not in 1994 when it was equal). Their analysis of ADAM information used a proxy for gender, “feminisation” or proportion of women in each industry, as many agreements did not provide an accurate

breakdown of employees covered by gender (Heiler, Arsovska & Hall 1999:106). This found that only the male-dominated industries of construction and manufacturing provided above (all industry) average annual wage increases between 1996 and 1998. In addition, Heiler, Arsovska & Hall (1999:112) note:

Those industries that provided wage increases well below average over these years included mining, public administration, health services, hospitality and recreational and personal services. All of these industries had annualised wage increases below average for the three consecutive years. Each of these industries, with the exception of mining³³, are either heavily female-dominated or cover a large number of women.

Unlike this study, WAD and ADAM also only look at wage outcomes for enterprise bargaining agreements actually achieved, not at the wage outcomes for women who could not achieve EBAs in their workplace. As becomes evident when looking at child care and clerical work, as well as the relevant ABS (2003) data, female-dominated occupations rely on awards rather than EBAs, creating a major problem for these occupations and automatically lower wage outcomes.

6.2.3.1 EBAs and private clerks

Consistent with the previous discussion, enterprise bargaining agreements were said to be fairly rare for clerks in Victoria and Western Australia (Interviews with union officials C and E). However, the Victorian branch of the ASU had been able to negotiate agreements with large national firms, such as Myer Grace Brothers and John Sands, whose agreements are used for the wage data listed in Appendix 4. Sometimes these types of agreements went across state borders, but the ones used here are specific to Victoria. Many Victorian clerical EBAs were gained in concert with other unions, such as the Australian Manufacturing Workers Union (AMWU) and the National Union of

³³ This result for mining is contrary to the figures shown in this thesis for miners in Appendix 4. However, it should be remembered that the miner in this study was paid under Western Australian Workplace Agreements which greatly increased outcomes for miners when compared to the award and other occupations covered (miners gained a 280 per cent increase in their wages between 1990 and 2003, compared to increases of around 100 per cent for other male-dominated occupations studied and around 50 per cent for female-dominated occupations studied). Interviewees consulted (Interviews with manager E, employer representative G and union official O) said most miners were paid on individualised agreements and not on the collective agreements that would have been included in WAD or ADAM.

Workers (OSIRIS 2000-2002; WageNet 2002-2004). The first Johns Sands' agreement in Appendix 4, Table A-13 is an example.

The Western Australian branch of the ASU had problems in negotiating EBAs and only three existed that were connected to this particular award over the period 1990 to 2003 (Interview with union officials C and J; 74 to 83 WAIGs). Of these, one, for the Australian Red Cross (Western Australian Branch), became a s.170LK (not involving unions as discussed in Chapter 2, Section 2.3.7) agreement during the period under study. The last agreement listed in Table A-13 for Australian Red Cross (Western Australian Branch) is this federally-registered LK enterprise bargaining agreement. When asked why the ASU were not involved, the manager said: "*Lack of membership numbers, not worth it...That's what they told the staff*" (Interview with manager B). In the John Sands EBAs the first year of experience classification had to be used as there was only one level in the grade. This is compared to Grade 1, 2nd year of experience, for the Australian Red Cross EBAs, yet, as can be seen in Table A-13, John Sands' wage rates were higher.

The apparent monetary return to Western Australian employees on EBAs at Red Cross was also very small compared to the award. A five per cent increase on the award appeared to be the best they obtained compared to John Sands Victorian employees' best increase of 17 per cent. The words "apparent return" are used because Red Cross employees were also able to salary package (which reduces tax liabilities) as employees of a charity. According to the organisation's human resources manager, some fairly large increases could be gained through packaging:

...if I took our average pay rate of \$32,000 odd a year, if you package the total you'd go from a package of \$36,000 by the time you get your loading, and your super and everything, up to \$40,000. So ... we always try to sell the package not the base rate, so it looks good. That's what we try to do, but I just think it's the not for profit sector that says I haven't got a whole heap of money, I'm better off delivering services than paying salaries.
(Interview with manager B)

An employer representative also pointed out that the ASU had relinquished other enterprise bargaining agreements involving clerks:

Woolworths have got their clerks covered in their agreement, but that took a long time and almost despite the ASU they got an agreement up. The union was involved initially but [the] employer...ended up doing their own LK agreement for their clerks and that was in the distribution area, and ... their own main office. (Interview with employer representative B)

The same employer representative and two officials from the union indicated the source of the problem for the ASU Western Australian Branch. For example, while discussing the likelihood of the union going to arbitration over Western Australian clerks' missing classification levels, the employer representative said:

I think they are poorly organised and I think there is less benefit in terms of membership. From a business perspective...the work that's involved in arbitration of that kind they would get very little response in terms of dollars to them. The SDA [Shop, Distributive and Allied Employees' Association] is an example of a union that sees it as a business, they haven't dealt with small employers; they've gone to the boardroom, done a deal and got membership as a result of it. Little effort, big result and membership...the ASU would have to look at huge effort for little return... (Interview with employer representative B)

In other words, most private clerks worked in small businesses and they were very hard to organise. Negotiating enterprise bargaining agreements for all these businesses would have been extremely expensive in terms of union resources and consequently, the union only tried in larger businesses, if at all.

As already mentioned, the ASU absorbed the FCU in the early 1990s. Union officials in Western Australia pointed out that this amalgamation had not assisted clerks and enterprise bargaining, as their resources had gone to other sections of the ASU:

//...I don't think in general the amalgamation process of the union worked. And there was a perception from the old Clerks' side of things that we were being starved...// ... that used to be a separate union, merged with other

unions...and there is still an ongoing major internal debate in that union about the allocation of resources as between the different divisions...//

From seven or eight staff in the old Clerks Union, the clerical division of the ASU came down to just two staff members.

We had, I think, probably two industrial officers, a state secretary and four or five organisers. So it was a bit different then...People got sacked, people weren't replaced, people were transferred into...the local government side of things...another division of the ASU. (Interview with union official J)

A current official confirmed the emphasis on other sections of the membership created problems with changing the clerks' award:

[T]here was a series of amalgamations that started from 1994...as a result...the organisation started to broaden its...membership base...a large proportion of our membership is in local government. We've pursued enterprise bargaining claims in those areas and really that's where our resources go. (Interview with union official C)

Table 22 below compares the Western Australian and Victorian female-dominated clerical award rates to the male-dominated metal trades' standard (long used in the AIRC as a standard for changing federal wage rates e.g. in National Wage Cases) in both jurisdictions. The metal trades rates are those paid under the award until 1996 and then EBAs, as denoted by the shading in the table.

The comparison is made between metal industry EBAs and clerical awards, rather than clerical EBAs and metals EBAs in later years, because each instrument used appears to be closer to what is actually used. An employer representative interviewed said that the majority of clerical employers paid slightly over rates relating to the award rates rather than negotiate EBAs or even individual workplace agreements: *"a lot of the agreements were over-award arrangements just in a letter of offer, a contract. More common than any form of regulated EBA"* (Interview with employer representative B). The industrial instruments likely to have most impact on metal tradespersons' actual pay were

negotiated EBAs (Interview with employer representative C), so this is the comparison used in Tables 22 and 23.

Table 22 - Comparing Clerical and Metal Tradesperson Rates

Year	Occupation	\$ WA	\$ Vic	% Trades WA	% Trades Vic
1990	Grade 1 clerk	341.40	363.60	87.05	91.38
	Metal tradesperson	392.20	397.90	100.00	100.00
1993	Grade 1 clerk	372.60	392.40	89.31	92.29
	Metal tradesperson	417.20	425.20	100.00	100.00
1996	Grade 1 clerk	396.60	392.40	73.43	80.77
	Metal tradesperson	540.10	485.80	100.00	100.00
1999	Grade 1 clerk	432.60	444.40	71.77	79.36
	Metal tradesperson	675.82	559.95	100.00	100.00
2003	Grade 1 clerk	495.60	507.40	64.00	70.04
	Metal tradesperson	774.41	724.42	100.00	100.00

(Sources: WAIGs; www.wairc.wa.gov.au; IRCV; AIRC - Osiris/WageNet; Shading indicates the use of agreements instead of awards.)

As with all the other female-dominated wage areas studied, clerks lost considerable ground compared to metal tradespersons in both Western Australia (dropping from 87 per cent of the Western Australian metal trades' rate in 1990 to 64 per cent in 2003) and Victoria (dropping from 91 per cent of the Victorian metal trades' rate to 70 per cent) as the EBA wages increases for the metal tradesperson outstripped safety net increases to the clerical awards. The Western Australian clerks not only started lower, but also lost a little more relative to the Western Australian tradesperson than their Victorian counterparts over the 13 years, 1990 to 2003.

6.2.3.2 Child care workers and EBAs

In both states, enterprise bargaining was found to be almost non-existent in child care (WAIGs 74-83; WageNet 2003-5). Only very union-friendly organisations such as the University of Western Australia had negotiated enterprise bargaining agreements and then only very recently (2001) because the employer had wanted an EBA (Interview with union official B). A Western Australian union official explained:

[i]t's very hard to enterprise bargain in child care. You've got a myriad of very small employers. They're often not industrially aware and not inclined to enterprise bargain...it's just extremely time-consuming, resource intensive, and almost impossible to negotiate with the whole 350 odd employers that you would have to do enterprise bargaining

agreements with. Particularly given that they're not inclined that way anyway. So basically, we just have maintained getting the award safety net pay rises...in that award, since, probably, the early 90's, since we did our minimum rates adjustment. (Interview with union official B)

As shown in Table 23, child care workers on awards lost ground relative to metal tradespersons on EBAs in both states over the 13 years studied and in roughly the same proportion. Child care workers in Western Australia lost around 25 percentage points and those in Victoria around 22 percentage points.

However, the two occupations' (metal tradesperson and qualified child care giver) wage rates are closer than the metals and clerks rates as qualifications are required in both. As already discussed, Qualified Child Care Givers must hold a Certificate IV or Associate Diploma and metal tradespersons, a Trades Certificate or Certificate III (only advanced tradespersons need a Certificate IV) (JobSearch 2004). Yet, as can be seen in Table 23, child care workers in both states on awards earn 18-19 per cent less than metal tradespeople on enterprise bargaining agreements.

Table 23 – Child Care Givers Compared to Metal Tradespersons 1990-2003

Year	Occupation	\$ WA	\$ Vic/Fed	% Trades WA	% Trades Vic/Fed
1990	Qualified child care giver	414.29	412.30	105.63	103.62
	Metal tradesperson	392.20	397.90	100.00	100.00
1993	Qualified child care giver	472.45	468.40	113.24	110.16
	Metal tradesperson	417.20	425.20	100.00	100.00
1996	Qualified child care giver	525.10	484.40	97.18	99.71
	Metal tradesperson	540.36	485.80	100.00	100.00
1999	Qualified child care giver	561.10	526.40	83.03	94.01
	Metal tradesperson	675.82	559.95	100.00	100.00
2003	Qualified child care giver	624.10	591.40	80.59	81.64
	Metal tradesperson	774.41	724.42	100.00	100.00

(Sources: WAIGs; www.wairc.wa.gov.au; IRCV; AIRC - Osiris/WageNet; Shading indicates the use of agreements instead of awards.)

6.2.4 Individualisation

As raised in Chapter 5, Section 5.3.2, interviewees felt individualisation, or the move to individual contracts that occurred in Western Australia between 1993 and 2001 (as discussed in Chapter 2, Section 2.4), had led to lower pay for women. A Western

Australian union representative felt that state's lower relative pay for women was caused by individual contracts:

...that's one of those consequences...of...that whole bringing in of workplace agreements to get people off awards, to get people...out of any sort of centralised bargaining process. Because whereas I still think there are problems with the centralised bargaining process, I think that women tend to do better under those processes than they do under...individual contracts. (Interview with union official S)

The literature agreed that women were likely to fare worse under individual contracts. Bailey and Horstman (1999:6), analysing data from the Western Australian Commissioner of Workplace Agreements, found that individual agreements covering female workers were 50 per cent more likely to contain under-award rates. Heiler, Arsovska and Hall (1999:141) pointed out that:

Two states pursuing individual bargaining prior to 1996 (Western Australia and Tasmania) have a wage gap which is significantly higher than that of New South Wales (the collectivist system). The results thus suggest that as more jurisdictions pursue regulatory systems based on individualism, we are likely to see continued erosion of the relative pay position of women in Australia.

Yet, the move to formally-registered individual contracts seemed to have had little effect on the Western Australian clerical or child care workers studied during the period 1990 to 2003 and as discussed in Chapter 2, Section 2.4.4, very few Western Australians (9.4 per cent according to ABS 2003a) were covered by formally-registered individual agreements, even by May 2002. However, coverage by individual informal, or unregistered agreements was significant by 2002, with 39.4 per cent of Western Australian employees covered by this type of agreement. It is possible that the move to legislate for individual registered agreements may have also affected the number of unregistered agreements offered. As shown in Chapter 2, Section 2.4.4, in 1990 only 21.3 per cent of Western Australian employees were not covered by an award or registered agreement (in other words, had their own individualised unregistered

agreement). Thus, by 2002, it would seem another 18.1 per cent of Western Australians had this type of agreement (ABS 2003a)³⁴.

Todd, Caspersz and Sutherland (2004:525) interviewed 11 employers associations in Western Australia and concluded that Western Australian:

...employers, in general, have rejected the government's approach, preferring to retain both the high level of managerial control and reduced labour costs achieved under the previous regulatory framework.

Thus, even though the law had changed to abolish Western Australian Workplace Agreements (WAWAs) in 2001 and only nine per cent of employees were covered by formally registered agreements, Todd, Casperz and Sutherland (2004:533) found: "The WPA [Workplace Agreement] Act ...impacted on workplace regulatory arrangements beyond those workplaces that actually registered WPAs..." and employers continued to use individualised (informal) arrangements. The study areas most affected by individual agreements were clerical workers, shop assistants and miners. Interviewees (Interview with employer representative B) felt many clerks and shop assistants working for small employers were on individual unregistered, rather than registered, agreements. Miners were mainly employed on formally registered individual agreements (Interviews with manager E and employer representative G).

Interviewees said clerical employers did not use formally-registered individual workplace agreements as "[t]here is not an impetus, a need, a demand for a structured agreement other than a common law contract that sits on top of the award" (Interview with employer representative B). However, one employer interviewed (Interview with employer B) said the clerical agency employers' association she belonged to promoted WAWAs to members and suggested she formalise existing unregistered agreements.

...the industry suggested that it would be a good idea to do so. Some had always worked on workplace agreements. And it just sets out really terms

³⁴ There is some possibility of categorisation error between the two ABS surveys (ABS 1990 and 2003a) that may have overstated this apparent move to individual unregistered agreements. Coverage arrangements that were previously seen as employees being covered by the awards may now be being categorized by the ABS as individual unregistered agreements. This is particularly the case where employers used the award as a reference and added a small amount on top for individual employees. (Wooden 2001)

and conditions really. We do have like a statement of terms and conditions but we never formalised it. (Interview with employer B)

The child care employers interviewed (Interviews with employers A & C) all used award rates and one said she would be reluctant to use WAWAs (which could have allowed her to pay below award rates) as their workers were already paid low wages:

I guess I'm just happy to stick to the award rate so...it's easier, probably...less time-consuming to set it up. And I think childcare workers generally aren't paid very high anyway. So to pay them less, I'd feel a bit stingy. (Interview with employer A)

6.2.5 Other Industrial and Economic Factors Affecting Child Care and Clerical Work

6.2.5.1 Union density and militancy

In Chapter 5, Section 5.4.3, interviewees' perceptions of the role of '*militancy*' and '*union density*' in supporting higher wage outcomes was discussed. For example, a government official pointed out that there was "*a fairly reasonable differential between unionised and non-unionised employees*" with the former gaining higher wage rates, particularly under enterprise bargaining, so it is important to discuss both union density and militancy, or propensity to take industrial action.

There were no published union membership figures available for private clerks. There were ABS (2003a) figures available on a very broad basis for the occupation of intermediate clerk or advanced clerk, but these could include public service clerks and given that union membership is higher in the public than the private sector, the figures would not reflect the situation of the private sector. As employer representative B put it: "*[a] clerk is not an industry in itself and there will be spatterings of clerical people across all industry groups.*" This only makes organising clerks into unions harder and membership is expected to be low, even with union investment in membership resources.

As shown above in the discussion on EBAs, the amalgamation of the (more female-dominated membership) FCU with (more male-dominated membership) local government and airline industry unions to create the ASU, did not appear to have

assisted in the provision of services to clerks, particularly so in Western Australia. This must inevitably also have had an effect on union density.

As already suggested, interviewees felt clerks were not normally active union members. They tended to work for small employers and work closely with their employers, so to join a union and move against their employer is not a normal experience for clerks. A union official in Western Australia commented:

... they were very inactive, other than that airlines group and a couple of smaller patches. Although...[at] Red Cross and Armaguard, from what I recall there was maybe not big memberships, but at least there was a group of people who were willing to become involved and help strike agreements and those sorts of things. (Interview with union official J)

Child care workers mainly worked in the health and community services industry which, on the face of it, had relatively high union membership at 30.7 per cent in 2002 (see Table A-7 in Appendix 4; ABS 2003a). However, it is very doubtful that this was reflected in private child care. The relatively high membership figure probably came from the public sector part of the health and community services industry. One of the two private sector child care employers who were interviewed had experienced union site visits: *“they’ve often come round... but I’ve had excellent workplaces and I...hope I provide the same for these girls here.”* (Interview with employer B), yet did not feel her workforce was unionised.

Interviewees felt that child care workers were unlikely to be militant. Not only did they work for small organisations where industrial action was less likely, but they worked in an occupation where going on strike would badly and directly affect their clients – the children and parents involved. As a union official working in child care said:

...women generally...don’t want to cause trouble...they’re in caring industries often, service industries, those sorts of things, and that would disrupt the service to the client, to the children... (Interview with union official B)

6.2.5.2 Market factors

6.2.5.2.1 Demand and supply

Child care workers were in the slightly anomalous position of having above average unemployment as of May 2003 (Job Search 2004), yet being listed in the National Skills Shortages List at the same time. However, the shortages appeared to be for qualified child care workers rather than other child care workers. The Job Outlook section of Job Search (2004) gave their occupational profile and it was clear that only around 20 per cent of workers had Certificate III or IV and were thus at this qualified level. The majority (some 70 per cent) had no post-school qualifications in 2003.

Given that clerks work in so many different areas, it was hard to identify any specific product or finance market effects. Only the overall demand and supply for their services can be estimated, rather than that by industry. According to the ABS figures used in the Job Outlook section of Job Search (2004), in May 2003 unemployment was above average for clerks. Job Outlook also said, as with child care, that a large component of the workforce was unskilled, 58 per cent of clerks have no post school education. This meant that supply could easily expand and that there would be little market pressure on wage rates.

6.2.5.2.2 Part-time work

Both child care and clerical work have a large part-time workforce. According to the Job Outlook section of Job Search (2004), as at May 2003, 44.8 per cent of clerks and 50.7 per cent of child care workers worked part-time. Interviewees felt that not only does this limit the unions' ability to organise child care workers and clerical workers and to get these workers to take industrial action, but it appears, as previously discussed in Chapter 5, Section 5.2.4, the predominance of women in the occupation actually ensures that the work is organised as part-time rather than as (better paid) shift work. This point is made by Beechey and Perkins (1987:163-4) in their study of part-time work in the United Kingdom:

We tried to identify features of the organization of the labour process which could account for the fact that certain jobs were part-time. But one thing which became absolutely clear is that these features only resulted in

jobs being organised on a part-time basis when women were employed. When men were employed, managements used other mechanisms for attaining flexibility. Two examples illustrated this point. Within the hospital sector there was 100 per cent occupational segregation between portering, done exclusively by men, and other manual work, done by women. Yet portering was done by men working on a three-shift system, while women's manual work was all part-time.

This led Beechey and Perkins (1987:164) to conclude that "...the demand for part-time labour is inextricably linked to the presence of occupational segregation." The occupational segregation they refer to is, of course, by sex. Human Capital theorists, including the original theorist, Becker (1957) and economists Nevile and Tran Nam (1992), explain this occupational sex segregation as being the result of women choosing to enter occupations requiring low levels of investment, because they expect to have discontinuous participation in the labour force. They see this as a rational choice, not a result of both indirect and direct discrimination related to gender.

Bergmann (1974), a feminist economist, suggests instead that women are systematically excluded from certain occupations by employers' expectations of women's roles. (As shown in Chapter 5, Section 5.4, interviewees also think most of society, including women themselves, continues to have expectations which limit women's occupational choice.) This results in an artificially-expanded supply of labour and low wages in "crowded" occupations. "Attitudes concerning which occupations are 'proper' for women and blacks are part of the social system and are learned, and most employers have learned pretty much the same thing" (Bergmann 1974:313). The perceptions of employers (and others) are the determining factor in this theory, not some type of choice by women.

As Rubery, Grimshaw and Figueiredo (2002:5-7) concluded on reviewing gender wage equality research, one of the questionable assumptions of researchers using Human Capital Theory is that individual characteristics such as education and work experience are the result of free choices by women and men. These free choices segregate women into part-time and low paid work. There is significant evidence of labour market

segregation by sex in Australia (Rimmer 1991; Pocock & Alexander 1999; Wooden 1999; Watts 2003). This is reflected in the earlier reference, when discussing Figure 32, to the different or segmented labour markets facing women entering the Australian labour market.

6.2.5.2.3 Financial factors

As this comment by an employer representative indicates, child care has been an industry heavily dependent on government funding.

But you see, in the child care industry, who's going to pay for the wage increase? ...unfortunately they don't make a profit, they don't generate any income, so it's just going to come out of the public purse. You've got to take that public interest question into consideration as well...So...once they go up, all they can do to get their money back is to charge higher fees.

(Interview with employer representative D)

Of course the employer representative was wrong in saying that child care employers do not make a profit. Private child care employers definitely do (as those interviewed here made clear) and that is why they are in business. However, a private child care employer interviewed felt that parents could not afford to pay full fees. The interviewer and interviewee were talking about how child care had a market down-turn a year or so before the interview when government policy changed away from capital funding of community centres. The employer said:

Yes, but the government has come good with its policy on child care and funds the parents through fee reduction ...which helps to make owners of child care more successful these days. But it's very much dependent on the government policy, I think, because parents couldn't afford to pay the full fee without any assistance. (Interview with employer A)

Child care is also a very complex market with many product/labour substitutions. First, there is the possibility of care being provided by parents themselves, outside the paid labour market and then there is the possibility of voluntary labour by relatives and friends. Even within the paid labour market there is more than one form of care ranging from nannies providing in-home care, family day care workers providing (partially

government-regulated) care in their homes and then what is termed long day care centres. The centres also vary greatly in that they can be community-based and not-for-profit, local government-run and private for-profit. Different regulations apply and different management structures. (Bennett 1991:31-36)

As there is a multitude of industries in which clerical work is performed, no specific financial or product factors can be identified that affect them. Financial factors are also significant for teachers, clerical administrative workers and construction, as raised in Chapter 5, Section 5.2.1.

6.3 SUMMARISING ECONOMIC AND INDUSTRIAL FACTORS FOR CHILD CARE AND CLERICAL WORK

In summary, private clerical workers appeared to have lost more than they had gained over the period 1990 to 2003 when compared to the male standard, the metal tradesperson classification. This was particularly true of Western Australian clerks who (for first year of experience) lost \$2/week, even after a minimum rate adjustment exercise aimed at giving them a fair safety net award. In addition, the Western Australian clerks' awards lacked the full range of classifications for ten years after they were gained in Victoria. An employer representative interviewed also thought the work of Western Australian clerks was undervalued:

Clerical work is not highly regarded or paid well in my view and it is also one of the awards that took a very long time, lots of argument to establish that value or value of work. (Interview with employer representative B)

Only where clerks work in industries like mining, or oil and gas, did employers interviewed claim they were paid good wages:

//...our [clerical] wage rates are so far in advance of what those awards would pay, nobody bothers with them...//...a person employed in a mining industry office down here would be much more relevant to the prevailing market, although I would've thought that it's likely to be towards the higher end of the market, certainly if you look at oil and gas. Their salary rates for clerical and administrative people are bound to be at the top end of the market...//

The classification Clerk, Grade 1, may also have been an occupational area subject to oversupply as the skills required for entry were relatively low (just secondary school education) and unemployment was fairly high. This is also the case for the shop assistant classification studied.

As stated in Short (2002a:19):

It should also be borne in mind that clerical workers make up at least 9.1 per cent of the WA female workforce and 79.3 per cent of clerical workers are female in WA (as of February 2002 – ABS Labour Force 6130.0 unpublished). The existence of out-dated and/or age-related pay structures in clerical work may be helping to create the higher level of pay inequality shown in WA than the rest of Australia.

Summarising the position of child care workers, this is an occupation that is in shortage only for qualified (Certificate III or IV) child care givers; otherwise there is quite high unemployment. Demand was growing for the product over the study period, but operators and users were heavily dependent on government subsidies. As the major component of business costs, wages were likely to be affected by the level of these subsidies. As noted in Chapter 5, Section 5.2.2, monopsonisation by government may keep relative wages lower (when comparing those with the same qualifications). The same effect is evident with other occupations studied here, including teachers and clerical administrative public sector employees.

The child care workers appeared to have little power, either in terms of being able to withdraw their labour without substitution, or in terms of solidarity. It is unlikely that child care workers in many different small businesses would support each other in industrial action. The majority of child care workers were part-time and this further affected the union's ability to recruit them and for the workers to exercise industrial power. This situation is shared by many of three out of four female-dominated occupations studied: private clerical, retail and child care workers.

Finally, it is interesting to note the conclusion of the NSW Department of Industrial Relations (2000:7) following their commissioned research into pay equity in children's services for the NSW Industrial Relations Commission's Pay Equity Inquiry:

Proprietors of long day care centres and pre-schools/kindergartens overwhelmingly considered that Child Care Workers were underpaid and that their skills and responsibilities were not adequately recognized in their rates of pay.

Teachers and nurses were female-dominated occupations also seen by employees as being undervalued compared to male-dominated occupations such as building trades labourer and police officer:

//...[W]hen you compare an entry level nurse, following a degree course, with an entry level policeman, following a 12 months diploma at the Academy, the wages are significantly different. \$31,000 versus ... I think \$37,000 the policeman gets...//...a labourer, who is unskilled, gets \$52,000 a year on a 38 hour week - no overtime - I find that outrageous compared to the training of nurses, teachers, policemen...// [emphasis added]

6.4 GENDER CONSTRUCTION IN CHILD CARE AND CLERICAL WORK

The factors discussed above illustrate **how** interviewees believed the values of the actors in the formal industrial relations system were translated into lower wage outcomes, or value, for workers in child care and clerical work and to some extent, **why** these values were formed and persist. It is useful now to complete the circle of value and values in the labour market and describe what the literature and interviewees say about how values and gender construction affect these two occupations and thus how their (lower relative) value is maintained.

Cortis (2000) pointed to the heart of the problem with defining skills in these occupations within the formal industrial relations system in Australia, in a comment on the New South Wales Pay Equity Inquiry that investigated both child care and clerical work. Cortis (2000:53) said:

... the Commission fell short of thoroughly exploring how the invisibility of certain tasks and roles, such as emotional labour, caring and nurturing,

contribute to low levels of remuneration in female-dominated human service work.

Some might think this only applies to child care, but there is considerable evidence that clerical work, particularly that carried out by secretaries, also involves Guy and Newman's (2004) 'emotional labour'. As Pringle (1988:86-87) put it, the relationship between secretaries and their bosses:

...is based on personal rapport, involves a degree of intimacy, day to day familiarity, and shared secrets unusual for any but lovers or close friends, and capable of generating intense feelings of loyalty, dependency and personal commitment.

As pointed out by interviewees in this study, this type of loyalty and dependency also means workers in this type of occupation are very hard to organise into unions:

//...They may have a very individual relationship with their employer as opposed to an organised union collective relationship with their employer...//...We visited every...[business, during a union membership drive] and picked up hundreds of underpayments and irregularities. We wrote to the staff in the area and said join and we'll fix these for you. All they did was give the letter to their boss and he'd fix their pay... //

It is also the element of emotional labour in secretarial work that ensures that it is almost now unthinkable for men to work in these areas. Women, as well as men, find it hard to envisage men working as child carers or as secretaries. Yet, the interesting fact about the secretarial occupation is that this was not always female-dominated occupation, but has changed sex over time. As Pringle (1988:156) noted:

In the space of a few decades the secretarial workforce underwent a sex-change. Until the late nineteenth century most secretaries were men; by 1930 the majority were women and by the 1950s male secretaries were considered strange...

Paraphrasing Pringle (1988:157) 'feminisation' in this occupation occurred in conjunction with a major shift in definition and status: changing from one 'entrusted with private or secret matters; one whose office is to write for another'; to 'a person

employed to help deal with correspondence typing, filing and similar routine work'. Definitions of jobs, as Burton, Hag and Thompson (1987) point out, are just as prone to gender bias and gender construction as any other part of the social structure. Secretaries, in a tertiary institution whose job evaluation system Burton, Hag and Thompson (1987) investigated, still worked on private or secret matters and wrote for their bosses; yet, the status of their work and pay was systematically downgraded by job description writers and job evaluation committees. Burton, Hag and Thompson (1987:100) point out "descriptions of secretarial work will mention typing and shorthand, but there may be no mention that logistical planning abilities are required by the job". This is compounded by the fact that secretaries commonly have to use advanced skills in persuasion to get their jobs done, as they are unable to rely on job status to obtain compliance.

As Bennett (1991:439) explained:

This gender differentiation in the definition and recognition of skills has several implications for the process of award restructuring in traditionally male and female occupations. The jobs and skills of well organized and powerful groups of workers are usually very precisely defined, and linked to a formal training structure. These kinds of jobs are generally found in male dominated industries. Women, by contrast, tend to work in jobs that are not clearly defined, and are generally concentrated in a very narrow range of classifications, regardless of the skills they possess.

Probert (1992:439) pointed out that male-dominated metal workers had more than 300 classifications prior to award restructuring and that after that process had been brought down to 14 broad bands (with 13 being the tradesperson band). Private clerks merely had six bands in their restructured award (in most states, but three in Western Australia) although the Federated Clerks Union had hoped to make the bands go up to ten with the last corresponding to a degree qualification.

Child care workers in Australia had similar problems with recognition of both qualifications and skills. Bennett (1991:22) explained the situation (which could also be applied to private clerks):

In the child-care industry women workers are enmeshed in a vicious circle typical of some areas of women's work, which makes the enskilling for the industry extremely difficult. In this circle ineffective or non-existent organization impedes enskilling strategies, consequential lack of skill requirements for the work then allows for oversupply of labour, labour oversupply enables employers to structure work as low paid and dead-end and this produces high labour turnover, which in turn impedes organization.

Child care workers in the private long day centres (such as those examined here) are at least partially unionised, yet “[t]he unionized sectors in the child-care industry face constant undercutting and undermining problems from the non-unionized outworkers” (Bennett 1991:23). These “outworkers” are government-organised family day care workers that care for up to four children in their own homes and have lower qualification requirements than those working in centres. Both types of child care workers are of course further undercut by informal paid arrangements organised by parents and by family members who care for children without any payment. As Bennett (1991:24) points out a “woman who cares for children in her own home for money is perceived not only as unskilled but almost as not working at all”.

Cortis (2000:57) also makes the connection between skills or lack of them and work normally performed outside the paid labour market:

Like hairdressing and nursing, childcare work is often characterized by its association with traditional domesticity and by the assumption that workers are motivated by ‘care’ and not remuneration. Indeed this dates back to the first state award made for kindergartens, in which the Commissioner was ‘not satisfied employees in this industry are completely dependent on the industry’, I believe many to be ‘motivated by the desire to make some contribution to the community’...

In a related fashion, interviewees in this study also talked about women's work previously having been voluntary:

I suppose in those...or female-dominated workforces like nursing, caring, education...traditionally a women's role started off as a volunteer. Especially in school support...they actually formalised it in permanent positions, but even as late as...the late '80s...those women workers in the Education Department were way behind other women workers in other parts of the public service... (Interview with union official L)

As the literature reviewed above confirmed, there are hurdles for wage equality within the firm and these are most obvious within clerical work. The clerical and child care career structures are both short (as discussed in Section 6.2.2 under award restructuring) and the former has considerable barriers to advancement for woman into managerial jobs. The experience of secretaries is probably the most extreme example for clerks in having barriers to advancement. As Pringle (1988:262) said “once you are labeled as being a secretary you have less chance than a filing clerk of getting on.” The reasons for this are grounded in the gender construction of this occupation – most bosses cannot envisage their secretaries or personal assistants becoming administrators.

One of the other problems highlighted in the literature and by interviewees in this study is the concern child care workers have, not just for the children they look after, but their parents too. Uttal and Tuominen (1999:766) explain:

The very elements of paid child care work that make it meaningful to these women workers (i.e., the relational aspect of the work) lead to child care workers' knowledge of family needs. This knowledge, in turn, frequently leads to a desire and response to help meet those needs (through the provision of lower waged care or unwaged services).

This meant child care workers were less likely to take industrial action for higher pay:

I think it's about the psyche of women generally...they don't want to cause trouble...they're in caring industries often, service industries...and that would disrupt the service to the client, to the children, to the aged carers. (Interview with union official B)

There is a tension between caring and payment for that caring that fits badly into classical economic theories of self-interest, as Uttal and Tuominen (1999:762) explain:

...traditional conceptualizations of labor are not easily applied to paid child care work because child care work is simultaneously labor exchanged for low wages and characterized by the seemingly immeasurable value of emotional caregiving...

Parents and workers feel that if child care workers were actually paid for the value of that emotional caregiving then workers would not longer be doing it for love and thus might not care for their children as much. Thus Uttal and Tuominen's (1999:777) suggestion: "that discussions about the economic value of paid child care are stalled by the gendered societal assumptions that caring is unwaged labor motivated by love." This tension between providing care and receiving value, or impingement of social values on value in the labour market, is also a feature of teaching. Parents want teachers who have a vocation, who care about their pupils.

The other female-dominated occupations studied here, retail workers and public sector clerical and administrative employees in front line roles, also have to display caring and the ability to manage their emotions. The ability to be consistently cheerful and polite is part of the job, if not the job description, but is not valued unless absent.

This discussion of gender construction's role in wage determination has illustrated, with the two occupations child carer and clerical worker, why interviewees believe economic characteristics identified in the literature, such as education and training, are treated differently by employers and are, in the case of work experience and training, less available to women than men. It also served to illustrate why women opt for choices in education, occupation and industry that lead to lower wage outcomes.

6.5 CONCLUSIONS AND SUMMARY

The feminist literature reviewed in Chapter 3, Sections 3.1.8, pointed out that gender itself is socially constructed; thus it is almost axiomatic that the 'gender wage gap' is also socially constructed. As Game and Pringle (1983:14) put it: "Gender is fundamental to the way work is organised; and work is central in the social construction of gender... Yet gender and work are rarely put together." This study has shown that interviewees were doing just that. This chapter has shown how theoretical constructs about why and how pay inequality persists have emerged from the constant comparison of interviewees'

views and those expressed in the literature. These constructs support the importance of economic variables such as education and experience, already quantified in the literature. However, the constructs also illustrate both why employers treat women's education and experience differently and how non-market nature and nurture factors affect wage outcomes. The economic literature, particularly the feminist economic literature reviewed, supported the idea of non-market factors affecting what occurs within the market. The biology literature consulted, while finding real differences caused by sex hormones, said these are further enhanced through the environment or social and cultural values. The psychologists and organisational behaviourists reviewed showed how cultural values affect women's choice of education and occupation and their chances of getting a job in the first place, of having the skills they use on the job valued and of attaining higher paid jobs such as management.

Tharenou (1999:128) sums up her evidence (from the literature and her own studies) on how women fail to advance into management. "Gender differences arise in advancement to the top because women accrue fewer resources at critical stages and transitions. Women accrue less human capital and social capital for advancement than men." Tharenou (1999) defines social capital as having a management style³⁵ congruent with that of men, and having effective mentors and networks. Social capital was found to be more significant in management advancement than human capital (skills, knowledge, performance and experience in strategic jobs).

Tharenou (1999:26) explains that "at each career transition, women are less likely than men to gain access to organisational and interpersonal resources and less likely to benefit from having them." Interviewees' comments on training and experience make it clear that interviewees also believe that women fall behind and acquire less of these important factors when they take time out for family responsibilities. For example, union official A spoke of:

...lack of, or restricted access, to either, family-friendly practices in the workplaces to allow access to training or reduced access to training because of family commitments... (Interview with union official A)

³⁵ This is consistent with the homophily, homosocial reproduction argument advanced earlier in this section.

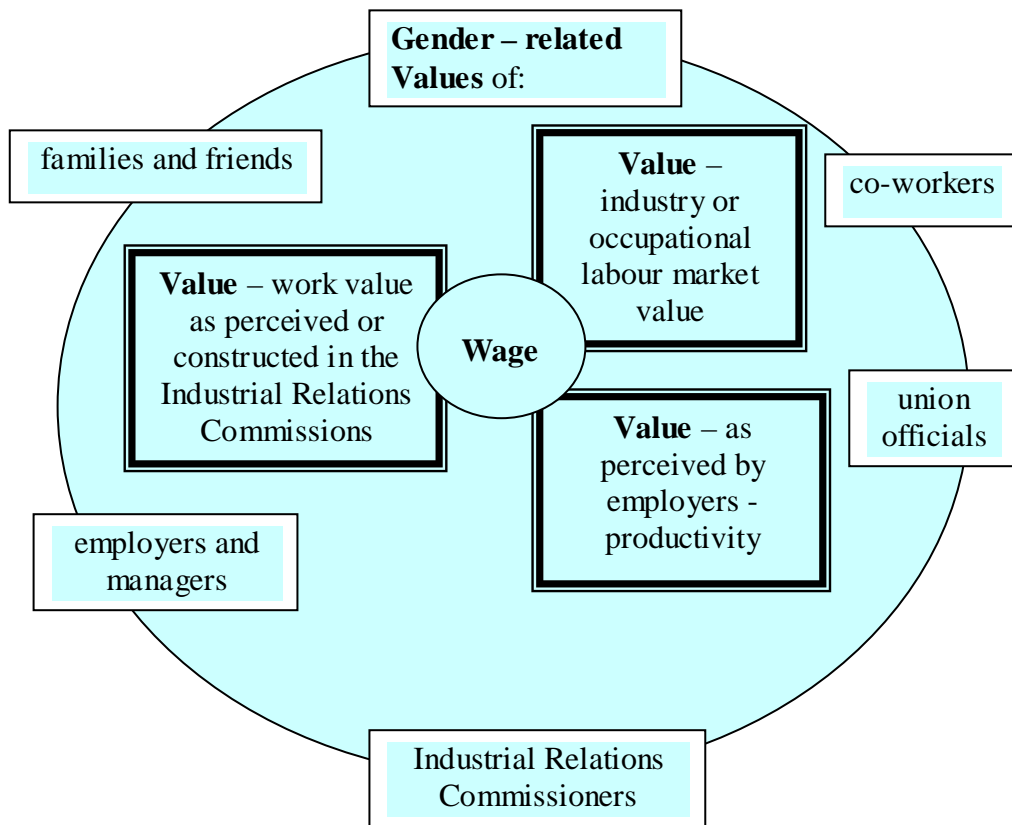
All of this feeds back into the original educational choice and reinforces social values. For example, the literature and interviewees say women are presumed by employers to be more likely to leave to have and raise children, so they are likely to be hired into less skilled jobs, to receive less training on the job, and be paid less than men at every step of the way. This, in turn, de-motivates women, turning them away from acquiring relevant human capital and applying for well paid male-dominated jobs, in favour of traditional female jobs that are valued less in the workforce. This, in turn, reinforces society's expectations and forms social values relating to gender.

In conclusion, perhaps the only part missing from the diagram at the beginning of this chapter (Figure 32) is an acknowledgement that the values affecting women's pay are gender-related values, which are socially constructed and which are a bundle of social expectations of women. Thus (as indicated by the shading of the oval shape in Figure 37 and boxes within it) the values related to gender pervade the workplace and are the main cause of the persistent gender wage gap.

These values affect the educational choices of girls and boys, and then their industry or occupational choice. Once having made these 'choices' men and particularly women, are limited by further factors in the market, both economic and industrial, which may already have had an effect on the 'choices' made. The result is a persistent pay gap which is constantly reinforced and reinvented as society seeks merely to reproduce what is still seen (if unconsciously) by both men and women, as normal in our society: women's inferior position in society, in the family and in the workplace.

Figure 37 – Why and How Wage Inequality Persists in Australia in 2003:

A Construct



CHAPTER 7 – CONCLUSIONS AND IMPLICATIONS

7.0 INTRODUCTION

This chapter briefly reports the research findings and the model, or theoretical construct, which emerged from these findings. Conclusions are drawn from this construct, allowing some possible solutions to wage inequality to be developed. Finally, directions for further research are suggested.

7.1 SUMMARISING THE PROBLEM AND FINDINGS

Inequality of pay between men and women, an historical feature of the labour market, persisted into the 21st century in Australia. Despite a raft of historical industrial tribunal decisions relating to equal pay (outlined in Chapter 2, Section 2.1), by 1990 there remained a significant and only very gradually closing gap between the average weekly ordinary time earnings of men and women and a widening gap in Western Australia. According to the literature (Short 1986; Glynn 1998; Fisher 2001; Hunter 2000; Todd & Eveline 2004) and interviewees, female-dominated jobs (such as child care, nursing and teaching) retained historical biases in the valuation of their occupations. As revealed in the economic literature (Kidd & Meng 1997; Wooden 1999; Pocock & Alexander 1999; Le & Miller 2001) and interviewees' comments, the problem was not just undervaluation or inter-occupational discrimination, but also intra-occupational discrimination, where women appeared to fail to gain promotion to management, while holding similar characteristics of experience and qualification as men.

The initial research question, as discussed in Chapter 1, was: **"Why does the Australian industrial relations system deliver different pay outcomes to women and men who are working full-time?"**

This question evolved during the process of qualitative research to bring the focus on how, as well as why and on the **persistence** of pay inequality. Thus, the question answered is now: **"Why and how did gender wage inequality (for full-time workers) persist in Australia between 1990 and 2003?"** From this question flowed the objectives for the thesis detailed below.

Within the system of Australian industrial relations the objectives are to explore:

- the possibility of developing theoretical constructs (building on previous theory) for better (than current quantitative work) analysing gender wage determination;
- gender-related differences between male and female pay outcomes; and,
- how the gender wage gap between women and men is subject to variation;

by examining the perceptions of industrial relations stakeholders and data from published documents.

In order to answer these questions, a qualitative research strategy was used, involving both grounded research in depth interviews and wage data as triangulation. Previous studies of the gender wage gap in Australia had focused on aggregate statistics and quantitative research. This study was intended to explore the problem using a much narrower focus on key employment areas and qualitative techniques to investigate areas that the previous research had been unable to measure.

The study is limited to thick study of only nine occupational areas, so is only indicative of the wider labour market, but particularly so of single gender-dominated jobs. As explained in Chapter 1, Section 1.4, the study is also limited to looking at effects on full-time wages or earnings, as this gives a larger sample and allows better comparison of like to like between the genders. Finally, while the literature and comments from the interviewees do give some insight into problems with the broader industrial relations system, the main focus is on the formal industrial relations system and how this delivers unequal earnings to full-time working women and men.

Efforts aimed at closing the gender wage gap were, as explained in Chapter 2, historically focused on the formal industrial relations system of tribunals and commissions, on tribunal decisions and legislation. Thus key actors in the formal system, at federal and state levels and selected industrial relations participants from female- and male-dominated employment areas in Western Australia and Victoria, were interviewed in depth. Employees were not interviewed as they rarely appear before tribunals. Similarly it was found that most employers contacted had little understanding of the formal system because of their lack of participation within it. The interviews were given further context by thick description from relevant historical industrial relations decisions, legislative developments, statistics and literature. This included data on wage rates over the period 1990 to 2003, for the

same female- and male-dominated employment areas selected for interview purposes.

Interviewees, as well as the literature (Hunter 2000; Glynn 1998; Fisher 2001; Todd & Eveline 2004) indicated that processes used historically within the formal industrial relations system had been only partially successful in achieving equal pay, affecting levels of women's pay at the beginning of the study period and that this partial success continued during the study period. Award restructuring (introduced in 1987 and implemented in the study period to 1992), the hope of some advocates (Hunter 2000) for opening up career and skill ladders for women, was either not achieved or only partially implemented in the female-dominated occupations studied. The minimum rate adjustment process introduced in 1989 was aimed at achieving a more equitable safety net of awards, yet the evidence gathered in the occupational areas studied made it clear that this process was not applied to all awards and in particular, not to large female-dominated occupations in the public sector. As illustrated in Chapters 5 and 6, decentralised workplace bargaining introduced in 1987 made the relative wage position worse for the female-dominated areas studied.

The interview analysis confirmed the direction of the theoretical literature reviewed in Chapter 3, Section 3.1, which was towards a greater focus on the effect of social forces, operating outside the paid labour market, on women's wage outcomes. Interviewees perceived that **why** the gender wage gap persisted was related to 'nature and nurture', or social and cultural values relating to biological and psychological attributes. In the perception of the industrial relations stakeholders interviewed, **how** gender wage inequality persisted lies in the interaction of these values with the industrial relations and economic factors they identified. In particular, men were seen to have social power through their domination of key stakeholder positions in industrial relations (as managers, employers, industrial relations commissioners and union leaders).

While each occupational area had its unique economic, or labour market segment and industrial relations issues, in the perception of many interviewees, female-dominated occupations were still undervalued when compared to the male-dominated occupations under study and women were not employed in higher paid jobs. Perhaps the most extreme example was an interviewee's comparison of the wage

rates of building trades' labourers in Western Australia and female-dominated occupations:

I have to say that when I do my figures and I see that a general builder's labourer...who is unskilled, gets \$52,000 a year on a 38 hour week - no overtime - I find that outrageous compared to the training of nurses, teachers, policemen. When you factor in a little bit of overtime...for a builder's labourer, they are suddenly in the order of about \$65,000 a year...I just cannot see the justification in it.

(Interview with employer representative F)

According to interviewees and the literature (Hunter 2000) female-dominated occupations were also less likely to be part of a career structure leading to management and when they were, as in the examples studied here in teaching and in the public service, interviewees pointed out women tended to be employed at the bottom, rather than the top of the structure.

//...obstacles to women in promotion positions and senior levels of companies are a major problem...//...When I first started as a teacher the only way you could get promotion was to go to the country and for women with families that just wasn't an option...even today that situation hasn't been largely redressed...//...3 out of 19 CEOs...[in the public sector] are female, [yet] 60 per cent of our workforce is female...//...even in the public sector, there's still that glass ceiling...//

The wage data also demonstrated how much ground the selected female-dominated classifications had lost, relative to the selected male-dominated classifications, during a period of significant change involving the deregulation of the Australian industrial relations system. Between 1990 and 2003 the Western Australian female-dominated classifications reviewed gained much lower increases in their wage rates (31 to 51 per cent), than the Western Australian male-dominated classifications used (90 to 228 per cent) (WAIGs 70-83, 1990-2003). Given that the employment areas studied included some very large female-dominated occupations (such as clerks, sales assistants and government teachers) and key male-dominated occupations used in most National and State Wage Cases (metal tradesperson, builders' labourer, truck driver), this is an important result. It is clear that deregulation and decentralisation has only worsened the situation for women working in these areas.

Individualisation³⁶, or the use of individual contracts, is now also increasing and appears likely to further depress women's wages relative to those of men.

In the literature and in the perceptions of interviewees, the persistence of gender wage inequality is grounded in gender, the social and cultural bundle of expectations around the sex type of the individual. The literature reviewed in Chapter 3 supported interviewees' perceptions that the reason why the gender wage gap persists is through the influence of social and cultural values associated with gender on the industrial relations system as a sub-system of society. Interviewees' comments, the circumstances surrounding the wage rates studied and the management literature reviewed in Chapter 3, Section 3.2.4, showed how the gender-related values of all concerned affected wage outcomes in the broad Australian industrial relations system and not just in the formal industrial relations commissions.

Nevertheless, the most unique aspect of this study is its ability to explain the process by which gender-related values are applied within the formal system of industrial relations in Australia to construct the gender wage gap. This was demonstrated when interviewees talked about how their own and others' views as commissioners, union officials and employer representatives were affected by values related to gender.

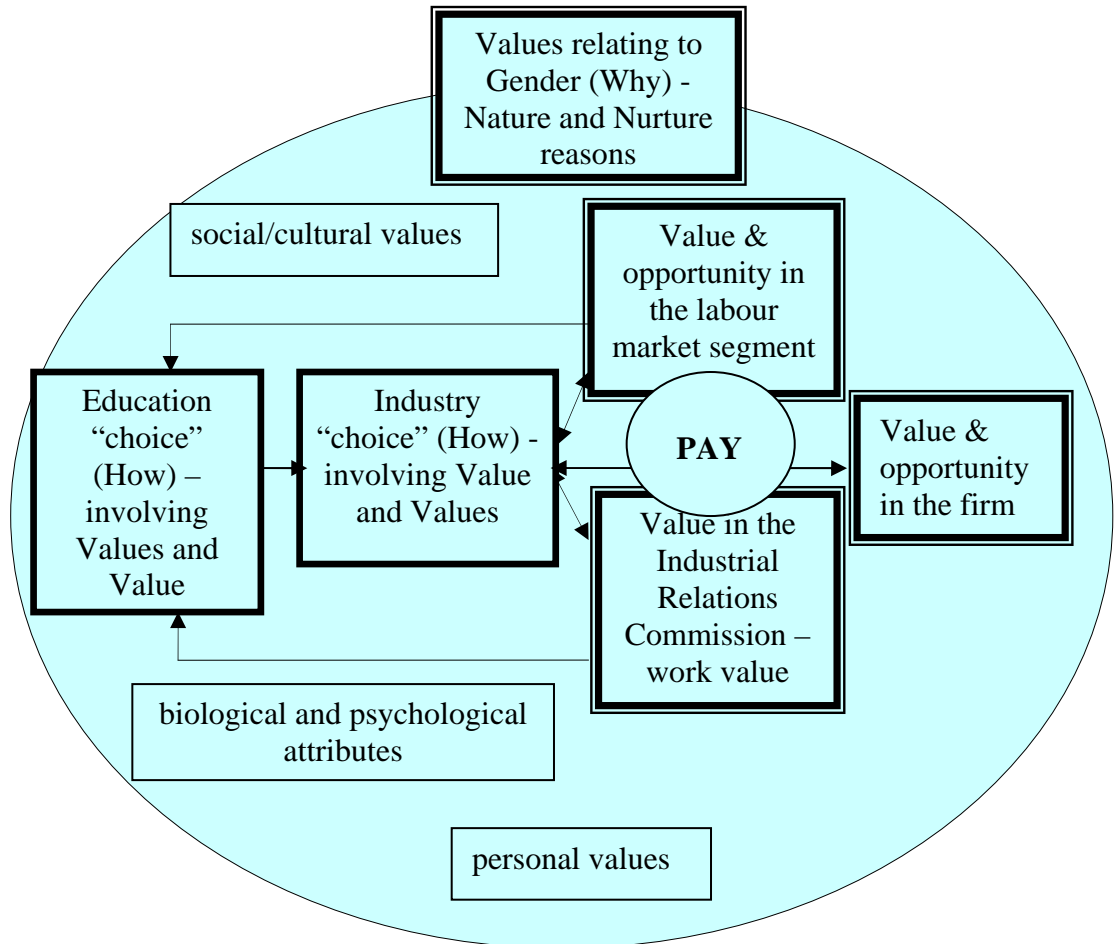
Interviewees also viewed the position of women within organisations, without any assistance from the formal industrial relations system, as being created by: their own (lack of) ambition, or lack of ambition as perceived by employers; employers' perceptions of women's tendency to leave to have children; and (male) employers' tendency to employ people like themselves (men). This was confirmed by the literature reviewed and seen as the product of gender being constructed daily within our society, meaning women are seen as the weaker (less able, less ambitious) sex, both outside and inside the paid labour market (Fenstermaker & West 2002).

Figure 38 illustrates the theoretical construct of interviewees' explanation of why and how wage inequality persists. It shows how interviewees believe values relating to gender pervade (as shown by the infusion of shading throughout Figure 38) the

³⁶ At the time of finalising this chapter (November 2005) the Howard Coalition Government introduced the *Workplace Relations Amendment (Work Choices) Bill 2005* (Cmth) into federal Parliament. As this seeks to simplify awards still further, remove no-disadvantage comparisons between agreements and awards, take over state systems of industrial relations and encourage individual bargaining, gender wage equality seems increasingly elusive in Australia and remedies in the formal industrial relations system are likely to be even more ineffective.

processes that ensure that women are still paid less than men for equivalent jobs in Australia.

**Figure 38 – Why and How Wage Inequality Persists in Australia in 2003 –
Final Construct**



It is apparent that the processes envisaged by interviewees involved complex feedback to attitudes and decisions prior to workforce entry, as well as during employment and employment breaks. Gender-related values pervade educational choices by parents and individuals; education undertaken then affects the jobs offered to women within industry, as does potential employers' and co-workers' values and attitudes towards women's family responsibilities. This affects the opportunities offered to and sought by women to do with training and developmental experience on the job. The economic value put on an occupation is, in turn, affected by the value put on human capital associated with that occupation by individuals, by employers and industrial relations commissioners in the industrial relations system. Socially constructed personal values held by these powerful (and mostly male) actors

are perceived by interviewees as affecting their assessment of that value. Societal and personal values also affect the monetary value put on skills, particularly those associated with being feminine, such as caring skills used in the service sector.

This all feeds back into educational choice when individuals and their parents anticipate the different treatment of women in the labour market and channel women away from the more 'difficult' well-paid male jobs. These inter-relationships and feedback effects are shown in Figure 38 by double-headed arrows.

7.2 CONCLUSIONS

A theoretical construct has been identified that not only can be used to improve the analysis of gender wage determination, but also other aspects of wage determination, such as Indigenous wage determination and union membership. The model indicates how gender-related values, or gender construction, are important sources of differences between male and female wages. The study has also shown how the gender wage gap has been subject to variation over time and between different geographical areas of Australia.

As McDowell and Pringle (1992:156) put it:

Gender should not be seen as constructed at home and then taken out to work. It is becoming clear that gender is constructed in a number of different sites and that work is a crucial one.

Therefore, as interviewees and the literature (e.g. Todd & Eveline 2004) suggest, there are no easy solutions to the persistence of wage inequality in Australia, or indeed elsewhere. Gender-related cultural and social values are not easily changed. Biology cannot be changed and the psychology of the individual has been shown to be related to both biology and social values. However, there were some possible policy implications signaled by interviewees and the literature.

It is also notable that the wider gender wage gap in Western Australia is attributed by interviewees to slower social/cultural change, coupled with greater deregulation and individualisation of the industrial relations system and labour market than elsewhere in Australia. The Western Australian gender wage gap has continued to widen since 2001, when the new Labor Government introduced legislation aimed at reversing such trends in the formal industrial relations system (as detailed in Chapter 2, Section

2.4). This carries portents for a federal system that is being increasingly deregulated and individualised.

Interviewees from Western Australia gave policy suggestions for that state and also supported moves already underway in other, more progressive, states such as Queensland and New South Wales. These suggestions were, as with earlier attempts to gain pay equality, centred on the formal industrial relations system, for example changes in legislation governing that system and were supported in the literature (Todd & Eveline 2004).

Yet, a unique feature of this thesis is that it has indicated quite clearly that key industrial relations system actors recognise that the formal industrial relations system itself reflects the wider society and is part of socially constructed wage determination. In this light, it is interesting that all previous pay equity reviews (Hunter 2000; Glynn 1998; Fisher 2001; Todd & Eveline 2004) relied on redress within that formal system, rather than in the workplace or society. As the formal system is reflective of socially constructed wage discrimination, redress has to be partial, at best, if relying on that system. Indeed, it could be said that, only when social and cultural values have changed enough in a society to value women's worth in the paid labour market, will efforts to achieve reform in a formal industrial relations system fully succeed. Thus, enterprise level reform is essential.

However, this is not to say that the efforts to reform the formal system are in vain – just that one cannot expect these to be fully effective. This is even more the case in an industrial relations system which is increasingly being individualised, rather than centralised. The main recent equal pay strategy of the unions, conducting work value comparisons for pay equity orders in AIRC awards and agreements, can have little relevance when all or most wages are individualised. Nevertheless this study has shown the continued importance of awards, particularly as reference points for informal agreements in small businesses, so gender wage equality must still be sought in awards for these female-dominated occupations.

However, in the longer term, if women's skills and work are to be recognised, social and cultural values must change. The task of changing social values must come through educating, not only current stakeholders in the industrial relations system about gender wage equality issues, as suggested by the literature and interviewees (Interview with union official A; Todd & Eveline 2004), but also educating future

participants and the wider society into recognising the value of skills that traditionally have been regarded as female (England 1992:295-307; Graycar & Morgan 2002:160-163; Scutt 1990:109-111). This also involves recognising these skills as contributing to good management and recognising their relationship to women's ability as managers, as well as their use in all, or most, traditionally female-dominated occupations.

7.3 POLICY IMPLICATIONS

Some interviewees appeared to think that little was needed in the way of direct action, as things had already begun to change. A male union official felt that social perceptions were slowly changing:

[T]here are clearly discriminatory issues and discriminatory employment practices that lead to...gender segmentation and the sort of narrow-minded attitudes to hiring that...keep women out of some, or reduce the incidence of women being in some areas. Perceptions of ability, all those sorts of things, but...they are slowly being overcome.

(Interview with union official H)

A male employer representative felt that problems for women had decreased and that affirmative action in the public service was working to their advantage, even, possibly, against men.

... probably now it's working the other way...because they are trying to get women into higher paid senior positions than there was before. I think now if there's two people that are equal for the job, more likely than not...they will seek to put the female in there. It's just to fix that problem. And I think the government's been quite open about that ...

(Interview with employer representative E)

However, he still acknowledged that problems existed. He felt access was being fixed through equal employment opportunity (EEO) legislation and suggested further intervention through the education system in order to change women's field of study choices.

Note, however, that the economic literature reviewed found that the EEO and affirmative action legislation, while aimed at the problematic area of intra-occupational differences, had little effect on women's wages (Kidd & Meng 1997).

The employer representative also suggested that women were about to have a comparative advantage in new jobs and that this could fix the pay equality problem.

...Where women have a comparative advantage in my view is their interpersonal skills, communication skills, creativity-type skills... occupations where they are seen as critical are the occupations that will be paid more in the future. Not...necessarily the engineer, or the maths person or even doctors or whatever. It's marketing, advertising ...communications...IT, they're the industries where the money's going to be in the future...That's what will fix the pay gap between male and female and not the award system or the commission or agreements.

(Interview with employer representative E)

However, this type of minimal approach and waiting for evolutionary change has not worked very well in the past. Even when overt moves have been made to increase gender wage equality within the then centralised industrial relations system in Australia, these have only partially succeeded (see Chapter 1, Section 1.1; Short 1986; Hunter 2000). The current, much more decentralised, system makes this approach even less likely to succeed.

Interviewees, supported by some commentators (Glynn 1998; Fisher 2001, Todd & Eveline 2004), suggested a more interventionist approach tailored to achieving change in the tribunal level of the system, as well as the level of the firm. A union official felt the need to change legislation in Western Australia, saying the current rules did not allow unions to apply for pay equity:

... the state wage fixing principles as they currently stand, in fact stand nationally, do not allow or facilitate the running of a pay equity case.

I'd love the Act to be amended. (Interview with union official A)

The union official wanted “to put in a provision like Queensland has”, [fearing that otherwise] “we are going to get the barrier that was created in New South Wales out of the pay equity principle”. The way ‘remuneration’ is defined under the New South Wales pay equity provision meant only awards can be changed for pay equity and not agreements that pay over the award. Queensland provisions sought to cover all situations where women work, even where formal industrial instruments do not exist (Todd & Eveline 2004:32-33) and thus provide greater reach for pay equity orders.

However, the interviewee felt that change was unlikely in Western Australia in the short term; action would only be likely from the current Labor Government if it was re-elected. Speaking in late 2003, a union official said: “*Controversial issues, if the government gets elected again we may get it up in the first term of...[a] re-elected Labor Government.*” (Interview with union official A)³⁷.

The Queensland Government also funded industrial parties to a maximum of \$50,000 per case to investigate the history of awards and agreements and identify where mistakes were made in the past (Hall 2004:7-8). Todd and Eveline (2004), who were commissioned by the Western Australian Government to review the Western Australian gender wage gap, like the interviewee above, recommend that Western Australia emulate the progress in Queensland. The review also involved consultation with peak industrial relations stakeholders in Western Australia³⁸ and Todd and Eveline (2004) mirror much of interviewees’ views reported here.

As an employer representative pointed out, there are problems associated with seeking to raise the value of predominantly female work, making improving access by women to higher paid male jobs a more attractive option, particularly to employers.

[I]f you think that females are predominantly in the low paid, unskilled occupations and you think therefore you need to increase the rates of pay in that, all that would happen then is that the other industries, the higher skilled, will seek to re-establish their relativity based on skill and nothing else and all you are doing is increasing the labour costs to industry, without, in the long term, fixing the problem. (Interview with employer representative E)

However, the equal remuneration legislation does take this problem into account. It seeks to corral equal remuneration cases and prevent flow-ons. Queensland’s equal remuneration principle, for example, says “[t]here shall be no wage leapfrogging as a result of any changes in wage relativities arising from any adjustments under this principle.” (*Queensland Council of Unions and Others and Queensland Chamber of*

³⁷ The WA Government was re-elected and went on to implement some of Todd and Eveline’s (2004) recommendations.

³⁸ Their research was conducted after this study and also used publications on preliminary thesis findings (Short 1986, 2001, 2002b, 2004) and public submissions. This author was interviewed by the Review’s authors as were some of this thesis’s interviewees.

Commerce and Industry Limited, Industrial Organisation of Employers and Others, No. B450 of 2002, s11). Regular pay equality reviews by the AIRC and state industrial relations commissions alert to this problem could also prevent this possibility.

Given that the employment areas studied have shown that many female-dominated work areas are less unionised, even Queensland does not have the full remedy. As in the case of the clerks studied here, unions are unlikely to be motivated to undertake long and expensive³⁹ equal remuneration cases where female membership is low and hard to organise. Other organisations, such as the Working Women's Centres, industrial relations and equal opportunity commissions and pay equity coalitions, are alternative vehicles that could be empowered to seek funding (with or without related unions) to do work on equal remuneration orders. Todd and Eveline (2004) perhaps constrained by their terms of reference, only recommended funding for industrial parties.

The interviewees pointed out that industrial relations commissioners lack training in discrimination and job evaluation techniques. Todd and Eveline (2004:62 & 83) also recommend training for all commissioners conducting equal remuneration inquiries. It cannot be assumed that commissioners have picked up these skills before coming to the bench; one commissioner interviewed was very clear on lack of skill in that area. Commissioner D said *"I don't pretend to have any expertise in those [job evaluation] methods. Which, given the job, is quite surprising."*

A commissioner spoke of wanting to eliminate personal tendencies to reproduce current or historical social and cultural values.

I have had, sort of a dream run and have inherited a set of values that were based on a society which was male-dominated in the 40s and 50s. And I suppose they're the things I have to guard against, but also, intuitively, probably go back to...So I'm aware of my limitations, but and I suppose I have to try and be more creative and more aware of the skills people have, not just females, that people have and the re-evaluation that society is making, constantly. (Interview with Commissioner B)

³⁹ Legal costs in a case involving librarians in NSW were in excess of \$100,000 (Hall 2004:7)

This is very hard to do, without some assistance. Training can provide that assistance.

Todd and Eveline (2004) also proposed some tools should be developed (with government funding and support) to assist industrial relations commissioners, employers and unions to make more equitable decisions on both awards and agreements. A pay equity audit tool is envisaged, similar to guides developed for implementing diversity and equal opportunity. Todd and Eveline (2004:55-56) suggest basing this on a pay equity review process developed by the United Kingdom Equal Opportunity Commission. This would require adaptation to fit into the Australian industrial relations system. This approach is also attractive in that it can be used at the workplace level and affect individual and collective agreements offered. It could also affect the more informal unregistered arrangements of small business if carefully focused. A pay equity audit tool is also something that can be used to address both inter-occupational and intra-occupational discrimination. The latter is important given the literature (Kidd & Meng 1997; Wooden 1999; Pocock & Alexander 1999; Le & Miller 2001) that says intra-occupational discrimination is a major source of wage inequality in Australia.

A recent contribution by the author to a report on pay equity and work/life balance in Australian public sectors for the Northern Territory Office of the Commissioner for Public Employment (OCPE 2004b), suggested that a pay equity audit include the following processes and is expanded on here.

- a. An analysis of pay at the occupational level (not just the broad-banded pay level) involving comparing female-dominated occupations or jobs with male-dominated jobs with the aim of identifying any anomalies. Thorough analysis would involve regression analyses, such as those discussed in Chapter 3, if sufficient data is available, if not, surveys should be conducted to obtain data. Female and male-dominated occupations should be identified and discussed with committees involving employees and employers and their representatives.
- b. A comparison of any different pay systems within the public sector or firm including job evaluation systems used and different award classification structures for gender-dominated groups (e.g. technical, physical/blue collar; nurses; teachers, police). Principles underlying such a comparison would

include ensuring the same job evaluation points result in the same level of pay and that the same job evaluation system is used for all job groups (Short 1992). (Note that this is related to process a.)

- c. An analysis of how pay increases have been delivered historically. Awards and agreements used would be submitted to historical investigation to see if equal pay for equal value, award restructuring and/or minimum rate adjustment was ever implemented or properly applied. Moves would then be made to address these problems.
- d. Identification and elimination of gender ghettos – areas where women are concentrated without any career ladder out. Having identified male and female-dominated areas, job redesign and classification restructuring should be used to ensure there can be lateral and/or vertical movement out of the occupation.
- e. Affirmative action – this is still needed to try and ensure women have the same promotional opportunities as men, thus action is required to assist women with training and experience within organisations. This includes ensuring training and experience is given to equal numbers of men and women within organisations and specific training is offered in areas where women lack skills.

This type of approach is suitable at the level of the workplace or firm, or public service department.

With some minor adaptations, the pay audit approach described immediately above could also be used as a checklist by the industrial relations commissions to ensure pay equality is being addressed when reviewing awards and enterprise bargaining agreements. This would be a much more thorough approach than the current one of merely asking the industrial parties to certify that they thought the agreement was equitable.

It is clear from interviewees' perceptions and the literature (Cox & Leonard 1991; Glynn 1998; Cortis 2000), that a central issue still left for female-dominated occupations in Australia is how the skills used in these occupations are made visible and valued. Thus, a review of job descriptions and then selection criteria should be added to this pay audit list to try to include women's invisible skills – the emotional labour that Guy and Newman (2004:293) explain “generates perceptions of rapport,

supportiveness, congeniality, nurturance and empathy”. In a similar way, where organisations use job evaluation systems, the way these systems value such skills is important (Burton, Hag & Thompson 1987, Burton 1988, Cox & Leonard 1991, Kenna 1993, Short 1992 and Windsor 1991) and should be reviewed.

Finally, Rapoport, Bailyn, Fletcher and Pruitt (2002) give an example of one research technique, the Dual Agenda technique, aimed at addressing problems associated with organisational cultural values relating to gender. Given that interviewees have ascribed the persistence of the gender wage gap primarily to enduring social and cultural values about gender, it seems appropriate to recommend the use of this action research technique to improve women’s situations within businesses. This technique was developed from a Ford Foundation project:

...to look at organizational structures and culture of work practices – in order to shed light on the sources of the widespread conflict between work and personal life, which, despite well-intended policies, stubbornly persisted. (Rapoport et al 2002:xi)

This Ford Foundation project involved organisations that were already at the cutting edge of work/life balance or work and family policies aimed at combating unequal offers or opportunities, yet still found change difficult to achieve. The technique relies on deep investigation in collaboration with the organisation, followed by a series of small changes or wins that are evaluated continually to maintain the equality focus and which build up to change the organisation’s culture. This is called the Dual Agenda technique, as it was found that “assumptions and norms that block gender equality in the workplace also undermine people’s productivity” (Rapoport et al. 2002:17), thus making this much easier to sell to management. The Dual Agenda technique is already being used in the public sector in Western Australia (Still & Mead 2003) and may assist in increasing women’s pay relative to that of men.

These last two solutions are best suited to larger firms and public sector organisations, but it is in these organisations that the literature found the most unexplained differences between men and women (Kidd & Meng 1997; Wooden 1999; Pocock & Alexander 1999).

7.4 DIRECTIONS FOR FURTHER RESEARCH

This issue of changing social values deserves further, preferably grounded, research. A qualitative approach to studying how social values in this area change and can be changed would be of value when trying to achieve longer-term change. In this way educational programs can be more effective. More qualitative research into the mechanisms around occupational choice – the social, psychological, cultural and biological as well as economic aspects – could also add to understanding why and how women apparently choose to work in lower-paid work. The theoretical construct emerging from this research may have relevance to other issues in industrial relations, such as union density and union power or militancy as interviewees in this study clearly saw these as also being influenced by social and cultural values.

Apart from these more theoretical considerations, in order to facilitate change in the short term, as already mentioned under pay equity audits, research needs to be carried out specific to industry and occupational areas where women predominate within each federal or state industrial relations system. Each area has its own history of wage fixation, lost opportunities and examples of bias and needs its own champion, not necessarily the relevant union, to take up equal remuneration cases on behalf of the women involved. Above all, the information gathered in this thesis suggests that industrial relations is not a science, it is not just about statistics reflecting market economics and industrial power, so consultation with stakeholders is vital to researching occupational wage differences.

In conclusion, wage equality will never be an easy issue. This thesis has made it evident that there is a natural tendency to return to traditional values in Australian society (and probably most other societies). Without constant vigilance and repeated campaigns for pay equality, women's earnings will slip backwards again relative to those of men. As the experience in Western Australia during 1993 to 2001 showed, should further deregulation occur in the formal system, gender wage inequality may increase in Australia. Our daughters and granddaughters will have to keep on fighting for women's rights in this and other areas. I hope only that this thesis can assist.

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APPENDIX 1 – WAGES IN THE AUSTRALIAN STATES AND TERRITORIES

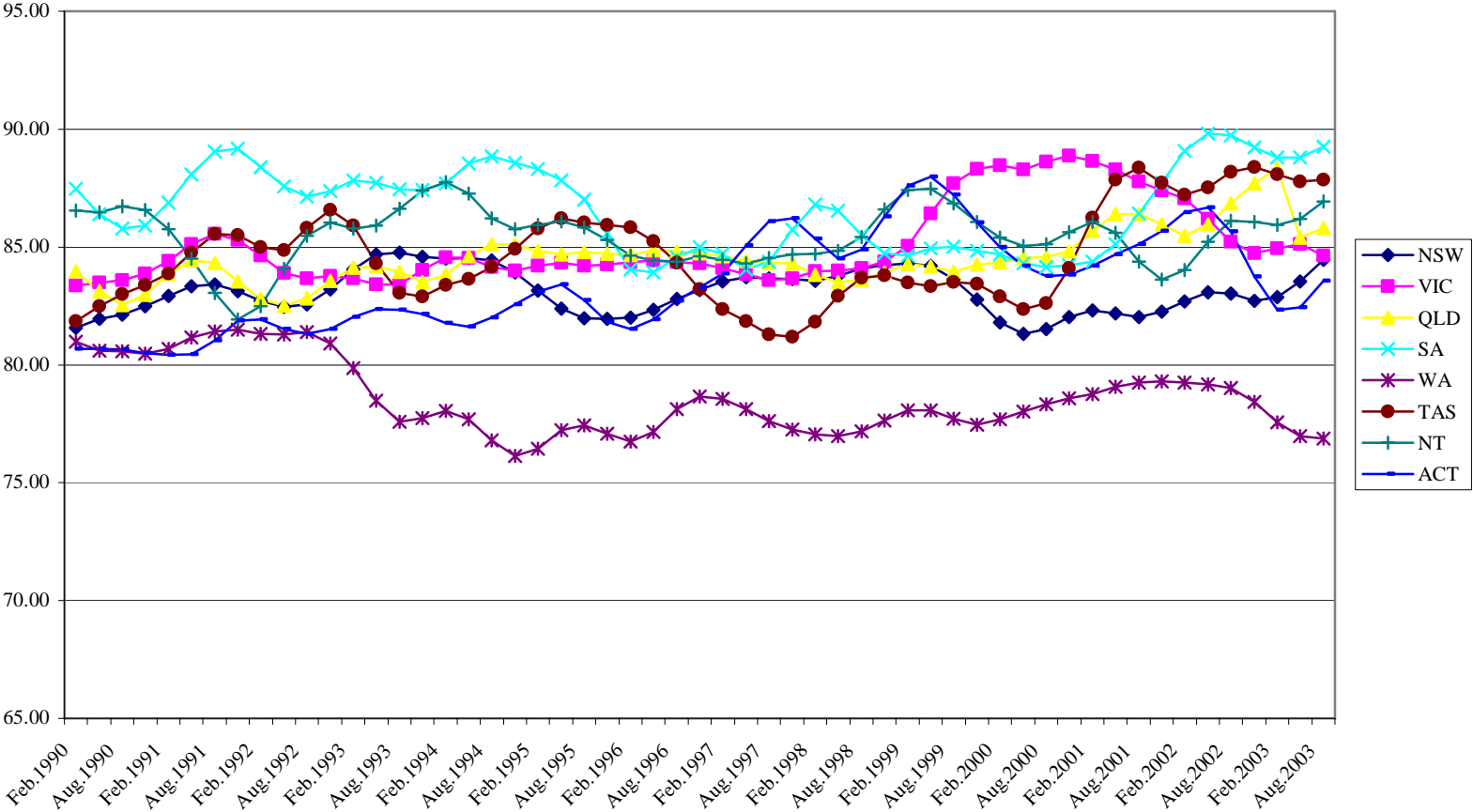
In the states and territories, where some wages are determined by different state-based industrial relations systems, relative female to male earnings data were more varied, as demonstrated in Figure A-1.

Figure A-1 shows that Australian Capital Territory female full-time average weekly ordinary time earnings (AWOTE) were the lowest in Australia relative to male wages in the late 1980s (at 75-76 per cent), but moved to be above the national average of 85 per cent in the early 1990s (86 per cent). This is very probably a result of the movement of female-dominated professional jobs into male-dominated professional wage structures in the federal public service discussed in Chapter 2, Sections 2.2 and 2.3.1.

Victoria tended to mirror the Australian average except for a brief period from August 1999 to February 2001 when its female relative full-time AWOTE were the highest in Australia at 87 to 89 per cent. Victoria was the centre of the ACTU/Australian Manufacturing Workers Union efforts (discussed in Chapter 2, Section 2.3.8) to increase pay equity during the 1990s and perhaps this had a temporary effect. Also, as Appendix 4 will show, Victorian female workers in clerical and retail work were more likely to be covered by enterprise bargaining agreements paying higher rates than their counterparts in Western Australia.

As can be seen in Figure A-1, since February 1993, Western Australia has had the lowest full-time female AWOTE relative to male AWOTE in Australia. While Australian women in November 2004 earned 85 per cent of male full-time AWOTE, for Western Australian women this relativity was only 75 per cent. The gender wage gap in Western Australia had widened from 19 per cent in November 1984 to 25 per cent in November 2004.

Figure A-1 - Female as a Percentage of Male Full-time Average Weekly Ordinary Time Earnings 1990 to 2003 Australia (ABS 2005)



APPENDIX 2 - EMAIL ON CONFIRMABILITY CHECK

To: Ms Christine Short
Cc: Prof Margaret Nowak

Confirmability of coding

We reviewed coding applied to three interviews held in your NVivo file of transcriptions. We examined the coding stripes and confirm that the codes appeared to have relevance to the highlighted text. In-depth description of the codes was not available and no attempt to second guess the researcher's interpretation of the data was made.

In our review we noted the following:

1. The sense of the interview text implied the researcher's role was one of a participant / observer. Whilst we have not read the methodology chapter we would anticipate that the implications of this stance are discussed.
2. Since these files will be stored for 5 years and available for auditing, we recommend that all identities be concealed in the transcriptions. We recommend that interview titles be coded in some format which does not reveal the participants' identities.

Dr Margaret McCabe
Senior Lecturer
Graduate School of Business

Dr Maureen Bickley
Research Fellow
Graduate School of Business

APPENDIX 3 – INTERVIEWEES’ VIEWS BY GENDER AND ROLE

Table A-1 – Differences in Interviewees’ Perceptions of Key Categories by Gender

Category	Men		Women	
	No	%	No	%
Not aware WA diff	11	52.4	11	61.1
It’s the occupations	9	42.9	6	33.3
It’s the industry	8	38.1	5	27.8
Part-time & casual	5	23.8	5	27.8
Women’s work undervalued	9	42.9	12	66.7
Social/psychological explanations	7	33.3	12	66.7
Totals	21	100.0	18	100.0

As can be seen in Table A-1, there are differences between interviewees’ views when comparing them by gender. The most significant differences are that the women interviewed were quite a bit more likely than men to see the problem as being women’s work being undervalued and were twice as likely to give explanations in the social and psychological area. Women interviewed were also slightly less likely to give economic explanations, such as occupation or industry, than men were.

Table A-2 – Differences in Interviewees’ Perceptions of Key Categories by Type

Category	Unions		Employers, representatives and Managers		Commissioners	
	No	%	No	%	No	%
Not aware WA different	7	38.9	13	81.3	2	50.0
It’s the occupations	7	38.9	6	37.5	3	75.0
It’s the industry	7	38.9	5	31.3	1	25.0
Part-time & casual	5	27.8	3	18.8	1	25.0
Women’s work undervalued	11	61.1	5	31.3	4	100.0
Social/psychological explanations	10	55.6	5	31.3	4	100.0
Totals	18	100.0	16	100.0	4	100.0

Responses by type of interviewees: union officials, employers/managers or employer representatives, or commissioners; are shown in Table A-2. Employers were much more likely than other groups not to know that WA had a wider wage gap between

men and women than Australia (despite all but one employer being from WA, whereas five union officials came from outside WA). Commissioners interviewed all mentioned the problem of women's work being undervalued and union officials were much more likely to discuss women's work being undervalued than employers. Commissioners again all discussed social or psychological explanations. Union officials were more likely than employers to give social and psychological explanations for wage differences. The percentage of interviewees giving economic explanations such as occupation or industry were fairly similar, except that commissioners were much more likely to state that it was the occupations women worked in that caused lower pay for women.

While these results may be of some interest to the reader, they add little to our understanding of why and how gender wage inequality persists, except that employers clearly are less likely to recognise the problem (in WA), or to accept social explanations and therefore may be more resistant to change. Given that the balance of power has shifted during the period under study towards employers (as the system became less centralised and more deregulated), this is not likely to encourage change and indeed may exacerbate the persistence of unequal pay between men and women.

APPENDIX 4 – CONTEXTUAL DATA

Table A-3 – Proportion Female/Male in Occupational Areas Studied – 2003

Female-dominated Occupations	% Female	Male-dominated Occupations	% Male
Primary teachers	85.0	Metal Fitters	99.3
Secondary teachers	57.6		
Teachers overall	71.7		
Child Care Givers (qualified & unqualified)	95.9	Truck Driver	98.6
Shop Assistants	70.3	Building Trades Labourer	97.6
General Clerks	78.5	Miner	99.2
More mixed – more female		More mixed – more male	
Public Service overall - Fed	53.0		
Public Service overall - WA	63.0		
APS AO2	55.0	(APS AO6	50.0)
WA Level 2	62.0	WA Level 6	60.0
Health Dept. WA	77.0	Main Roads Dept. WA	79.0
Health & Ageing Fed.	72.0	Transport Dept. Fed.	64.0

(Sources: JobSearch 2004; Department of Premier & Cabinet 2003; Australian Public Service Commission 2003)

Table A-4 – Selected Wage Classifications 1990 & 2003 – Effects of Decentralisation

Female-dominated Classifications					Male-dominated Classifications				
	\$ per week		% change since 1990			\$ per week		% change since 1990	
June 1990	WA	VIC/Fed	WA	VIC/Fed	June 1990	WA	Fed	WA	Fed
Level 2.3 teacher	711.92	674.65			Level 6 public servant	843.39	n.a.		
Level 2 public servant	495.90	432.95			Dump truck operator/miner	412.90	n.a.		
Qualified child care giver	414.29	412.30			Metal tradesperson	392.20	397.90		
Shop assistant	342.80	358.00			Building trades labourer	392.70	400.60		
Grade 1 clerk	341.40	363.60			Grade 2 driver>45tn	344.50	359.10		
December 2003					December 2003				
Level 2.3 teacher	1074.10	1073.62	50.9	59.1	Health L6/ASO6	1156.67	1028.24	37.2	n.a
Health L2/ASO2	688.74	714.25	38.9	65.0	Main RdsL6/TransportASO6	1129.02	976.49	33.9	n.a
Main RdsL2/TransportASO2	650.56	638.16	31.2	47.4	Dump truck operator/miner	1354.35	n.a.	228.0	n.a.
Qualified child care giver	624.10	591.40	50.6	43.4	Metal tradesperson	774.41	724.42	97.5	82.1
Shop assistant	523.00	542.30	52.6	51.5	Building trades labourer	774.44	884.26	97.2	120.7
Grade 1 clerk	495.60	507.40	45.2	39.6	Grade 2 driver>45tn	663.43	700.39	92.6	95.0

(Sources: AIRC; AEU VIC; AMWU WA; VIRC; WAIGs; www.osiris.gov.au; www.wagenet.gov.au; shading denotes the use of agreement, rather than award rates)

Table A-5 – Selected Classifications 1990 and 1993 – the Effects of Award Restructuring & Minimum Rate Adjustment

Female-dominated Classifications					Male-dominated Classifications				
	\$ per week		% change since 1990			\$ per week		% change since 1990	
June 1990	WA	VIC/Fed	WA	VIC/Fed	June 1990	WA	Fed	WA	Fed
Level 2.3 teacher	711.92	674.65			Level 6 public servant	843.39	n.a.		
Level 2 public servant	495.90	432.95			Dump truck operator/miner	412.90	n.a.		
Qualified child care giver	414.29	412.30			Metal tradesperson	392.20	397.90		
Shop assistant	342.80	358.00			Building trades labourer	392.70	400.60		
Grade 1 clerk	341.40	363.60			Grade 2 driver>45tn	344.50	359.10		
December 1993					December 1993				
Level 2.3 teacher	749.04	749.04	5.21	11.03	Level 6 public servant	864.48	867.81	2.50	n.a.
Level 2 public servant	508.30	443.77	2.50	2.50	Dump truck operator/miner	466.50	n.a.	12.98	n.a.
Qualified child care giver	472.45	468.40	14.04	13.61	Metal tradesperson	417.20	425.20	6.37	6.86
Shop assistant	385.00	384.40	12.31	7.37	Building trades labourer	418.50	418.50	22.08	16.90
Grade 1 clerk	372.60	392.40	9.14	7.92	Grade 2 driver>45tn	374.50	382.50	8.71	6.52

(Sources: AIRC; AEU VIC; AMWU WA; VIRC; WAIGs; www.osiris.gov.au; www.wagenet.gov.au; shading indicates the use of agreement, rather than award, rates)

Table A-6 – Selected Wage Classifications 1994, 1996 & 2003 – the Effects of Enterprise Bargaining

Female-dominated Classifications					Male-dominated Classifications				
	\$ per week		% change since 1994			\$ per week		% change since 1994	
June 1994	WA	VIC/Fed	WA	VIC/Fed	June 1994	WA	Fed	WA	Fed
Level 2.3 teacher	757.06	757.04			Level 6 public servant	864.48	712.41		
Level 2 public servant	508.30	465.86			Dump truck operator/miner	840.00			
Qualified child care giver	476.90	468.40			Metal tradesperson	491.00	457.49		
Shop assistant	393.00	392.40			Building trades labourer	418.50	447.26		
Grade 1 clerk	380.60	392.40			Grade 2 driver>45tn	476.67	390.50		
June 1996					June 1996				
Level 2.3 teacher	813.85	839.94	7.50	10.95	Health L6/ASO6	915.67	767.82	5.92	7.78
Health L2/ASO2	545.25	502.09	7.27	7.78	Main RdsL6/TransportASO6	942.72	767.82	9.05	7.78
Main RdsL2/TransportASO2	554.31	502.09	9.05	7.78	Dump truck operator/miner	940.25		11.93	
Qualified child care giver	525.10	484.40	10.11	3.42	Metal tradesperson	540.10	485.80	10.00	6.19
Shop assistant	409.00	392.40	4.07	0.00	Building trades labourer	507.30	n.p.	21.22	n.a.
Grade 1 clerk	396.60	392.40	4.20	0.00	Grade 2 driver>45tn	510.04	550.24	7.00	40.91
December 2003					December 2003				
Level 2.3 teacher	1074.10	1073.62	31.98	27.82	Health L6/ASO6	1156.67	1028.24	33.80	44.33
Health L2/ASO2	688.74	714.25	26.32	42.26	Main RdsL6/TransportASO6	1129.02	976.49	30.60	37.07
Main RdsL2/TransportASO2	650.56	638.16	27.99	36.99	Dump truck operator/miner	1354.35		61.23	
Qualified child care giver	624.10	591.40	18.85	22.09	Metal tradesperson	774.41	724.42	57.72	58.35
Shop assistant	523.00	542.30	27.87	38.20	Building trades labourer	774.44	884.26	85.05	n.a.
Grade 1 clerk	495.60	507.40	24.96	29.31	Grade 2 driver>45tn	663.43	700.39	39.18	79.36

(Sources: AIRC; AEU VIC; AMWU WA; VIRC; WAIGs; www.osiris.gov.au; www.wagenet.gov.au; shading indicates the use of agreement, rather than award, rates)

Table A-7 - Trade Union Membership by Industry 1993-2002

Industry	August 1993	August 1995	August 1997	August 1999	August 2002
	%	%	%	%	%
Agriculture, forestry & fishing	10.1	9.9	7.1	4.7	5.0
Mining	55.2	46.1	43.9	35.4	28.7
Manufacturing	43.5	39.4	36.6	32.8	27.3
Electricity, gas & water supply	71.5	65.1	65.9	50.1	47.7
Construction	35.1	30.6	33.5	25.7	27.7
Wholesale trade	16.5	15.0	12.7	9.6	7.1
Retail trade	22.3	22.6	22.3	17.4	16.5
Accommodation, cafes & restaurants	21.2	18.4	15.5	10.1	11.8
Transport & storage	58.6	49.6	47.5	38.7	36.6
Communication services	73.8	73.8	59.8	48.3	32.9
Finance and insurance	44.8	37.2	35.5	27.5	17.6
Property & Business services	18.8	16.0	10.0	9.7	6.6
Government administration & defence	56.4	50.0	43.5	41.2	37.9
Education	56.3	49.3	49.3	45.8	42.3
Health and community services	38.7	35.0	34.6	30.7	30.7
Cultural and recreational services	31.7	26.8	23.8	15.7	12.9
Personal and other services	38.8	25.3	27.7	30.5	26.9

(Source ABS 6310.0 – trade union members as a proportion of all employees in population group)

**Table A-8 - Government Teachers' Salaries - VIC and WA Compared 1990-2003
(Awards and Enterprise Bargaining Agreements)**

REFERENCE	Operative Date	Starting Salary		Top of Range	
		WA 1.5	VIC-WA	WA 2.3	VIC-WA
		\$	\$	\$	\$
AEU VIC	18-Jun-90	25382		35082	
70WAIG3458	12-Jul-90	25128	254	37020	-1938
AEU VIC	12-Aug-90	25890	762	35784	-1236
72WAIG 925	3-Jan-91	25794	96	38000	-2216
AEU VIC	1-Jul-91	26718	924	38000	0
72WAIG 913	9-Jul-92	26439	279	38950	-950
AEU VIC*	1-Jan-93	27580	1141	38950	0
AEU VIC	7-Dec-94	27966	1527	39366	0
75WAIG1028	13-Dec-94	26856	1110	39367	-1
*AEU VIC	29-Jun-95	28412	1556	39782	415
AEU VIC	16-Oct-95	28923	2067	40498	1131
75WAIG1842	1-Jan-96	28870	53	42320	-1822
AEU VIC	4-Mar-96	30135	1265	43677	1357
75WAIG1842	1-Jan-97	31035	-900	45493	-1816
AEU VIC	4-Mar-97	31039	4	44987	-506
AEU VIC	9-Jan-98	31970	935	46337	844
AIRC G0844	24-Mar-98	31966	4	46858	-521
AEU VIC	1-Feb-99	34626	2660	47727	869
AIRC G0844	24-Mar-99	32925	1701	48264	-537
AEU VIC	4-Oct-99	35665	2740	49159	895
AG806074(WA)	1-Dec-00	34702	963	50869	-1710
PR900361(VIC)	01-Jan-01	37505	2803	51890	1021
AG804806 (VIC)	1-Apr-01	38630	3928	52623	1754
AG806074(WA)	1-Aug-01	35743	2887	53495	-872
AG804806(VIC)	1-Apr-02	39789	4046	54202	707
AG806074(WA)	1-Aug-02	37173	2616	54491	-289
AG804806(VIC)	1-Apr-03	40983	3810	55828	1337
AG806074(WA)	31-Jul-03	38102	2881	55853	-25

(Sources: WAIGs; www.wairc.wa.gov.au; AEU VIC; AIRC - Osiris/WageNet)

*The shaded cells indicate that they are agreement rather than award rates.

**Table A-9 - Award Comparison - Child Care, Victoria and
Western Australia, 1990-2003**

Reference	Operative Date	\$/hr	\$/wk	Reason	VIC-WA
70WAIG 3591	6-Sep-90	10.90	414.29	New award	
IRVNo2of1990	16-Nov-90	10.85	412.30		-1.99
71WAIG2080	1-Jul-91	11.17	424.33	1st MRA	-12.03
IRVNo.1of1991	5-Sep-91	11.29	428.90		4.57
IRVNo.2of1991	1-Dec-91	11.45	435.10		10.77
72WAIG293	17-Dec-91	11.45	434.91	MRA	0.19
IRVNo.1of1992	1-Aug-92	11.99	455.70		20.79
IRVNo1.of1993	1-Mar-93	12.33	468.40		33.49
73WAIG1807	10-May-93	12.43	472.45	MRA	-4.05
74WAIG 917	31-Jan-94	12.55	476.90	MRA	-8.50
74WAIG 917	10-May-94	13.02	494.60	MRA	-26.20
IRV No.1 of 1995	29-Mar-95	12.54	476.40		-18.20
75WAIG2566	25-May-95	13.61	517.10	SNA1&2	-40.70
AIRC N2598	20-May-96	12.75	484.40	SNA3	-32.70
76WAIG2398	12-Jun-96	13.82	525.10	SNA3	-40.70
AIRC P1064	16-May-97	13.22	502.40	SNA4	-22.70
77WAIG3122	14-Nov-97	14.08	535.10	SNA4	-32.70
AIRC Q2505	10-Jun-98	13.59	516.40	SNA5	-18.70
79WAIG 73	17-Jul-98	14.45	549.10	SNA5	-32.70
AIRC R6049	10-Jun-99	13.85	526.40	SNA6	22.70
79WAIG1847	1-Aug-99	14.77	561.10	SNA6	-34.70
AIRC S7741	10-Jun-00	14.25	541.40	SNA7	-19.70
80WAIG3478	1-Aug-00	15.11	574.10	SNA7	-32.70
AIRC PR905692	10-Jun-01	14.64	556.40	SNA8	-17.70
81WAIG1825	1-Aug-01	15.50	589.10	SNA8	-32.70
AIRC PR919434	25-Jun-02	15.12	574.40	SNA9	-14.70
82WAIG1485	1-Aug-02	15.98	607.10	SNA9	-32.70
AIRC PR932620	10-Jun-03	15.56	591.40	SNA10	-15.70
83WAIG2066	01-Aug-03	16.42	624.10	SNA10	-32.70

(Sources: WAIGs; www.wairc.wa.gov.au; IRCV; AIRC - Osiris/WageNet)

Table A-10 - Award Comparison - VIC to WA Shop Assistant 1990-2003

Ref./Print No.	Operative Date	\$/hr	\$/wk	Reason	VIC-WA
69 WAIG80	1-Dec-89	9.02	342.80		
IRCV1of1990	1-Feb-90	9.09	345.56		
IRCV5of1990	5-Jul-90	9.42	358.00		
70WAIG3732	10-Aug-90	9.35	355.30	MRA1	0.07
70WAIG3732	1-Oct-90	9.48	360.30	MRA 2	-2.30
IRCV6of1990	30-Nov-90	9.53	362.30	MRA	2.00
70WAIG3732	1-Apr-91	9.61	365.30	MRA 3	-3.00
IRCV3of1991	2-Aug-91	9.72	369.40	MRA	4.10
IRCV4of1991	30-Aug-91	10.08	383.00	MRA	17.70
71WAIG2593	1-Oct-91	9.98	379.20	MRA 4	3.80
IRCV6of1991	30-Nov-91	10.12	384.40	MRA	5.20
74WAIG 968	21-Mar-94	10.34	393.00	SNA1	-8.60
AIRCS0583	30-Mar-94	10.33	392.40	SNA1	-0.60
75WAIG1934	17-Apr-95	10.55	401.00	SNA 2	-8.60
76WAIG2005	23-May-96	10.76	409.00	SNA 3	-16.60
77WAIG3122	14-Nov-97	11.03	419.00	SNA4	-26.00
AIRCP9517	28-Jan-98	11.01	418.38	SNA4(+2&3)	-0.62
78WAIG4368	23-Oct-98	11.39	433.00	SNA 5	-14.62
79WAIG 1847	1-Aug-99	11.71	445.00	SNA6	-26.62
AIRCR9974	10-Sep-99	11.70	444.60	SNA5(&6)	-0.40
80WAIG3925	1-Aug-00	12.11	460.00	SNA7	-15.40
AIRCT044	13-Sep-00	12.09	459.42	SNA7	-0.58
81WAIG2313	1-Aug-01	12.45	473.00	SNA8	-13.58
AIRCPR907895	17-Aug-01	12.43	472.34	SNA8	-0.66
82WAIG1919	1-Aug-02	12.92	491.00	SNA9	-18.66
AIRCPR921176	7-Aug-02	12.90	490.20	SNA9	-0.80
AIRCPR9235228	25-Jul-03	13.35	507.30	SNA10	16.30
83WAIG2611	01-Aug-03	13.37	508.00	SNA10	-0.70

(Sources: WAIGs; www.wairc.wa.gov.au; IRCV; AIRC - Osiris/WageNet)

Table A-11 - Shop Assistant EBAs Compared - WA with Victoria

Action Food Barns				Safeways Supermarkets			
Reference	Operative date	\$/wk	% chge on award	Reference	Operative date	\$/wk	% chge on award
A2586	1-Nov-97	427.40	2.00				
	1-May-98	435.95	4.05	(Not published 1995/6 agreement)			
	1-Nov-98	444.68	2.70	S2285	01-Aug-98	471.40	12.67
	1-May-99	453.55	4.75		01-Jan-99	478.50	7.62
	1-Nov-99	462.60	3.96		01-Jul-99	484.70	9.02
AG807054	1-Nov-00	485.00	5.43		01-Jan-00	493.90	11.09
	1-May-01	490.50	6.03		01-Jul-00	501.30	12.75
	1-Nov-01	498.60	5.41		01-Jan-01	511.30	11.29
	1-May-02	506.70	7.12		01-Jul-01	520.30	13.25
	1-Nov-02	514.80	4.85		01-Jan-02	528.30	11.85
	1-May-03	523.00	6.52		01-Jul-02	535.30	13.33

(Sources: WAIGs; www.wairc.wa.gov.au; IRCV; AIRC - Osiris/WageNet)

**Table A-12 - Award Comparison - Clerks, Victoria and Western Australia,
1990-2003**

Reference	Date	WA \$	VIC \$	VIC-WA\$	Reason
IRCV1 of 1990	20-Apr-90		363.60		
70WAIG 2242	18-Jun-90	341.40		22.20	
71WAIG 944	30-Jan-91	356.40		7.20	
IRCV4 of 1990	1-Feb-91		375.00	18.60	SE 3 grades
IRCV3of1991	8-Feb-91		384.00	27.60	SE 6 grades
73WAIG 233	10-Oct-91	365.30		18.70	
73WAIG 233	1-Jun-93	372.60		11.40	MRA 86% tradesp.
IRCV1of1993	19-Jan-94		392.40	19.80	SNA1
74WAIG 1269	13-Apr-94	380.60		11.80	SNA1
75WAIG 2159	26-May-95	388.60		3.80	SNA2
76WAIG 2403	24-Jun-96	396.60		-4.20	SNA3
AIRC N5094	17-Sep-96		408.40	11.80	SNA 3
AIRC P1174	16-May-97		418.40	21.80	SNA4
77 WAIG 3122	14-Nov-97	406.60		11.80	SNA4
AIRC Q2397	2-Jun-98		432.40	25.80	SNA5
78 WAIG 3498	29-Jul-98	420.60		11.80	SNA5
AIRC M8184	2-Jun-99		444.40	23.80	SNA6
AIRC C1128	1-Jul-99		459.40	38.80	Consolidation
79 WAIG 1847	1-Aug-99	432.60		26.80	SNA6
AIRC S8765	2-Jun-00		459.90	27.30	SNA7
80 WAIG 3494	1-Aug-00	447.60		12.30	SNA7
AIRC PR905722	2-Jul-01		472.40	24.80	SNA8
81 WAIG 1825	1-Aug-01	460.60		11.80	SNA8
AIRC PR919422	2-Jul-02		490.40	29.80	SNA9
82 WAIG 1500	1-Aug-02	478.60		11.80	SNA9
AIRC PR932692	2-Jul-03		507.40	28.80	SNA10
83 WAIG 2085	01-Aug-03	495.60		11.80	SNA10

(Sources: WAIGs; www.wairc.wa.gov.au; IRCV; AIRC - Osiris/WageNet)

Table A-13 - Comparing Rare Clerical EBAs – WA and Victoria

WA Red Cross EBAs				John Sands Enterprise Agreements (Clayton VIC)			
Reference	Date Chged	\$/wk	% chge on award	Reference	Date Chged	\$/wk	% chge on award
77 WAIG 1665	04-Jul-96	396.60	0.00	J0147	01-Dec-93	plus 3%	with NUW & PKIU ¹
	18-Nov-96	412.46	4.00		01-Dec-94	plus 3%	
	18-Nov-97	424.84	4.49	J0430	Agreement not published.		
	01-Jan-98	443.48	5.44	J0444	01-Jul-97	454.20	8.56
	01-Jan-99	452.35	4.57		01-Jul-98	467.10	8.02
AG820782	09-Jan-03	502.35	4.96		01-Jul-99	481.90	8.44
				J0687	01-Mar-00	493.90	7.51
					01-Sep-00	503.80	9.55
					01-Mar-01	516.40	12.29
					01-Sep-01	526.80	11.52
					01-Mar-02	539.90	14.29
				AG825044	01-Sep-02	550.70	12.30
					01-Mar-03	572.73	16.79
Grade 1 as no graduation by year in classifications							

(Sources: WAIGs; www.wairc.wa.gov.au; IRCV; AIRC - Osiris/WageNet)

¹ NUW is the National Union of Workers, PKIU – Printing & Kindred Industries Union.

**Table A-14 - Award Comparison - Metal Tradesperson Federal and WA
1990-2003**

Reference	Operative Date	\$/hr	\$/wk	Reason	FED-WA\$
70 WAIG 1376	10-Jan-90	9.80	372.30	Struc Eff	
AIRC J2043	20-Mar-90	10.09	383.40	MRA1	11.10
70 WAIG 2603	11-Apr-90	10.32	392.20	MRA 1	-8.80
AIRC J3454	1-Jul-90	10.47	397.90	MRA2	5.70
AIRC J6229	1-Jan-91	10.59	402.40	MRA3 SE4	10.20
71 WAIG 416	9-Jan-91	10.45	397.10	MRA 2	5.30
71WAIG 1255	19-Apr-91	10.58	402.00	MRA 3	0.40
71WAIG 2780	21-Apr-91	10.84	412.00	MRA 4	-9.60
AIRC J9467	7-Aug-91	10.98	417.20	MRA4	5.20
73 WAIG 141	19-Nov-92	10.98	417.20	No reason given	0.00
AIRC L0280	1-Dec-93	11.19	425.20	SNA1	8.00
74 WAIG 621	9-Mar-94	11.19	425.20	SNA 1	0.00
75 WAIG 1645	4-Apr-95	11.40	433.20	SNA 2	-8.00
AIRC M1568	30-Apr-95	11.40	433.20	SNA2	0.00
AIRC N3256	8-May-96	11.61	441.20	SNA3	8.00
76 WAIG 1990	15-May-96	11.61	441.20	SNA3	0.00
77 WAIG 3122	14-Nov-97	11.87	451.20	SNA4	-10.00
AIRC Q1020	1-Jul-98	12.24	465.20	SNA4?&5	14.00
78 WAIG 3543	7-Aug-98	12.24	465.20	SNA5	0.00
AIRC R5307	1-Jun-99	12.56	477.20	SAN6	12.00
79 WAIG 1847	1-Aug-99	12.56	477.20	SNA6	0.00
AIRC S8605	27-Jul-00	12.95	492.20	SNA7	15.00
80 WAIG 3767	1-Aug-00	12.95	492.20	SNA7	0.00
AIRC PR9043632	23-May-01	13.35	507.20	SNA8	15.00
81 WAIG 2149	1-Aug-01	13.35	507.20	SNA8	0.00
AIRC PR918271	20-May-02	13.82	525.20	SNA9	18.00
82 WAIG 1769	1-Aug-02	13.82	525.20	SNA9	0.00
AIRC PR932048	3-Jun-03	14.27	542.20	SNA10	17.00
83 WAIG 2417	01-Aug-03	14.27	542.20	SNA10	0.00

(Sources: WAIGs; www.wairc.wa.gov.au; AIRC - Osiris/WageNet)

Table A-15 – Metals EBAs Compared – WA with Victoria

Royal Automobile Club of Victoria (RACV) Ltd				Bradken Perth/ANI-Bradken WA EBA/Award			
Reference	Date of Change	\$/wk	% inc on awd	Reference	Date of Change	\$/wk	% inc. on awd
R0196	20-Apr-94	457.49	7.59				
	20-Oct-94	464.22	9.18	73 WAIG 1795	Private to parties		
	20-Apr-95	471.06	8.74		based on next agreement	491.00	17.69
R0540	13-May-96	485.80	10.11	74 WAIG 2097	17-Aug-94	515.55	21.25
	Nov 96?	509.63	15.51		18-Aug-95	540.10	24.68
	13-May-97	519.64	not avail	76 WAIG 3847	17-Aug-96	589.42	36.06
	13-Nov-97	534.95	not avail		18-Aug-97	618.89	40.27
R0931	14-May-98	559.95	20.37	78 WAIG 4562	17-Aug-98	649.83	36.69
R1215	01-Jan-00	571.00	19.66		18-Aug-99	675.82	41.62
	01-Mar-00	605.62	23.04		Aug 00?	696.09	
	01-Jan-01	617.53	25.46	A6 of 2001	24-May-01	703.70	42.97
	01-Jul-01	629.67	24.15	Bassendeen	26-Nov-01	725.97	43.13
	01-Jan-02	642.05	26.59	ent. award	25-Nov-02	751.85	43.16
	01-Jul-02	667.32	27.06	AMWU figs	25-Nov-03	774.41	42.83
AG831337	11-Aug-03	724.42	33.61	Inghams Maintenance EBAs			
				76 WAIG 1847	15-Dec-95	452.69	4.50
					1-Mar-96	461.75	6.59
					15-Dec-96	475.60	7.80
					15-Jul-97	489.87	11.03
				78 WAIG 906	15-Dec-97	516.81	14.54
					15-Dec-98	545.24	17.20
				1999-2001 agreement not registered			
				AG815760	14-Jan-02	722.50	42.45
					14-Jun-02	782.71	49.03
					14-Jan-03	858.86	62.58

(Sources: WAIGs 1990-2005; OSIRIS 2000-2; WageNet 2003-5)

Table A-16 - Award Comparison - Driver, Federal and WA 1990 to 2003

Reference	Operative Date	\$/wk	Reason	FED-WA
70 WAIG 1909	1-Jan-90	344.50	SE	
AIRC J4608	8-Jun-90	359.10	SE	14.60
71 WAIG 1869	18-Sep-90	364.80	SE MRA1	-5.70
AIRC J9392	13-Aug-91	372.30	SE	7.50
72 WAIG 563	24-Jan-92	374.50	MRA234	-2.20
AIRC K1674	3-Feb-92	372.60	SE?	-1.90
AIRC L1214	2-Dec-93	382.50	SNA1	8.00
74 WAIG 647	15-Feb-94	382.50	SNA1	0.00
AIRC L8454	28-Oct-94	390.50	SNA2	8.00
75 WAIG 3297	25-Oct-95	390.50	SNA2	0.00
AIRC N2513	28-Apr-96	398.50	SNA3	8.00
76 WAIG 5001	1-Nov-96	398.50	SNA3	0.00
AIRC P2215	12-Jun-97	408.50	SNA4	10.00
77 WAIG 3177	14-Nov-97	408.50	SNA4	0.00
AIRC Q2993	5-Jun-98	422.50	SNA5	14.00
78 WAIG 4381	3-Nov-98	422.50	SNA5	0.00
AIRC R7613	27-Jul-99	434.50	SNA6	12.00
79 WAIG 1847	1-Aug-99	434.50	SNA6	0.00
AIRC S7796	27-Jul-00	449.50	SNA7	15.00
80 WAIG 3992	1-Aug-00	449.50	SNA7	0.00
AIRC PR907774	30-Jun-01	462.50	SNA8	13.00
81 WAIG 2387	1-Aug-01	462.50	SNA8	0.00
AIRC PR919693	27-Jul-02	480.50	SNA9	18.00
82 WAIG 1982	1-Aug-02	480.50	SNA9	0.00
AIRC PR934640	27-Jul-03	497.50	SNA10	17.00
83 WAIG 2691	01-Aug-03	497.50	SNA10	0.00

(Sources: WAIGs; www.wairc.wa.gov.au; IRCV; AIRC - Osiris/WageNet)

Table A-17 – EBA Comparison - Transport

Pioneer Concrete EBAs Herne Hill/Red Hill				CSR Readymix (Vic) Raw Materials Transport			
Driver over 35 tonnes/Level 2 Quarry Worker				Grade 3 - skilled operator			
Reference	Operative date	\$/wk	% chg on award	Reference	Operative date	\$/wk	% chg on award
	curr rate 93	412.70	10.20	C0737	20-Jan-95	524.02	34.19
73WAIG 2962	27-Oct-93	433.34	15.71	C1495	20-Jan-96	550.24	40.91
75WAIG 1892	28-Oct-94	476.67	24.62		01-Sep-96	563.92	41.51
77 WAIG 391	1-Aug-96	510.04	30.61	C2846	30-Sep-97	586.48	43.57
	1-Aug-97	533.87	33.97		01-Jun-98	604.07	42.98
79 WAIG 788	5-Aug-98	557.00	36.35		01-Feb-99	622.19	47.26
	4-Aug-99	581.04	33.73	C5732	30-Sep-99	622.19	43.20
81 WAIG 167	4-Oct-00	610.09	35.73		01-Feb-00	640.86	47.49
	3-Oct-01	628.39	35.87		01-Feb-01	660.08	46.85
	2-Oct-02	645.36	34.31	AG819461	01-Feb-02	686.48	48.43
	1-Oct-03	663.43	33.35	AG831650	01-Feb-03	700.39	45.76
Peters/PB Foods EBA Grade 2 Driver (WA)				Bonlac Foods Limited Grade 2 Driver (VIC)			
74 WAIG 1518	29-Mar-94	397.60	3.95	'92 agmt in	01-Jun-92	+ 2.5%	
	29-Mar-95	405.55	6.03	'94 one	01-Sep-92	+ 2%	
	29-Mar-96	413.66	5.93	B0368	01-Jan-94	+ 3%	
78 WAIG 1278	29-Mar-97	466.75	17.13		01-Nov-94	+ 3%	
	29-Mar-98	480.75	17.69	B0636	01-Aug-95	440.90	12.91
	29-Mar-99	495.18	17.20		01-Aug-96	458.50	15.06
AG223 of 2001	1-Jul-00	544.59	25.34	B1255	01-Aug-97	472.24	15.60
	1-Jan-01	552.76	22.97		01-Mar-98	486.00	18.97
	1-Jul-01	561.05	24.82		01-Aug-98	499.75	18.28
	1-Jan-02	564.92	22.15		01-Mar-99	511.22	21.00
	1-Jul-02	573.40	23.98	B2310	01-Aug-99	531.71	22.37
	1-Jan-03	582.00	21.12		01-Aug-00	557.03	23.92
	Plus 1 to 2% on KPIs				01-Aug-01	582.35	25.91
				AG819462	01-Aug-02	605.64	26.04
					01-Aug-03	629.87	26.61

(Sources: WAIGs; www.wairc.wa.gov.au; IRCV; AIRC - Osiris/WageNet)

**Table A-18 - Award Comparison - Building Trades Labourer, Federal and WA
1990-2003**

Reference	Operative Date	\$/hr	\$/wk	Reasons	FED-WA
70 WAIG 1403	23-Mar-90	10.33	392.70	MRA&SE2	
AIRC J4733	13-Aug-90	10.54	400.60	New award	7.90
AIRC J8959	19-Jul-91	10.80	410.50	SE	17.80
71 WAIG 2831	17-Oct-91	10.80	410.50		0.00
AIRC L1467	13-Dec-93	11.01	418.50	SE?	8.00
74 WAIG 904	24-Dec-93	11.01	418.50	SNA1	0.00
AIRC M4541	23-Mar-95	11.23	426.80	SNA2&IndAll	8.30
75 WAIG 2154	28-Sep-95	11.23	426.80	SNA2&IndAll	0.00
AIRC N0524	23-Mar-96	11.45	435.10	SNA3&IndAll	8.30
76 WAIG 2802	2-Jul-96	11.46	435.40	Ind. All	-0.30
AIRC N9866	27-Mar-97	11.46	435.40	Ind. All	0.00
AIRC P1289	15-May-97	11.73	445.80	SNA4&IndAll	10.40
77 WAIG 3177	14-Nov-97	11.72	445.40	SNA4GO	0.40
AIRC Q2216	25-May-98	12.11	460.30	SNA5&IndAll	14.90
78 WAIG 3770	31-Jul-98	12.10	459.90	SNA5&IndAll	0.40
AIRC R6427	25-May-99	12.44	472.80	SNA6&IndAll	12.90
79 WAIG 1843	1-Aug-99	12.42	471.90	SNA6GO	0.90
80 WAIG 3032	19-Nov-99	12.43	472.30	Ind.All.	0.50
N0122 Var113	25-May-00	12.85	488.40	SNA7	16.10
80 WAIG 3440	1-Aug-00	12.96	492.30	SNA7	-3.90
AIRC PR905211	25-May-01	13.21	502.00	SNA8	9.70
81 WAIG 1776	1-Aug-01	13.19	501.40	SNA8	0.60
AIRC PR918338	28-May-02	13.70	520.70	SNA9	19.30
82 WAIG 1432	1-Aug-02	13.68	520.00	SNA9	0.70
AIRC PR932055	26-May-03	14.17	538.30	SNA10	18.30
83 WAIG 1994	01-Aug-03	14.15	537.70	SNA10	0.60

(Sources: WAIGs; www.wairc.wa.gov.au; AIRC - Osiris/WageNet)

Table A-19 – Building EBAs Compared – WA with Victoria

GN/G & N Conform/Con-form EBAs (WA)				Multiplex Constructions (Victoria) Pty Ltd			
Labourer Group 3			% Chge				% chg
Reference	Operative date	\$/wk	on awd	Reference	Operative date	\$/wk	on award
76WAIG2552	1-Aug-95	490.96	17.31	M0648	21-Apr-94	447.26	6.87
(4 employees)	1-Feb-96	507.30	18.86		01-Jan-95	467.02	11.59
	1-Aug-96	523.26	22.60	M1125?	not on Wage net		
	1-Feb-97	539.60	23.93				
AG203of1977	1-Aug-97	555.94	27.68	M1943	01-Nov-97	570.76	28.03
	1-Feb-98	571.90	28.40		01-Jul-98	581.78	26.39
	1-Aug-98	588.24	27.91		01-Nov-98	619.02	34.48
	1-Feb-99	604.22	31.38		01-Nov-99	637.64	34.86
	1-Aug-99	612.56	29.81	AG809662	01-Mar-01	825.74	69.07
80WAIG 1126	1-Nov-99	643.34	36.21		01-Mar-02	857.28	70.77
	1-Nov-00	675.64	37.24	AG823853	01-Mar-03	884.26	69.82
	1-Nov-01	709.84	41.57				
CFMEU	1-Nov-02	744.80	43.23				
Not registered	1-Nov-03	774.44	43.87				

(Sources: WAIGs; www.wairc.wa.gov.au; IRCV; AIRC - Osiris/WageNet)

Table A-20 – A Mining Company’s Award and Workplace Agreement Rates Compared

A Mining Company award					A Mining Company (actual agreement rates paid supplied by co.)					
AWU Mineworkers/Mine Production Level 3					Range 1D - 70% (roughly equiv. To Level 3 truck driver/dump truck operator)					
Reference	Operative date	\$/hr	\$/wk	Reason for change	Operative date	\$/hr	\$/wk	\$/yr	Reason for change	% inc on awd
70WAIG 1475	21-Jan-90	10.87	412.90	SE						
71WAIG 387	14-Dec-90	11.16	424.20	SE						
71WAIG 3243	20-Oct-91	11.44	434.80							
72WAIG 2791	27-Nov-92	11.96	454.40	(+4.5% for major SE employer applied)						
73WAIG 1307	5-Apr-93	12.28	466.50	(restructure of class.)	5-Nov-93	20.00	840.00	43680.00		62.92
75WAIG 1644	7-Nov-94	12.49	474.50	SNA1	1-Apr-95	21.74	913.25	47489.00	Restructured bands	71.25
75WAIG 2178	7-May-95	12.70	482.50	SNA2	1-Apr-96	22.39	940.25	48893.00		73.44
76WAIG 2824	7-May-96	12.91	490.50	SNA3	31-Mar-97	22.39	940.25	48893.00	Restructured bands	73.44
79WAIG 1709	27-Apr-99	13.54	514.50	SNA4&5	1-Apr-97	22.93	963.00	50076.00		77.63
79WAIG 1847	1-Aug-99	13.86	526.50	SNA6GO\$12	1-Apr-98	23.51	987.50	51350.00	Base Plus:	82.15
80WAIG3719	1-Aug-00	14.20	539.50	SNA7	1-Jan-99	25.79	1083.35	56334.00	Market alignment plus \$1500 performance	99.83
81WAIG2098	1-Aug-01	14.59	554.50	SNA8	1-Apr-99	26.87	1128.46	58680.00	plus \$2000 performance	108.15
82WAIG1728	1-Aug-02	15.07	572.50	SNA9	1-Apr-00	25.95	1090.00	56680.00	base only	87.31
83WAIG2362	01-Aug-03	15.51	589.50	SNA10	1-Apr-01	30.73	1290.58	67110.00	plus \$8376 performance	139.22
					1-Apr-02	29.11	1222.48	63569.00	plus \$3262 performance	120.47
					1-Apr-03	32.25	1354.35	70426.20	plus \$5850 performance	136.57

(Sources: WAIGs; www.wairc.wa.gov.au; IRCV; AIRC - Osiris/WageNet; shading denotes the use of agreement, rather than award rates)

**Table A-21 – Public Service Awards and Agreements Compared -
Western Australian and Federal**

Public Service Salaries Agreement/Award [WA]						
Reference	Operative date	Level 2 \$/yr	2\$/wk	Level 6 \$/yr	6\$/wk	Reason for change
70WAIG2196	2-Apr-90	25886	495.90	44025	843.39	SE2
73WAIG302	1-Dec-92	26533	508.30	45126	864.48	New award
75WAIG712	9-Jan-95	26950	516.28	45543	872.47	SNA1
75WAIG2396	10-Jul-95	27367	524.27	45960	880.46	SNA2
76WAIG2767	12-Jul-96	27784	532.26	46377	888.45	SNA3
77WAIG3177	14-Nov-97	28306	542.26	46899	898.45	SNA4
78WAIG3841	7-Aug-98	29036	556.25	47421	908.45	SNA5
79WAIG1843	1-Aug-99	29662	568.24	48047	920.44	SNA6
80WAIG3875	1-Aug-00	30445	583.24	48726	933.45	SNA7
81WAIG2264	1-Aug-01	31225	598.18	49613	950.44	SNA8
82WAIG1873	1-Aug-02	32183	616.53	50552	968.43	SNA9
83WAIG2553	01-Aug-03	33070	633.52	51334	983.41	SNA10
Improving Productivity, Jobs & Pay in the Australian Public Services Agreement 1992-4						
Print No.	Operative date	ASO2	2/wk	ASO6	6/wk	
I0089	17-Dec-92	23165.00	443.77	35424.00	678.62	
	11-Mar-93	23628.00	452.64	36132.00	692.18	
	10-Mar-94	24318.00	465.86	37188.00	712.41	
Interim Framework Agreement (IFA) Australian Public Service						
I0187	03-Dec-94	24318.00	465.86	37188.00	712.41	
	02-Jan-95	24804.00	475.17	37932.00	726.67	
Continuous Improvement in the Australian Public Service Enterprise Agreement 1995-6						
C0993	29-Jun-95	25290.00	484.48	38675.00	740.90	
	13-Jul-95	25796.00	494.18	39449.00	755.73	
	07-Mar-96	26209.00	502.09	40080.00	767.82	
	17-Oct-96	26733.00	512.13	40882.00	783.18	

(Sources: WAIGs; www.wairc.wa.gov.au; IRCV; AIRC - Osiris/WageNet)

Table A-22 – WA and Australian Public Service EBAs in Female and Male-dominated Agencies

Health Department of WA EBAs							
Reference	Operative date	L2/yr	L2/wk	L6/yr	L6/wk	L2/hr	L6/hr
76WAIG2202	26-Feb-96	28462.00	545.25	47798.00	915.67	14.35	24.10
	31-Aug-96	29031.00	556.15	48754.00	933.98	14.64	24.58
	28-Feb-97	29321.00	561.70	49242.00	943.33	14.78	24.82
79WAIG3308	15-Oct-99	30754.00	589.16	51649.00	989.44	15.50	26.04
PSAAG24 of 2002	1-Jul-01	33388.00	639.62	56071.00	1074.16	16.83	28.27
	1-Jan-02	34389.00	658.79	57753.00	1106.38	17.34	29.12
	1-Jan-03	35952.00	688.74	60378.00	1156.67	18.12	30.44
Commonwealth Department of Health & Ageing EBAs							
People Leadership and Performance Improvement Agreements 1998-2004							
Ref.	Date	ASO2.1	2/wk	ASO6.1	6/wk	L2/hr	L6/hr
P1142	01-Aug-98	28183.00	539.90	43100.00	825.67	14.40	22.02
P1742	12-May-00	29169.00	558.79	44609.00	854.58	14.90	22.79
	01-Oct-00	29898.00	572.76	45724.00	875.94	15.27	23.36
	01-Oct-01	30645.00	587.07	46867.00	897.84	15.66	23.94
	before cert.	34489.00	660.71	46867.00	897.84	17.62	23.94
AG819414	04-Nov-02	35869.00	687.15	48742.00	933.75	18.32	24.90
	01-Apr-03	36023.00	690.10	51859.00	993.47	18.40	26.49
	01-Oct-03	37284.00	714.25	53674.00	1028.24	19.05	27.42
Main Roads WA EBA (Parent award GOSAC but same rates PSA)							
		L2	L2/wk	L6/yr	L6/wk	L2/hr	L6/hr
75 WAIG586	20-Feb-95	27064.00	518.47	46949.58	899.42	13.64	23.67
77WAIG1184	3-May-96	28935.00	554.31	49210.00	942.72	14.59	24.81
77WAIG1434	20-Mar-97	31916.00	611.42	55366.00	1060.65	15.29	26.52
	1-Jul-98	33959.00	650.56	58935.00	1129.02	16.26	28.23
PSAAG24 of 2002	1-Jan-02	Rates stay same but hrs change			0.00	17.35	30.11
Commonwealth Department of Transport and Regional Services EBAs							
Print No.	Operative date	ASO2	2/wk	ASO6	6/wk	L2/hr	L6/hr
	before cert.	28732.00	550.42	43695.00	837.07	14.68	22.32
PC5854	01-Nov-99	29307.00	561.44	44844.00	859.08	14.97	22.91
	01-Nov-00	29893.00	572.66	45741.00	876.26	15.27	23.37
	01-Jul-01	30192.00	578.39	46199.00	885.04	15.42	23.60
AG816335	01-Jul-02	32342.00	619.58	49488.00	948.05	16.52	25.28
	01-Jul-03	33312.00	638.16	50973.00	976.49	17.02	26.04

(Sources: WAIGs; www.wairc.wa.gov.au; IRCV; AIRC - Osiris/WageNet)