Building a Skilled and Adaptable Workforce

Submission to Productivity Commission

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Submitted by

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Acknowledgement of Country

We acknowledge the Traditional Owners of the land on which we work and live. We pay our respects to Aboriginal and Torres Strait Islander Elders past, present and future. We value Aboriginal and Torres Strait Islander histories, cultures, and knowledge. We extend our respect to Aboriginal and Torres Strait Islander women who for thousands of years have preserved the culture and practices of their communities on country. This land was never surrendered, and we acknowledge that it always was and always will be Aboriginal land. We acknowledge the strength of Aboriginal and Torres Strait Islander people and communities. We acknowledge that Australian governments have been complicit in the entrenched disadvantage, intergenerational trauma and ongoing institutional racism faced by Aboriginal and Torres Strait Islander people. We recognise that Aboriginal and Torres Strait Islander people must lead the design and delivery of services that affect them for better life outcomes to be achieved.

About AMWA

The Australian Multicultural Women's Alliance (AMWA) is led by the Federation of Ethnic Communities' Councils of Australia (FECCA), the national peak body representing Australians from culturally and linguistically diverse (CALD) backgrounds in partnership with Settlement Services International (SSI) and Media Diversity Australia (MDA). The Australian Multicultural Women's Alliance is the national voice for multicultural women. AMWA advocates for gender equity, representation, and inclusion across all facets of Australian society. Our work is informed by lived experiences, community insights, and evidence-based research to ensure that systemic barriers are addressed, and opportunities for women are unlocked. As an intersectional alliance, we aim to empower women from all multicultural backgrounds to thrive and contribute fully to Australia's prosperity.

About WwWA

The Working with Women Alliance (WwWA) represents two key portfolios: National Women's Safety (NWS) and National Women's Equality (NWE). The WwWA connects the critical areas of gender-based violence prevention and the advancement of women's economic equality and leadership, bridging these important policy fields for greater impact. We work with members and stakeholders, including the Australian Government, to provide expertise and advice on gender equality and women's safety.

Executive Summary

Building a skilled and adaptable workforce cannot be done without addressing the gender divide in education outcomes and segregation in skills investment and utilisation. Only one in five workers is employed in a gender-balanced occupation, and the occupations with the highest skills shortages are the most gendered. Women are concentrated in low-paid and feminised industries and make up a greater proportion of overqualified workers with underutilised skills.

The segregation of Australia's workforce is especially profound for Aboriginal and Torres Strait Islander workers and workers from migrant and refugee backgrounds. The former are even more likely than the general population to be employed in highly-gender segregated roles and experience the highest gender pay gaps in the country. The latter face systemic and structural barriers to having their overseas qualifications recognised and are much more likely to be working below their skill level.

Improving student and training outcomes also requires a gender lens and the proper valuation of the work of predominately female educators. Standardising the use of edutech is important but must be accompanied by improvements to digital infrastructure in regional, rural and remote regions and gender equity impact assessments for any included programs, otherwise we risk further entrenching access inequity and gender bias.

The gender segregation of the Australian workforce is a productivity issue because we are underutilising or ignoring the skills and experience of a large cohort of women. Women continue to carry the lion's share of caring responsibilities, and to exit the workforce to undertake unpaid care work. This contributes to significant skills mismatching and drags productivity down as workers need to be retrained and replaced more often. We welcome the Productivity Commission's commitment to addressing barriers to skills and qualification recognition. This must be done in concert with efforts to desegregate the workforce and build better flexibility and accessibility into all jobs.

Summary of Recommendations to Government

Gender, Work and Training

1.1 Establish gender equity targets for VET pathways with specified timeframes and enforcement mechanisms.

1.2 Develop a national portal for scholarships and study assistance information.

1.3 Expand access to prac placement payments.

1.4 Strengthen and extend provisions under the Fair Work Act to ensure all workers have access to context appropriate flexible working arrangements.

1.5 Allocate funding through the National Skills Agreement for a connection service linking TAFE, VET and universities to help women return to study following care responsibilities, ill-health or experiences of violence.

1.6 Dedicate funding through the National Skills Agreement for scholarships and workplace adjustments for women with disabilities entering male-dominated industries.

Improving Student Outcomes

2.1 Continued funding for the School Student Broadband Initiative which provides students with free internet connections.

2.2 Investment in digital infrastructure in rural, regional and remote areas and for marginalised communities.

2.3 The introduction of pre-paid, low cost broadband plans in remote First Nations communities as proposed by the First Nations Digital Inclusion Advisory Group.

2.4 Any national platform of resources must include diversity and representation standards, including resources in languages other than English and Aboriginal and Torres Strait Islander specific resources.

2.5 Evaluate potential EDTech resources for gender and equity impact and ensure training data is free from bias.

Valuing Skills and Qualifications

3.1 Establish a national governance system for overseas skills and qualification recognition.

3.2 Establish a single access portal for information about prior skills and overseas recognition.

3.3 Establish place-based migrant employment hubs with specialised skills recognition navigators and other employment support.

Gender, Work and Training

Gender-Segregated Workforce

Despite record numbers of women in paid employment in Australia, the workforce remains stubbornly gendered, with only one in five employees in gender-balanced occupations.[1] Women are overrepresented in part-time and casual employment and in the lowest-paid industries, and still face an average gender pay gap of almost 22%.[2] Australia's skills shortages are largely driven by gender segregation – we simply do not have enough skilled workers to maintain arbitrary division of labour along gendered lines. In part, this segregation is due to cultural norms around women's caring responsibilities. For example, Australian women do an average of nine more hours of unpaid care work each week than men.[3] In 2024, almost half of women who did not have a job were unavailable to start work because they were caring for children.[4] The impact of these responsibilities on employment and economic security compound for Aboriginal and Torres Strait Islander women who also have community and country caring responsibilities and for women from migrant and refugee backgrounds who often have transnational caring responsibilities.

Addressing the leaky pipeline

Segregation of the workforce is unsurprising given that only one in four higher education enrolments is into a gender-balanced course and one in five VET fields had gender-balanced completions.[5] This makes future shifts in occupational segregation less likely, and pronounced gendered patterns are evident in training pipelines for key reform areas, such as the Net Zero transition, digital transformation and qualifications that support a high quality and efficient care sector.

Even where women are enrolled and completing training courses, men generally achieve stronger economic outcomes, including in female dominated fields. Conversely, women earn less and are more likely to leave the workforce, despite equal or higher qualifications. Put simply, women are paying more for their education and seeing less return. In the UK, women's graduate earnings are closer to those of non-graduate men than to male graduate earnings.[6] In Australia, women pay more to meet minimum qualification requirements in female dominated industries, and while men tend to hold higher HECS debts, women hold those debts for longer, meaning they are subject to greater indexation. This leaves little incentives for women to invest in further education or training.

Women are more likely to have their education and training interrupted by caring responsibilities or by experiences of gender-based violence. Yet, VET programs are still largely designed with a young, white man in mind. Rather than simply funnelling women

into courses designed with such a man in mind, the programs themselves must be redesigned so that they are flexible, accessible, and culturally sensitive, acknowledging the very real care burden and economic insecurity that many women face as they undertake training.

Workplace flexibility

The Productivity Commission recently concluded that hybrid work can be beneficial to labour productivity and results in fewer breaks, sick-days, and distractions, as well as improving employee retention.[7] The evidence shows that hybrid work is especially beneficial for women and for people with disability.[8] For example, half of employees with disability want to work from home at least 2-3 days per week.[9] The Productivity Commission notes that the potential increased participation in the labour force due to flexibility and hybrid work will increase GDP and reduce economic disadvantage and inequality.

The Government has made good strides toward workplace flexibility, but there is still an underutilisation of flexible work options by male employees.[10] Without ensuring a change in the number of hours or the ways that men work, Australia will not see a meaningful change in how many hours women *can* work. It's also time to ensure that flexibility does not just amount to working from home, when an estimated two in three workers are unable to do so[11], and that flexibility does not equate to a loss of wages or other entitlements.

Recommendations

1.1 Establish gender equity targets for VET pathways with specified timeframes and enforcement mechanisms.

1.2 Develop a national portal for scholarships and study assistance information.

1.3 Expand access to prac placement payments.

1.4 Strengthen and extend provisions under the Fair Work Act to ensure all workers have access to context appropriate flexible working arrangements.

1.5 Allocate funding through the National Skills Agreement for a connection service linking TAFE, VET and universities to help women return to study following care responsibilities, ill-health or experiences of violence.

1.6 Dedicate funding through the National Skills Agreement for scholarships and workplace adjustments for women with disabilities entering male-dominated industries.

Improving Student Outcomes

WwWA supports the implementation of both Draft Recommendations 1.1 and 1.2. We recommend that the Federal Government provide additional state/territory funding to provide programs that will support students and teachers and standardise the use of EdTech and AI.

Valuing Teachers

Like care work, teaching is a feminised and occupation, with high rates of burnout and low rates of retention. Teachers are in high demand and are chronically overworked, with an average weekly workload of 50 hours,[12] of which six are spent sourcing and creating curriculum materials.[13] Recent figures suggest the teacher shortage is growing, with Victoria alone reporting 1,700 unfilled teaching roles in 2024.[14]

The Black Dog Institute found that nearly 47% of teaching staff are considering leaving the profession within the next 12 months, a dramatic increase from just 14% in 2021.[15] This has been corroborated by the Australian Institute for Teaching and School Leadership whose survey found that found 1/3 teachers are unsure if they will remain in the profession.[16] High turnover and vacancy rates in teaching roles puts unnecessary strain on the education system and is detrimental to student outcomes. Efforts to address shortages must acknowledge the role that gender plays in underestimating and undervaluing the workload of teachers.

Equitable education and training system

Addressing the digital divide

Students and teachers do not have equal access to the relevant supports and resources necessary for their education. People living in rural, regional and remote areas do not have access to high-speed, low-cost internet and are isolated by barriers in accessing and using digital technologies. The 2024 Regional Telecommunications Review confirmed that though broadband connectivity has greatly improved, existing mobile networks are congested and have reached a stage where expanding coverage is unviable due to the high costs of maintenance and infrastructure, particularly where populations are sparse.[17] The report also highlights affordability as a significant barrier for people living in remote areas, with individuals fronting costs of Low Earth Orbit satellites such as Starlink which can cost up to $599 with monthly plans up to $195.[18]

The Government has invested $8.8 million in the School Student Broadband Initiative which provides students with free internet connection until 31st December 2025.[19]

However, pilot funding cycles perpetuate instability for students and families, disrupting their learning.

AI in the Classroom

Artificial Intelligence (AI) is transforming productivity in Australia, and has the potential to support teachers by reducing time spent on lesson planning and finding resources. However, any gains in productivity with AI must be balanced against the risk of algorithmic bias and discrimination.

AI systems are not objective – they reflect the partiality of those who build them. When only one in three AI developers is a woman, gender bias is embedded from the ground up.[20] A lack of diversity amongst AI developers creates representation bias, where AI datasets fail to recognise or accurately reflect the experiences of women and gender-diverse people.[21] As a result, AI tools may reinforce gender and racial stereotypes, such as associating effective leadership with typically white masculine traits.[22] Research has found that 44% of AI systems show gender bias, and 25% show both gender and racial bias.[23] These outcomes are not accidental, but a result of who is (and is not) in the room when AI is built and trained.

The Australian Framework for Generative AI in Schools supports the use of AI and EdTech tools that benefits students and educators. The National AI in Schools Taskforce, including both the Australian Institute for Teaching and School Leadership (AITSL) and the Australian Education Research Organisation (AERO) completed an assessment of the Framework in 2024.[24] Whilst the framework was found to effectively describe emerging challenges regarding the use of AI in the classroom, it provides no guidance on which specific EdTech tools are appropriate based on gender and equity impact assessments.

Recommendations

2.1 Continued funding for the School Student Broadband Initiative which provides students with free internet connections.

2.2 Investment in digital infrastructure in rural, regional and remote areas and for marginalised communities.

2.3 The introduction of pre-paid, low cost broadband plans in remote First Nations communities as proposed by the First Nations Digital Inclusion Advisory Group.

2.4 Any national platform of resources must include diversity and representation standards, including resources in languages other than English and Aboriginal and Torres Strait Islander specific resources.

2.5 Evaluate potential EDTech resources for gender and equity impact and ensure training data is free from bias.

Valuing Skills and Qualifications

WwWA strongly supports draft recommendation 2.1 to implement a national credit transfer and recognition of prior learning system. We recommend that within this system, the Government establish an oversight body and include a specific branch for the recognition of overseas qualifications and skills.

Underutilised populations

Caring responsibilities and cultural norms mean that many women are underemployed and underutilised in the workforce. This is especially true for some cohorts, including migrant women and women with disabilities.

Despite a skills shortage, almost half (44%) of permanent migrants in Australia are working below their skill level.[25] Though women migrate at the same rate as men, they are 1.2 times more likely to be underutilised.[26] This is because they are more likely to be secondary applicants in the skilled stream, making up only 25% of primary applicants,[27] and due to intersecting forms of discrimination and culturally specific caring responsibilities and expectations. If the approximately 620,000 permanent migrants whose skills are currently being underutilised were working to their full potential, there would be a $9 billion economic uplift in the Australian economy each year, and an additional $70 billion additional GDP over ten years.[28]

Similarly, people with disabilities, and especially women with disabilities, have a lower employment rate than the general population. Women with disabilities of working age have an employment rate of only 46%, compared with 76% for women without disabilities, and 50% for men with disabilities.[29] If Australia were to increase employment of people with disability by just 10%, this could add $16 billion to economic output annually[30], and closing the disability employment gap by just one third could result in a cumulative $43 billion increase in GDP over a decade.[31] The Australian Disability Network estimates that every dollar invested in workplace adjustments generates $40 of economic returns.[32]

Recommendations

3.1 Establish a national governance system for overseas skills and qualification recognition.

3.2 Establish a single access portal for information about prior skills and overseas recognition.

3.3 Establish place-based migrant employment hubs with specialised skills recognition navigators and other employment support.

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