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Pay gap will worsen under attack on penalty rates

The record high 18.2 per cent gender pay gap will widen even further if business groups win their campaign to strip away penalty rates and attack the minimum wage.

“It is incredibly disappointing yet unsurprising to see the gender pay gap has blown out to its widest level in 20 years,” said ACTU President Ged Kearney.

“We know women still face barriers in the workplace that contribute to the pay gap including lack of flexibility to accommodate caring commitments, pregnancy discrimination, higher rates of casualisation and fewer opportunities for training and promotion,” said Ms Kearney.

Yet instead of dealing with these important issues Tony Abbott and business associations want to exacerbate the situation by doing away with penalty rates and lowering the minimum wage.

“If Tony Abbott and employers are serious about addressing the pay gap then they need to start by changing the Fair Work Act to prevent discrimination against women workers,” Ms Kearney said.

“For example, there is currently no obligation for employers to show they have seriously considered a request for flexible work arrangements to assist with caring responsibilities. As a result many women face discrimination when they return to work after having children and are pushed out of quality jobs into less secure, poorer paying work.

“Insecure work pays low wages, forgoes benefits such as paid leave, doesn’t provide for long-term accrual of entitlements, stunts career progression and places employees in vulnerable negotiating positions often subject to discriminatory practices.”

Nearly 60 per cent of the 1.5 million Australian workers on the minimum wage are women and many of them rely on penalty rates to survive, said Ms Kearney.

“With 40% of households now relying on women as the main breadwinners, a widening pay gap can only mean that families and communities suffer as well.

“Not only are business groups trying to lower people’s wages – the Abbott Government is pursuing its cruel and unfair budget measures that will push up the cost of health and child care, hitting women workers in particular even harder.

“It’s time the Abbott Government stops pretending it cares about discrimination against women and actually starts doing something.”

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