

The Future of Work –

how can women and girls adapt, survive and thrive?

In its 2016 report on the future of work, CSIRO suggests that Australia faces ‘a perfect storm’ of conditions that are unprecedented in our labour force history, namely¹:

- Our labour market is yet to see the exponential growth and impact of emerging technologies that after 2020 will make their significance felt in relation to job automation;
- The nature of work is changing as the “peer-to-peer” (P2P) economy² and platform marketplaces³ ascend in prominence, and disrupt our traditional employment models;
- The demographic structure of Australia is shifting significantly, bringing a prospect of a more diverse workforce, with resulting expectations around increased female participation and the aspiration of a secure retirement; and
- Australia seeks a post-mining boom diversification into the knowledge, service and innovation sectors.

The interest in ‘the future of work’ is bringing widespread debate and research, but still “the picture of future jobs and employment markets is far from clear” (CSIRO, 2016, 7).

Existing systemic challenges to lifelong economic wellbeing for women

For Australian women, the need to find a transition pathway to an uncertain work future and lifelong economic wellbeing is exacerbated by existing systemic challenges, such as:

- Amongst 145 surveyed countries, Australia ranks equal first in terms of educational attainment, but it ranks 54th for “labour force participation” and 63rd for “wage equality for similar work”⁴
- Australia’s national gender pay gap currently stands at an unsatisfactory 16.2 percent⁵
- Despite many years of research, discussion and best intentions, the barriers to material numbers of Australian women holding leadership roles seem slow to tumble. There is no ‘ambition gap’ when women and men start their careers, but this erodes over time, the most significant barrier to gender parity being unconscious gender bias⁶; and
- A recent Senate Committee inquiry into economic security for women in retirement painted a disturbing picture of how the different way in which women and men experience work has a lifelong impact on women’s earnings, particularly the ‘participation gap’ that arises after children, when women often enter part-time employment; and how these factors subsequently leave women at greater risk than men of experiencing poverty and homelessness in retirement⁷.

¹ CSIRO (2016) Tomorrow’s Digitally Enabled Workforce

² Uber and Airbnb for example

³ Freelancer.com for example

⁴ World Economic Forum (2015) Global Gender Gap Report

⁵ WGEA: Gender Workplace statistics at a glance, August 2016

⁶ World Economic Forum (2016) Future of Jobs report

⁷ Senate Economics References Committee (2015) Inquiry into Economic security for women in retirement

We are entering the Fourth Industrial Revolution (the digital revolution) and it is incumbent upon all of us, including industry, policy makers, educators and individuals, to think hard about the future needs of the workforce and the economy⁸. For women, it is imperative to take personal responsibility to be informed about the debate, and to make a commitment to lifelong upskilling and planning for prosperity.

The future of jobs – will I be replaced by a machine?

Hint: the real question is “When?”

Although rapid technological change isn't a new phenomenon for humans, the question of whether we will have enough meaningful work in the future is emerging as a major cause of anxiety for many people⁹. The following forecasts about the future of our jobs have been widely agreed upon:

- An estimated 40 percent of current Australian jobs (i.e. more than 5 million jobs) have a greater than 0.7 probability (“high risk”) of being computerised or automated in the next 10 to 15 years¹⁰;
- Non-routine jobs that survive automation will risk being polarised between “low-skill for low-pay” and “high-skill for high-pay”.¹¹ Note that Australia has yet to see evidence of this global “wage polarisation” phenomenon, possibly because of our workplace relations framework and relatively high minimum wage – Australian policy makers are cognisant of the need to try and protect workers from this polarisation¹²;
- Women are particularly at risk of job automation, as they are concentrated in some of the ‘at risk’ job categories (eg clerical and administrative), and are currently under-represented in the managerial and technical (low risk of automation) job categories. If current industry gender gap trends persist, women risk losing out on some of tomorrow’s best job opportunities¹³;
- The Australian labour market has been highly successful at dealing with structural change in the past, and “Will a robot replace me?” online probability calculators do not take into account the new jobs that digital disruption will create¹⁴; and
- Those workers that are most flexible, who are able to leverage their high skill bases, will find adapting to changes in the labour market the easiest¹⁵.

Critical skills for the future

Dawson (2015, 32) advocates that “education, both formal and informal, is a key area to finding the right pathway” to a future of fulfilling work¹⁶. Darwin famously concluded that the species that survive are those that are most adaptable to change; individuals must make a commitment to appropriately targeted, lifelong learning to keep up with the future pace of change¹⁷.

Some current observations about upskilling for the future of work:

⁸ Deloitte Access Economics (2016) The Future of work: how can we adapt to survive and thrive?

⁹ Dawson, R. (2015), ‘What is the future of work?’, *Academic Leadership Series*, Vol. 6, pp. 25–33.

¹⁰ Committee for Economic Development of Australia (2015) Australia’s future workforce? Ch. 1.4 pp. 56-64

¹¹ Goos M & Manning A (2007) Lousy and Lovely Jobs: the Rising Polarization of Work in Britain.

¹² Productivity Commission (2015) Inquiry into Workplace Relations Framework, Final Report, Canberra

¹³ World Economic Forum 2016 Future of Jobs report

¹⁴ Committee for Economic Development of Australia (2015) Australia’s future workforce? Ch. 2.1 pp. 98-108

¹⁵ Ibid.

¹⁶ Dawson, R. (2015), ‘What is the future of work?’, *Academic Leadership Series*, Vol. 6, pp. 25–33

¹⁷ CSIRO (2016) Tomorrow’s Digitally Enabled Workforce

- Nearly 60% of Australian students (70% in Vocational Education and Training) are currently studying or training for occupations where at least two thirds of jobs will be automated¹⁸;
- The likeliest high-wage jobs to remain are characterised by non-routine thinking and high levels of originality and creativity¹⁹;
- For non-routine manual jobs, key skills in the jobs of the future that are at low risk of automation include basic problem solving, communication, and interpersonal skills²⁰;
- For non-routine cognitive jobs, key skills in the jobs of the future include complex problem solving, judgement, creativity, social intelligence and persuasion²¹;
- The Australian workforce will require millions of its workers to be ‘digital workers’ within the next two to three years; we will need to know how to get the best out of digital technology, without necessarily being STEM (science, technology, engineering and maths) employees²²; and
- Australia’s VET providers have been responsive in providing job-ready graduates in the past. It is recommended that they move away from narrow competency-based training, to a job cluster focus, enabling the teaching of a broader set of competency and transferable skills²³.

The changing nature of work – the top workplace trend impacting large corporate employers

Chief Human Resource Officers at some of Australia’s largest corporate employers rated “the changing nature of work, flexible working arrangements” as the top trend impacting them in the short term (2015 to 2020)²⁴. The data and research support this perceptible shift in the changing way that work is being undertaken through all sectors²⁵.

The effect in the small-to-medium enterprise (SME) sector²⁶ where approximately 62 percent²⁷ of Australians work, has been less about observing a trend; instead SMEs are responding to changing market conditions, i.e. SMEs operate in a “change **is** business as usual” reality.

The Productivity Commission’s 2015 enquiry²⁸ into Australia’s workplace relations framework (which included the *Independent Contractors Act 2006*) was a recognition of the need for policy makers to keep up with evolving real-world practices. One proposal that arose from the enquiry is that “there is scope for a new form of employment arrangement, the ‘enterprise contract’, which would provide for variations to awards suited to the circumstances of individual enterprises” (Productivity Commission, 2015, 3).

¹⁸ Foundation for Young Australians (2015) The new work order: Ensuring young Australians have skills and experience for the jobs of the future, not the past.

¹⁹ Committee for Economic Development of Australia (2015) Australia’s future workforce? Ch. 1.4 pp. 56-64

²⁰ Foundation for Young Australians (2015) The new work order: Ensuring young Australians have skills and experience for the jobs of the future, not the past.

²¹ Ibid.

²² Ibid.

²³ Committee for Economic Development of Australia (2016) VET: Securing skills for growth

²⁴ World Economic Forum (2016) Future of Jobs report. 52% of Australian large corporate respondents identified this driver as impacting them. This compared with 44% internationally (making it the top trend globally as well as in Australia).

²⁵ Committee for Economic Development of Australia (2015) Australia’s future workforce? Ch. 3.3 pp. 179-191

²⁶ In this context, SMEs are defined as having less than 50 employees, and includes independent contractors.

²⁷ ABS, as quoted in Committee for Economic Development of Australia (2015) Australia’s future workforce? Ch. 3.3 pp. 179-191

²⁸ Productivity Commission (2015) Inquiry into Workplace Relations Framework, Final Report, Canberra

Given the size and significance of Australia's SME sector and the high representation of women in these businesses, it is useful to keep SMEs top of mind during the following examinations of specific ways in which work is changing in its nature.

Part time, casual and job share

Women who work part time (i.e. less than 35 hours per week) make up 21.7 percent of Australia's workforce; this compares with 10.1 percent of male part time workers, and 24.8 percent of full time female workers²⁹. Only 1.2 percent of managerial roles are performed part time³⁰.

The Reserve Bank of Australia (RBA) observed that although recent employment growth had been subdued, it had been concentrated in part-time employment:³¹

Type of work	Males	Females	Total
Part time	94,700	95,400	190,100
Full time	-8,000	37,700	29,700
Total	86,700	133,100	219,800

*Growth in jobs for year to July 2016*³²

As many women actively choose part time work to enable them to balance caring responsibilities, the growth in part time work could be seen as positive. However, the RBA sounds a note of caution; it references Australia's continuing high underemployment rate (approx. 9 percent of women and 5 percent of men are underemployed, i.e. they are working less hours than they desire³³) and surmises that labour force flexibility may have given scope to employers to keep their costs down³⁴.

Casual work

Similarly, economic Security4Women (ES4W) points out that for some women, casual jobs may be a lifestyle preference to fit with her family and other priorities. However, for many women, casual jobs are the only jobs they can find, and these jobs are neither transitional, nor a lifestyle preference. ES4W notes the strong interface between casual work and unemployment, low pay rates and poor work entitlements, often with precarious and unpredictable incomes, and underemployment; these factors all have consequences for economic wellbeing in later life³⁵.

Job-share

Job-share is arguably an untapped opportunity for Australian workers; although 40 percent of Australian employers³⁶ do currently offer it as a flexible working option, it is difficult to obtain statistics regarding numbers of job-share participants. Research commissioned by employment agency Gemini3 showed that although only half of respondents knew what job-sharing is, there is a strong appetite for considering job-sharing³⁷.

²⁹ ABS: 6202.0 - Labour Force Australia, July 2016

³⁰ Gemini3 (2015) Whitepaper: Job Share: an untapped opportunity – supplied to author, available from Gemini3 on request

³¹ Reserve Bank of Australia – Statement on Monetary Policy August 2016

³² ABS: 6202.0 - Labour Force Australia, July 2016

³³ ABS: (2015) A profile of Australian Women in Business

³⁴ <http://www.businessinsider.com.au/the-rba-just-explained-why-so-many-new-jobs-in-australia-are-now-part-time-2016-8>, Accessed on 28 August 2016.

³⁵ Economic Security4women (2016) Discussion paper Women's Financial Marathon to Survival – supplied to author

³⁶ Gemini3 (2015) Whitepaper: Job Share: an untapped opportunity –supplied to author, available from Gemini3 on request

³⁷ Ibid.

Given that two of the key reasons for considering (and ultimately entering) a job-share arrangement are to transition to retirement, and to effectively remain in a managerial role whilst working part time³⁸, then it behoves employers who are seeking to retain talent and promote diversity to explore job-share opportunities.

Rise of the freelancer - the portfolio career, the “gig” economy and P2P platforms

Freelancers, or contract workers, are getting a lot of attention, despite the possibly surprising fact that their numbers aren't notably growing (numbers in this group rose from 6.7 percent of the workforce in 1978 to approaching nine percent in 2013, after peaking at 10 percent in 2010)³⁹.

CEDA (2015, 181) ponders whether self-employment has captured the global imagination to be seen “as a ‘rising-star’...because self-employed individuals are at the cutting-edge of cultural and attitudinal change in global workforces”⁴⁰.

Compiled research indicates that the self-employed sector in Australia has the following key attributes⁴¹:

- Two-thirds male and one-third female;
- Mature – people predominantly become self-employed from age 35;
- A higher skills base than employees;
- White-collar and professional (i.e. not all tradies);
- Above-average income earners, who overwhelmingly choose to be self-employed.

In considering the changing nature of work, the World Economic Forum urges employers to think that “work is **what** people do, not **where** they do it. Businesses will increasingly connect and collaborate remotely with freelancers and independent professionals”⁴². That this might lead to some stress for workers who are trying to balance a portfolio of paid and unpaid part time ‘gigs’ is discussed later in this paper.

The emerging platform marketplaces (peer-to-peer, P2P or “the sharing economy”) such as Uber, Freelancer and Airtasker “provide Australians with tools to flexibly source income and, sometimes, to access work where they otherwise couldn't (as a disabled person for example)”⁴³.

With low barriers to entry, people are empowered by online marketplace platforms to turn their free time into income⁴⁴; no longer the domain of the young and hip, very real options exist for women and older Australians to become business operators through these online channels⁴⁵. Online talent platforms also give young people the chance to make better educational choices, by providing transparent skills demand indicators⁴⁶.

³⁸ Ibid.

³⁹ Committee for Economic Development of Australia (2015) Australia's future workforce? Ch. 3.3 pp. 179-191

⁴⁰ Committee for Economic Development of Australia (2015) Australia's future workforce? Ch. 3.3 pp. 179-191

⁴¹ Ibid

⁴² World Economic Forum 2016 Future of Jobs report

⁴³ Foundation for Young Australians (2015) The new work order: Ensuring young Australians have skills and experience for the jobs of the future, not the past.

⁴⁴ CSIRO (2016) Tomorrow's Digitally Enabled Workforce

⁴⁵ <https://intheblack.com/articles/2016/08/26/the-surprising-demographic-capitalising-on-the-sharing-economy> - accessed on 27 August 2016

⁴⁶ <http://www.mckinsey.com/global-themes/employment-and-growth/connecting-talent-with-opportunity-in-the-digital-age> - accessed on 27 August 2016

Rise of the entrepreneur – emergence of the mumpreneur

CSIRO suggests that as the nature of work changes, future job seekers will need to create their own jobs and that this will require workers to consider themselves a business-of-one and embrace an entrepreneurial aptitude⁴⁷.

The popular press has dubbed the fast-growing SME cohort of home-based businesses the “mumpreneurs”; these are defined by the *Sydney Morning Herald* as working mothers who leave behind the stresses of corporate life to find fulfilment and success running their own businesses from the kitchen table⁴⁸.

The mothers of young children are up to three times more likely to be self-employed than other working women⁴⁹. Anybody connected with Facebook would be correct in thinking that inner-city Australia is filling with networking groups encouraging or supporting these young women to nurture their entrepreneurial ambitions⁵⁰. That some of these mumpreneurs might be reluctant business operators isn't being widely discussed as yet⁵¹.

The top five reasons identified for Australian female entrepreneurs starting their own businesses are⁵²:

1. To be my own boss;
2. Work/Life balance;
3. Flexibility;
4. Had a great product/service idea; and
5. To escape corporate management.

Risks

These flexible options are not without risk to lifelong economic security, including the following:

- Worker rights and protections attach to formal industrial relations settings, and will be at risk as workers take up working arrangements such as peer-to-peer⁵³. The Productivity Commission's recent enquiry into Australia's workplace relations framework was set up in part to start investigating these concerns⁵⁴;
- Weaker human capital development due to lower training⁵⁵;
- Lower job security and higher job strain⁵⁶. However, note that many self-employed workers choose to be self-employed as they feel more secure by having multiple clients and streams of income, and feeling that their fortunes are somewhat protected from random corporate restructures and layoffs⁵⁷;

⁴⁷ CSIRO (2016) Tomorrow's Digitally Enabled Workforce

⁴⁸ <http://www.smh.com.au/comment/becoming-a-mumpreneur-is-an-option-of-last-resort-for-many-working-mothers-20160504-golrkl.html#ixzz47jMa7bCN> – accessed on 28 August 2016

⁴⁹ Ibid.

⁵⁰ Ibid.

⁵¹ Ibid

⁵² Australian Women Chamber of Commerce and Industry (AWCCI) (2015) National Research on Women Business Owners & Female Entrepreneurs in Australia

⁵³ Foundation for Young Australians (2015) The new work order: Ensuring young Australians have skills and experience for the jobs of the future, not the past.

⁵⁴ Productivity Commission (2015) Inquiry into Workplace Relations Framework, Final Report, Canberra

⁵⁵ Foundation for Young Australians (2015) The new work order: Ensuring young Australians have skills and experience for the jobs of the future, not the past.

⁵⁶ Ibid.

⁵⁷ Committee for Economic Development of Australia (2015) Australia's future workforce? Ch. 3.3 pp. 179-191

- Lower, more unstable earnings, slower wage growth, higher instability in earnings and larger wage penalties⁵⁸;
- Most self-employed women made insufficient or no contributions to superannuation⁵⁹; and
- Most small businesses run by women were not of sufficient value to provide them with economic security in retirement⁶⁰.

The view ahead

The World Economic Forum describes the view from the threshold of the Fourth Industrial Revolution as follows⁶¹:

We face a world where new categories of jobs will emerge, partly or wholly displacing others. The skill sets required in both old and new occupations will change in most industries and transform how and where people work. It may also affect female and male workers differently and transform the dynamics of the industry gender gap.

The question, then, is how business, government and individuals will react to these developments. To prevent a worst-case scenario—technological change accompanied by talent shortages, mass unemployment and growing inequality—reskilling and upskilling of today’s workers will be critical.

It is simply not possible to weather the current technological revolution by waiting for the next generation’s workforce to become better prepared. Instead it is critical that businesses take an active role in supporting their current workforces through re-training, that individuals take a proactive approach to their own lifelong learning and that governments create the enabling environment, rapidly and creatively, to assist these efforts.

For women and girls, our call to action is as follows:

- Stay abreast of discussions about ‘the future of work’, and think carefully about the risks of automation to your current profession;
- Make a commitment to lifelong learning, stay curious and passionate;
- Recognise that caring responsibilities are family issues, not women’s issues and ensure you’re keeping the debate alive;
- If you’re a business owner, consider flexible options such as job-share;
- If you’re an employee who wants to job-share, find a suitable job-share partner, and make the business case to your employer;
- Find a way to be a catalyst for improvement of gender equity in the workplace, and encourage others to join the conversation;
- Critically assess your own and your organisation’s conscious and unconscious biases about women in leadership; and
- Be flexible to change.

It is a new millennium, and the world of work is changing – there will be exciting opportunities and challenges, and our destination is unclear. To quote career coach Liz

⁵⁸ Foundation for Young Australians (2015) The new work order: Ensuring young Australians have skills and experience for the jobs of the future, not the past.

⁵⁹ Australian Women Chamber of Commerce and Industry (AWCCI) (2015) National Research on Women Business Owners & Female Entrepreneurs in Australia

⁶⁰ Ibid.

⁶¹ World Economic Forum 2016 Future of Jobs report

Ryan, “the old world of long-term employment is gone. We haven’t shifted our vocabulary or our mindset to match the reality in the new-millennium talent marketplace. It’s time to do that! ... We are all running our own careers now. We are all entrepreneurs.”⁶² Go forth and prosper.

economic Security4Women

economic Security4Women (eS4W) is a national women’s alliance, funded by the Australian Government through the Office for Women in the Commonwealth Department of Prime Minister and Cabinet. eS4W is one of five National Women’s Alliances.

It is an alliance of women’s organisations united in the belief that economic wellbeing and financial security are essential for women and will enable women of all ages to have an equal place in society.

A key function of eS4W’s remit is to source the views, issues and concerns of Australian women on matters that affect their lifelong economic wellbeing and financial security.

economic Security4Women

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⁶² <http://www.forbes.com/sites/lizryan/2016/08/28/five-things-we-can-stop-lying-about-at-work/#37b709c62c3a> accessed 28 Aug 2016