

# Victorian Multicultural Commission

INQUIRY INTO ECONOMIC EQUITY FOR VICTORIAN WOMEN

11 August 2021

## Inquiry into economic equity for Victorian women

The Victorian Multicultural Commission (VMC) welcomes the opportunity to respond to the Department of Treasury and Finance's Inquiry into Economic Equity for Victorian Women.

The VMC is an independent statutory body that strengthens cultural diversity in Victoria through consultation, advocacy, celebration and promotion. It is one of the main conduits between Victoria's multicultural communities and government.


### Introduction

Victoria is one of the most culturally diverse and successful multicultural societies in the world. A diversity, which as a consequence of our migration program, has been increasing, as highlighted by the following:

- The proportion of Victoria's population who were either born overseas or having at least one parent who was born overseas increased from 43.6% in 2006 to 49.1% in 2016. Greater Melbourne's corresponding demographics increased from 51.2% to 57.1%.
- The proportion of Victoria's population who spoke a language other than English at home increased from 20.4% in 2006 to 26% in 2016. Greater Melbourne's corresponding demographics increased from 26.3% to 32.6% (ABS Census).

There is mounting evidence that women's workforce participation has been impacted more than men due to the COVID-19 pandemic. 2020 has also brought to the forefront many of the existing issues faced by culturally and linguistically diverse women (CALD) that were further exacerbated by the crisis.

CALD women were hard hit by job losses during COVID-10 and still face high rates of underemployment and unemployment. CALD women experience additional intersecting barriers to labour force participation, women have faced greater risk of



infection and psychological distress during COVID-19 and increasing racism during COVID-19 has particularly affected women with health and safety impacts.

Further to this, CALD women are more likely to be essential workers and therefore experience pressure on households at an increased rate, noting that additional caring responsibilities often fall on women. COVID-19 has also highlighted the importance of workforce diversity to respond to complex issues and the value a diverse workforce brings to effective decision making, policy response and service delivery.

In 2020, ASX 200 companies revealed that the number of women in senior management roles has declined. Ninety five (95%) per cent of senior leaders in Australia have an Anglo-Celtic or European background. Although those who have non-European and/or Indigenous backgrounds make up an estimated 24 per cent of the Australian population, such backgrounds account for only 5 per cent of senior leaders.

Some steady work is progressing in Victoria with the state leading Australia in many ways, including the commencement of the Gender Equality Act 2020, the first ever in the country. The Act ensures a focus on intersectionality in 2021 within gender – a critical aspect to ensuring true gender equality for all women, including CALD women in Victoria.

## Key issues and recommendations

### **Gender pay equity**

Whilst some good work is underway in Australia to address the gender pay gap, more focus needs to be made to close the gender ethnic pay gap.

Pay gap audits need to be made by employers to unpack the racial pay disparity. The Victorian government should lead the way with its own audit for others to follow suit. This audit is essential in identifying problem areas and making the changes necessary to remove pay gaps between women from non-Anglo-European backgrounds.

In a recent report released by the VPS Women of Colour Network (a staff led network for WoC in the Victorian public sector), 38 per cent WoC believed that they are not fairly compensated for their work in the sector. For Anglo-Celtic women, this was 25 per cent. Other countries like in the UK are leading the way in racial disparity audits and for example have already found that non-white employees earn up to 37 percent less on average than their white peers. Equality advocates warn that this problem is likely to be as bad in Australia, if not worst due to the country's less progress business culture.



### **Childcare and work flexibility**

More women than men are reporting heavier caring responsibilities. The high cost of childcare disproportionately affects migrant and refugee women. These women often rely on family members to support them who are visiting from overseas, to help offset the high cost of childcare, particularly when they are in lower paid employment sectors. Consideration should be made for the reinstatement of the free childcare scheme to ensure that all parents that want to, can return to work and if no further support is provided to CALD women, it will risk deepening the gender ethnic pay gap.

The combination of the pandemic, and more workplaces introducing flexible working, may result in a growth in flexible working, which will hopefully lead to more equal conditions for men and women. Encouraging women to take up flexible work arrangements will support them in feeling more valued, and in turn increase productivity and better outcomes for all involved.

### **Unstable employment and discrimination in the workplace**

CALD women in low paid, casual, or precarious employment situations, particularly those in retail and hospitality, care industry, and community sector are among the worst hit by the pandemic. They often are first to lose their jobs and are likely to stay out of work much longer.


There are also issues with industries of essential work with a large CALD workforce and ongoing issues of equity of their working conditions and pay. CALD workers often have experienced racism and discrimination in highly casualised labour conditions and unstable employment. Funding is needed to address these issues for the benefit of these workers to achieve true structural change within the sector.

The Victorian government should strengthen legislations and means to hold workplaces accountable and to ensure mechanisms are in place to encourage more safe and confidential reporting of discrimination and harassment, with a commitment to acting on issues raised. The protections should be afforded to individuals to cover the entire employee life cycle, from recruitment and selection, remuneration, progression/ promotion, training and development to termination or retirement.

### **Cultural diversity data and leading the way**

Capturing relevant and meaningful data on CALD women across workplaces is needed to allow for centralised data collection, easy data extraction and analysis to assess the growth in cultural diversity at all levels.

In addition to collecting quantitative (cultural identifiers), we advocate for qualitative data collection (lived experiences of inclusion and safety) to be captured on an annual



basis, to allow for proactive action to reduce bias and harm and to understand where progress has been made.

Guidance on measurement, monitoring and evaluation of cultural diversity data encompassing all components of the employee life cycle, including guidance on consistent data collection methodology and baselining is needed and should be something that the Victorian government can lead the way with in the public sector, for other sectors to follow.

Development of a toolkit on inclusive HR practices for culturally diverse recruitment, supporting the full life cycle of CALD women in the workplace and advocating for diverse, transparent selection practices, are all additional recommendations governments should adopt to set an example across the sectors.

### **Temporary migrant women**

CALD women on temporary visas experienced or are at higher risk of poverty and homelessness after losing their jobs due to lack of income support. CALD women on temporary visas have also been impacted by the job losses of their partners and family members who are often migrants themselves, and in many cases ineligible for any government support.

Many CALD women financially support families in their home countries and loss of income for them meant economic insecurity not only for themselves and their families in Australia but also those back home, causing multifaceted financial distress.

We recommend that income support should be provided for CALD women who have lost their jobs or income due to COVID-19. Emergency relief and housing support, regardless of their visa status are also necessary both as part of the economic response and as public health measures. Other recommendations include a push for more crisis and housing accommodation which have been left strained during the pandemic.

### **Skills and training**

Increasingly, migrant women coming to Australia are tertiary qualified and skilled. Nevertheless, under-employment and occupational downgrading are significant issues for CALD women. The impact of migration on their employment options in Australia had been greater than they anticipated. Re-entry into their former profession can be extremely difficult. This often results to career changes or starting at entry-level as short-term strategy and these career changes also usually meant lower wages than work in their professional field would have generated.

Tertiary qualified migrant and refugee women are a significant potential source of skilled workers in Victoria yet getting their prior skills and qualification and skills recognised in Australia has proven to be a difficult process. The standards of



qualification and skill recognition in Australia, need urgent reviewing to ensure equitable access and opportunities for migrant and refugee women.

The Victorian government should also consider offering free training opportunities for migrant and refugee women to ensure that they can quickly participate in the workforce once arrived in Australia. This should also include English language learning alongside their employment for women with low English levels. As improved English language could assist them both in relation to accessing information about work rights, understanding their employment options in Australia and possibly equipping themselves for improved future work situations.

Lastly, further research into the labour force participation of migrant and refugee women who arrive to Victoria with low level English is needed to ensure that their skills are used effectively.

### **Financial literacy**

Financial literacy among migrant and refugee women in Australia is still a pressing issue. Financial abuse is often a forgotten form of abuse in families and limited financial literacy or understanding their rights under Australian law might mean they are not even aware of the position they are in. Even if they are aware, their spouse visas are dependent on their husbands and often they feel fear to speak out.


As part of the visa application process, migrant and refugee women must be made aware of their legal rights in Australia and provided better access to culturally appropriate programs that develop their financial literacy, and help them learn to budget, save, pay bills and track their spending. Migrant and refugee women need to know that, while there is nothing wrong with a husband looking after the family's finances, it is also very important to understand the line where this support becomes financial abuse. To reduce the potential for exploitation in the workforce also, access to information in relevant languages is necessary.

In addition, the Victorian government should support further studies with focus on economic abuse in the context of migration and for ethnic groups in Victoria. Future prevention efforts with migrant and refugee communities need to challenge rigid gender norms in relation to financial matters and provide rights-based information about financial security.

### **Leadership and representation**

Current data does not show CALD women represented in leadership in Australian institutions and workplaces. Greater mentorship, sponsorship, and free and accessible programs aimed at fostering greater participation and leadership of CALD women is needed in Victoria. In addition, greater visibility and recognition is needed for CALD women in Victoria, this includes our parliament, media, boards, government etc. There also needs to be greater focus on advancing diverse talents into leadership positions.





Talent should be reflective throughout the organisation. From pathways into entry level, all the way to representation at the top and in boards.

The Victorian government and workplaces should collect better meaningful data to set evidence-based targets in recruitment and leadership. This would be a positive step forward to combat any biases and discrimination and help address barriers for CALD women to be represented at all levels.

### **Supporting women in higher risk industries and the role of trade unions**

Closing the gender pay gap requires actions from multiple stakeholders, including governments, employers, trade unions and broader civil society. Trade unions have an important role to play to continue to address this challenge and actions must be taken to close the gender pay gap range from targeting overall gender discrimination, promoting inclusive wage setting, pursuing specific gender pay equality measures, to enhancing women's representation in decision-making.

In Victoria, there are many migrant and refugee women who often find work in higher risk sectors such as agriculture, hospitality, food processing, domestic and care work. These sectors are infamous for exploitation and many migrant workers would benefit from trade union support, but they are also an important source of recruitment for unions, who are facing declining membership across Australia.

Historically trade unions have struggled to keep up their membership, diversify their voices, and have struggled to engage with CALD communities in sectors where there are higher concentrations of migrant and refugee workers.


Unions should work on improving their cultural competency and take more initiative to engage with CALD cohorts, as language and culture can pose significant barriers in communication and recruitment, depending on which countries the workers come from and what their perceptions and experiences of trade union action are.

Additionally, it may be difficult for many migrant and refugee workers, struggling with heavy work schedules and low pay, to make time for trade union meetings when they have to prioritise the immediate need to make enough money to send home to their families.

### **Small businesses entrepreneurial opportunities and further training**

1 in 3 businesses in Australia are owned by migrants. Refugees are 2-3 times more likely to be involved in a start-up, yet there is limited government funding available to support multicultural small businesses, in particular support for female CALD small business owners.

CALD women in small, home-based businesses and those who had recently started up their initiatives or enterprises lost their income largely due to lack of digital skills or availability of devices to take their products online.



All employment, entrepreneurship and skills development programs implemented as part of the recovery should embed mandatory financial literacy component specifically tailored to situations and needs of diverse women. In addition education pathways for CALD women should include culturally responsive skills development programs with a focus on upskilling, retraining, and utilising existing talents and qualifications of migrant and refugee women.

**Access to key services including Family Violence and Mental Health**

Family violence and mental health can play an important role in reducing barriers to employment or retention of employment. In addition, diverse workforces in these areas, particularly as the Victorian Government is implementing the Royal Commission Report on Mental Health would enable greater opportunities for CALD women.

**Next steps**

In summary, we welcome the opportunity to collaborate with the Department of Treasury and Finance and the Chair of the Inquiry, to further this important matter for CALD women in Victoria, as we are uniquely positioned as per the Multicultural Victoria Act to support the Victorian government on such issues.

We would also like to have the opportunity to present to you our upcoming research findings which will be highly relevant to this Inquiry (due for release in November) in partnership with the Victorian Gender Equality Commission, which looks into ['How the Gender Equality Act 2020 can enable entities to support CALD women to overcome systemic barriers in the workplace'](#).

If you would like to discuss any aspect of this submission, please do not hesitate to reach out either to myself at [vivienne.nguyen@vmc.vic.gov.au](mailto:vivienne.nguyen@vmc.vic.gov.au) or my Principal Adviser Celia Tran at [celia.tran@vmc.vic.gov.au](mailto:celia.tran@vmc.vic.gov.au)

Sincerely,



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