

# Far From Equal



## The Glass Ceiling in the Australian Public Service



A CPSU Report - September 2008



# The Glass Ceiling in the Australian Public Service

## Overview

The CPSU has conducted a review of wages and classifications across four key agencies in the Australian public service<sup>i</sup>. These agencies: Medicare; Centrelink; the Australian Taxation Office; and, the Department of Defence, have a combined ongoing workforce of 73,781 employees, representing fifty one per cent of the ongoing APS workforce. Fifty two per cent of all women employed in the APS work in one of these four agencies.

Our objective was to evaluate the employment of women in these key agencies to gain a greater understanding of where women are employed in the APS, how much they are paid and whether women are equally represented in senior APS positions relative to men.

This Report shows what it means to be a woman in the modern APS. It shows a system in need of repair:

- There is a substantial pay gap between agencies that are female dominated and those that are male dominated.
- Highly feminised agencies tend to be service delivery agencies such as Medicare and Centrelink.
- In all agencies, regardless of pay level, women tend to be clustered at the lower end of the classification scale.
- There is clearly a glass ceiling for women in the APS.

This report starkly illustrates that while some women are employed at the highest possible levels in the APS, there is still a significant problem and the glass ceiling remains a reality for many women in many APS agencies.

In order to achieve an APS that delivers high quality services to the government and to the Australian people, the glass ceiling needs to become a thing of the past. To do this, women must have equal representation at all classifications in all agencies.

# Medicare Australia

Medicare Australia has an annual budget of more than \$712 million<sup>ii</sup>. More than 20.5 million people are registered for Medicare benefits and there are more than 230 million transactions processed each year<sup>iii</sup>.

Medicare employs approximately 4 per cent of the ongoing APS workforce with just under 6,000 staff. Eighty one per cent of Medicare employees are women<sup>iv</sup>.

Medicare consistently pays salary rates that are well below the APS average. For example, the top pay rate for an APS 3 employee at Medicare is \$48,101 which is 3.6 per cent below the average, ranking Medicare 71<sup>st</sup> of the 87 agencies analysed.

	Average of all top increments at level	Percentage above or below the average	Rank*
APS 1	\$39,160	0.0%	35/81
APS 2	\$44,528	-2.6%	66/83
APS 3	\$49,903	-3.6%	71/87
APS 4	\$55,599	-3.3%	71/87
APS 5	\$60,926	-3.6%	74/88
APS 6	\$70,828	-3.1%	74/89
EL 1	\$86,785	-4.8%	72/86
EL 2	\$107,100	-3.4%	62/86

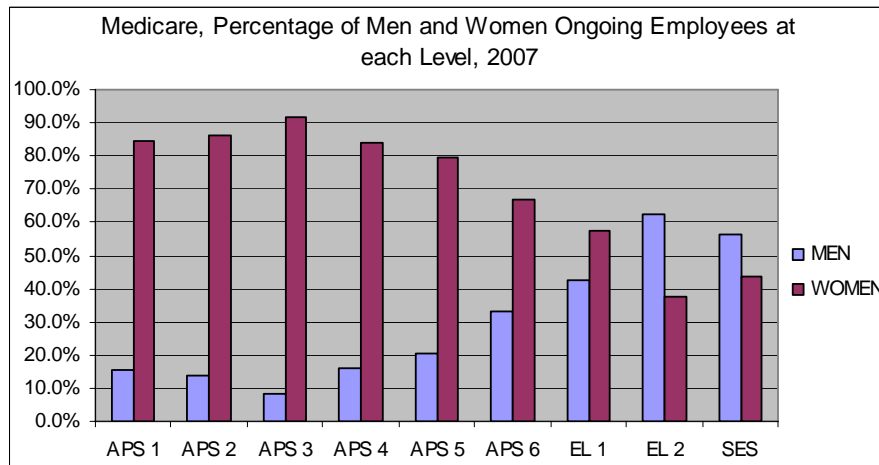
\*With 1 being the highest paying agency.

In addition to paying below average, there is very clearly a gender divide in the employment at Medicare. Two of every five Medicare employees is a woman employed at APS 3.



Source: APSC Statistical Bulletin 2006/07

Despite being one of the most highly feminised agencies in the APS at eighty one per cent, women are less likely to be employed in senior positions than men. Just forty nine per cent of executive level positions are held by women.



Source: APSC Statistical Bulletin 2006/07

# Centrelink

Centrelink has an annual budget of close to \$3 billion<sup>v</sup>. It administers more than 140 services for 25 government agencies and pays 10 million individual entitlements each year. Approximately one in three Australians is a customer of Centrelink<sup>vi</sup>.

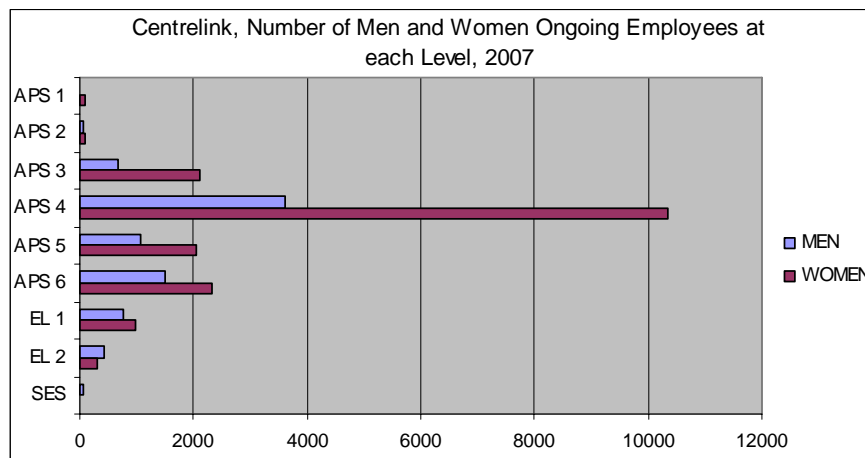
Centrelink employs 19 per cent of the APS workforce with just under 27,000 staff. Sixty nine per cent of Centrelink employees are women<sup>vii</sup>.

Centrelink consistently pays salary rates that are below the APS average. For example, the top pay rate for an APS 5 employee at Centrelink is \$58,501 which is 4 per cent below the average, ranking Centrelink 78<sup>th</sup> of the 88 agencies analysed.

	Average of all top increments at level	Percentage above or below the average	Rank*
APS 1	\$39,160	-2.8%	64/81
APS 2	\$44,528	-3.0%	70/83
APS 3	\$49,903	-4.0%	73/87
APS 4	\$55,599	-0.8%	43/87
APS 5	\$60,926	-4.0%	78/88
APS 6	\$70,828	-0.7%	50/89
EL 1	\$86,785	-5.2%	77/86
EL 2	\$107,100	-3.8%	64/86

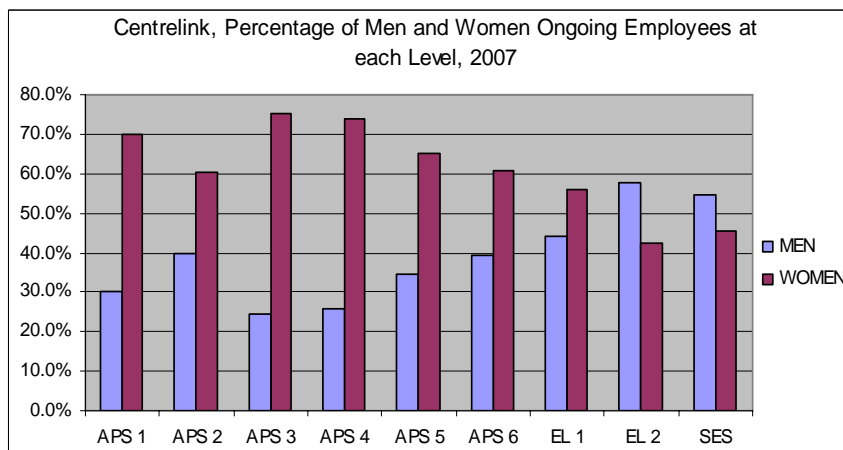
\*With 1 being the highest paying agency

In addition to paying below average, there is very clearly a gender divide in employment at Centrelink. Two of every five Centrelink employees is a woman employed at APS 4.



Source: APSC Statistical Bulletin 2006/07

Despite being one of the most highly feminised agencies in the APS at sixty nine per cent, women are less likely to be employed in senior positions than men. Just fifty two per cent of executive level positions are held by women.



Source: APSC Statistical Bulletin 2006/07

# Australian Taxation Office

The Australian Taxation Office has an annual budget of around \$12 billion<sup>viii</sup>.

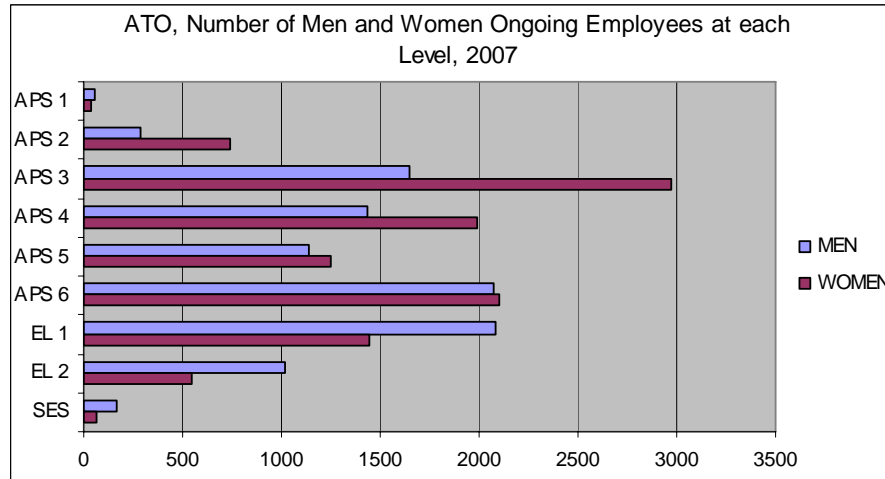
The ATO employs approximately 15 per cent of the ongoing APS workforce with just over 21,000 staff. Fifty three per cent of ATO employees are women<sup>ix</sup>.

The ATO consistently pays salary rates that are above the APS average. For example, the top pay rate for an APS 3 employee at the ATO is \$51,141 which is 2.5 per cent above the average, ranking the ATO 21<sup>st</sup> of the 87 agencies analysed.

	Average of all top increments at level	Percentage above or below the average	Rank*
APS 1	\$39,160	+3.7%	13/81
APS 2	\$44,528	+3.6%	16/83
APS 3	\$49,903	+2.5%	21/87
APS 4	\$55,599	+3.1%	15/87
APS 5	\$60,926	+2.5%	21/88
APS 6	\$70,828	+3.2%	16/89
EL 1	\$86,785	+1.4%	28/86
EL 2	\$107,100	+2.6%	20/86

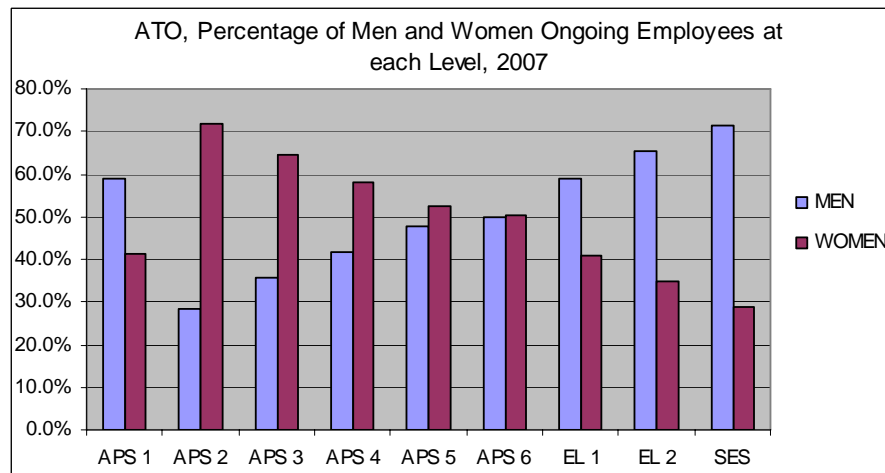
\*With 1 being the highest paying agency.

However, there is very clearly a gender divide in the employment at the ATO. Women are most likely to be employed at the APS 3 level while men tend to be employed at the APS 6 level and above.



Source: APSC Statistical Bulletin 2006/07

Despite approximately half the workforce being female, women are clearly under-represented in the executive level ranks at the ATO. Just thirty nine per cent of executive level positions are held by women.



Source: APSC Statistical Bulletin 2006/07

# Defence

Defence has an annual budget of nearly \$26 billion<sup>x</sup>. This includes both military spending and civilian spending.

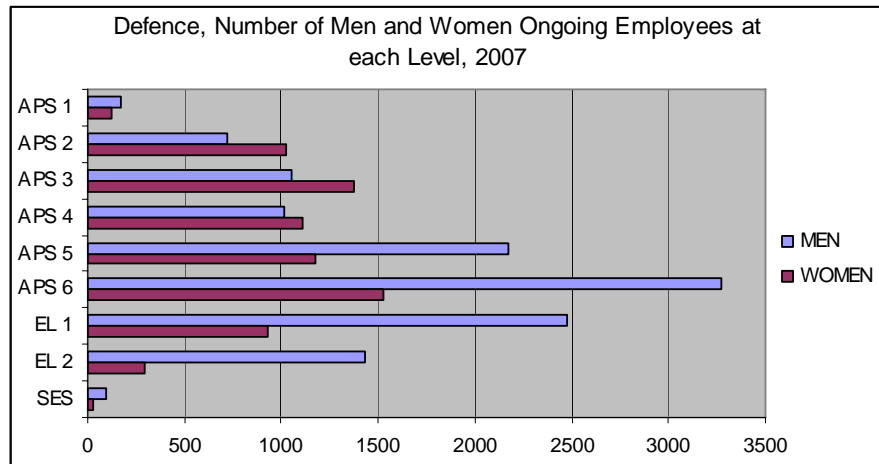
Defence employs approximately 14 per cent of the ongoing APS workforce with just over 20,000 staff. Thirty eight per cent of Defence employees are women<sup>xi</sup>.

Defence consistently pays salary rates that are above the APS average. For example, the top pay rate for an APS 6 employee at Defence is \$72,595 which is 2.5 per cent above the average, ranking Defence 21<sup>st</sup> of the 89 agencies analysed.

	Average of all top increments at level	Percentage above or below the average	Rank*
APS 1	\$39,160	+3.8%	12/81
APS 2	\$44,528	+3.4%	17/83
APS 3	\$49,903	+2.2%	22/87
APS 4	\$55,599	+2.7%	17/87
APS 5	\$60,926	+2.0%	22/88
APS 6	\$70,828	+2.5%	21/89
EL 1	\$86,785	+4.3%	15/86
EL 2	\$107,100	+3.6%	14/86

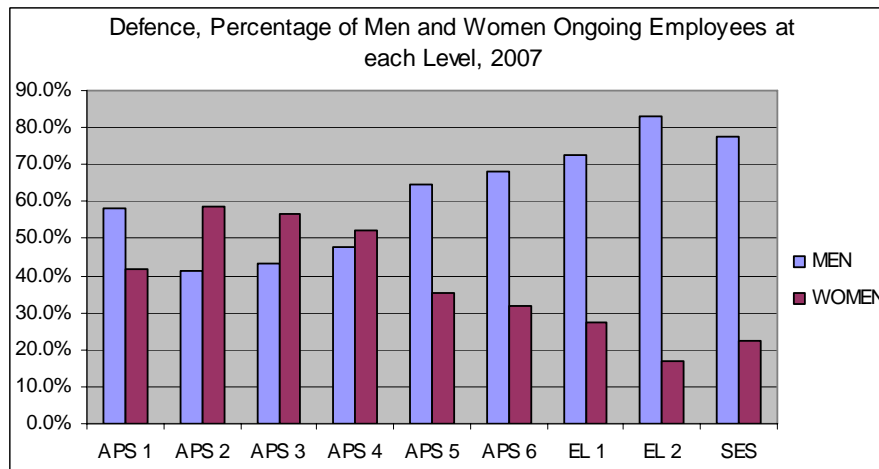
\*With 1 being the highest paying agency.

In addition to paying above average, there is very clearly a gender divide in the employment at Defence. More women than men are employed at APS 4 and below, while the majority of men are employed at the APS 5 level and above.



Source: APSC Statistical Bulletin 2006/07

The employment of women in executive level positions in Defence again illustrates the gender divide in the APS. While women comprise thirty eight per cent of the Defence civilian workforce, they hold just twenty four per cent of executive level positions.



Source: APSC Statistical Bulletin 2006/07

# Key Findings and Recommendations

This Report has reviewed the employment of women in four key APS agencies, Medicare, Centrelink, the Australian Taxation Office, and the Department of Defence. The research reveals that no matter whether women are employed - in low or high paying agencies, or female or male dominated agencies - women are far less likely than men to work in senior positions in the APS. The glass ceiling is still a clearly present barrier for women in the APS.

The CPSU proposes a number of steps to redress this inequity:

1. The APS must move to a whole of service pay agreement for all APS employees.
2. Accompanying this must be a classification review in the APS that examines:
  - a. The application of existing work-level standards.
  - b. The need to develop and modernise employment classifications to deal with professional employment and emerging occupations.
  - c. Pay differentials for work performed at the same level.
3. There must be proper funding of and access to training and development opportunities for all employees with an emphasis on career development opportunities for women.
4. Work and family measures must be improved to allow women to balance these competing interests.

## Endnotes

<sup>i</sup> This is a point in time analysis and the pay rates in this report are those in certified agreements, payable at 30 June 2008. Slight distortion of the figures may occur through a point in time analysis since some agencies may have a wage increase payable in the months immediately following, but these are not included. There is no realistic prospect that this would have a significant impact on the overall averages.

The salary figures only include rates outlined in collective agreements. They do not reflect rates paid under AWAs or individual agreements. Nor do these figures reflect any extra performance pay employees may receive.

The executive level rates are included, however the figures may not be a true representation of current rates of pay, as many employees at these levels are subject to individual agreements and performance arrangements. This is also the case for other levels, but probably not as pronounced. The unknown effect of individual contracts and performance pay arrangements should be taken into consideration when referring to the data at all APS levels.

Staffing numbers are taken from the Australian Public Service Commission State of the Service Report 2006-07 and the Statistical Bulletin 2006/07.

<sup>ii</sup> Human Services Portfolio Budget Statements 2008-9, pp.94-5.

<sup>iii</sup> <http://www.medicareaustralia.gov.au/about/whatwedo/medicare.jsp>, at 25<sup>th</sup> September 2008.

<sup>iv</sup> This figure relates to ongoing employees only.

<sup>v</sup> Human Services Portfolio Budget Statements 2008-9, p.62.

<sup>vi</sup> Centrelink Annual Report 2006-7.

<sup>vii</sup> This figure relate to ongoing employees only.

<sup>viii</sup> Treasury Portfolio budget Statements 2008-9 <http://www.budget.gov.au/2008-09/content/pbs/html/ato-01.htm>).

<sup>ix</sup> This figure relates to ongoing employees only.

<sup>x</sup> Defence Portfolio Budget Statements 2008-9, pp.15-6.

<sup>xi</sup> This figure relates to ongoing employees only.

