

Women surge, but not to the top jobs

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Women are being disadvantaged by an experience gap in the workforce, writes Andrew Norton

Australian women are more educated than ever, according to 2011 census results released last week.

Women have outnumbered men as bachelor-degree holders since 1996, and never more so than in 2011. Men are still a majority of postgraduate degree holders, but their lead is slipping as postgraduate enrolments skew towards women.

Fortunately for new graduates - who grew by half a million in the five years between censuses - professional jobs are the fastest-growing type of work. Women look well-positioned for the labour market, now and into the foreseeable future.

But a closer look at the 2011 census suggests that, as in previous generations, men will end up with most of the top jobs. They are working the longer early-career hours that will position them for senior jobs in their 40s and 50s.

In their early to mid-20s, men and women bachelor-degree graduates have very similar work patterns. But after that, employment patterns starts to diverge. Male graduate full-time employment rates increase, to about 80 per cent as men reach their early 30s. They stay at that rate for 20 years, before beginning to decline as men enter their 50s.

For women with bachelor degrees, full-time workforce participation peaks in the second half of their 20s, at 60 per cent. It then declines until women reach their mid-40s, recovers to nearly 50 per cent full-time workforce participation for a decade, and then starts declining again. Much of the shift is from full-time to part-time work, though some women leave the labour force.

The most obvious reason for relatively low rates of full-time work among women is that they take most responsibility for raising children.

Women with children work part-time more often than women without children. And the more children women have, the more likely they are to work part-time.

The Grattan Institute Game Changers report suggests ways of making it easier for Australian women with children to combine work and family responsibilities.

Yet childcare issues cannot fully explain the gender differences in workforce participation. The fulltime workforce participation of childless women with bachelor degrees reaches its highest level in the first half of their 30s, when about seven out of 10 are in full-time work. It then decreases, so that by the time they reach their late 40s and fifties they are 20 percentage points below their male counterparts in full-time workforce participation.

This gap means that even graduate women without children - about one in five by these ages - are less well positioned than men to take senior jobs. Cumulatively, there is a large experience gap that would disadvantage them in competitive job selection. And most senior jobs are more than full-time. People who dislike long hours will not apply in the first place.

In their 50s, the census suggests, women with bachelor-degrees are typically not looking for the next big upward career move. Instead, there is a common pattern regardless of whether or not they have children: increasing numbers leave the workforce entirely.

That women in their 50s are taking early retirement does not, of course, mean that later generations of women will do the same. If we compare the 2006 and 2011 censuses, older women with bachelor degrees have become slightly more likely to work full-time. However, female bachelor-degrees graduates aged in their 20s became less likely to work full-time between 2006 and 2011.

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Trends over the last five years probably show a competitive labour market more than different employment preferences between generations. Male graduates in their 20s also became less likely to work full-time. And while having a degree is good insurance against no job at all, slightly lower proportions of graduates of both sexes were in professional or managerial employment in 2011 compared with 2006.

So, though the number of professional jobs is increasing, the number of people who hope to fill them is growing at a faster rate. The labour market may pick up when the world economy improves. But that is unlikely to occur quickly enough to find high-quality jobs for the graduates of the university enrolment boom that began in 2009.

Past low rates of full-time employment may reflect choice: women deliberately putting family or other life choices above their careers. But if there is a long-term mismatch between the supply of and demand for graduates, both men and women may find career frustration an unfortunate fact of life.

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