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Curtin University

# BCEC

Bankwest Curtin Economics Centre

## Newsletter

The latest news on BCEC's  
research activities, publications,  
events and people

### INSIDE THIS ISSUE:

[BCEC|WGEA Gender Equity  
Insights 2017: Inside  
Australia's Gender Pay Gap](#) **4**

[BCEC PhD scholar examines  
the impact of gentrification on  
housing affordability](#) **6**

[BCEC signs MoU with Fitzroy  
Valley Futures](#) **7**

[Culture, housing, remoteness  
and Aboriginal and Torres  
Strait Islander child  
development](#) **8**

[Staff in Focus](#) **14**

[Latest Research](#) **15**





## From the Director

Welcome to the second edition of the tri-annual BCEC Newsletter. We have had an incredibly busy start to 2017, with the Centre continuing to deliver research that seeks to improve the lives of West Australians.

We commenced the year with the launch of the second iteration in the BCEC|WGEA Gender Equity Insights series, which revealed that greater gender balance in leadership drives reduced gender pay gaps across Australian companies. BCEC's partnership with the Workplace Gender Equality Agency pursues a common goal of improving gender equality throughout Australian workplaces. This valuable research has since led to an invitation to appear at the Senate Inquiry into Gender Segregation in the Workplace, which myself and Associate Professor Rebecca Cassells attended in April.

BCEC has also continued to make important contributions to one of the most pressing economic and social issues of our time - housing affordability. This research agenda, led by Deputy Director Rachel Ong, and framed by BCEC's partnership with the Australian Housing and Urban Research Institute has seen the quality of the evidence base around housing affordability lifted substantially and continued pressure on policy makers to act. Recently, Rachel addressed the National Press Club in Canberra on the issue of housing affordability and the policies presented in the 2017-18 Federal Budget.

I would also like to take the opportunity to extend my thanks and congratulations to our incredibly hardworking administrative team, who in March were awarded the 2016 Curtin Business School Professional Staff Team Award. The Professional team is the backbone of the Centre and this award is testament to the important role they play in the Centre's activities.

I hope you enjoy reading all about BCEC's recent activities and would like to thank all of our readers for your continued support for the Centre.

**Professor Alan Duncan**

Director,  
Bankwest Curtin Economics Centre

## BCEC UPDATE

# NEW BCEC ECONOMICS AND SOCIAL POLICY SCHOLARSHIP

The Bankwest Curtin Economics Centre is introducing a new BCEC Economics and Social Policy Scholarship to support broadening access to tertiary education for those traditionally under-represented at university.

A \$10,000 per annum scholarship will be awarded to eligible applicants over the course of the scholar's studies at Curtin University, for a maximum of three years.

The scholarship will be awarded to an undergraduate or postgraduate coursework student undertaking studies in the area/s of economics or social policy.

The scholarship reflects Bankwest's commitment to community development and the Centre's aim to improve the lives of West Australians.

The new scholarship will be supported through BCEC event registration fees. We hope you will join us in supporting this initiative, and look forward to the first scholarship commencing in Semester 1, 2018.



## AWARDS AND ACHIEVEMENTS

# Dr Astghik Mavisakalyan successfully elected to the CBS Strategic Review Board



We are proud to announce BCEC Senior Research Fellow, [Dr Astghik Mavisakalyan](#) has been successfully elected to the Curtin Business School (CBS) Strategic Review Board.

BCEC Director Professor Alan Duncan commended Astghik on her appointment to an important service and leadership position.

"It is a testament to the depth and breadth of Astghik's research experience and the strong commitment she has to collaborative and impactful research," Professor Duncan said.

"Astghik has brought a number of important collaborations to the University both through her honorary appointments with research institutes in Norway and Japan, and through her leadership in securing competitive funding with universities in Finland and Germany."

The CBS Strategic Review Board contributes to achieving high quality outcomes for the CBS community by providing advice and recommendations to the Pro Vice-Chancellor in relation to strategic issues, as well as ensuring progress against the

Faculty and Curtin University Strategic Plan.

Dr Mavisakalyan is excited to join the CBS Strategic Review Board and hopes to provide valuable contributions to the strategic direction of CBS and Curtin.

"I want to share my experience in academia to help strengthen the Curtin Business School's reputation as a recognised international leader in teaching and research," Dr Mavisakalyan said.

"I look forward to bringing my teaching and research background to the role, along with my strong preference for industry collaboration through research, in order to ensure CBS is aligned to the University's goals of international excellence and impact."

Dr Mavisakalyan has been elected for an initial three-year term (2017 to 2019), as a non-School affiliated elected academic staff representative.



## BCEC|WGEA GENDER EQUITY INSIGHTS 2017: INSIDE'S AUSTRALIA'S GENDER PAY GAP



*BCEC Principal Research Fellow Associate Professor Rebecca Cassells, BHP Billiton Asset President Iron Ore Mr Edgar Basto, Wesfarmers Ltd. Non-Executive Director Ms Diane Smith-Gander, BCEC Director Professor Alan Duncan, Bankwest General Manager Human Resources Ms Anna Cassie and WGEA Research and Analytics Executive Manager Mr Andrew McMahon*

Gender pay gaps remain a permanent feature of the Australian labour market. Gender pay equity has barely progressed in the last twenty years despite the advances women have made in educational attainment, workforce participation and legislation prohibiting discriminatory behaviours.

The Centre's latest report – [\*Gender Equity Insights 2017: Inside Australia's Gender Pay Gap\*](#) – was launched in collaboration with the Workplace Gender Equality Agency (WGEA) on Thursday 2 March, ahead of International Women's Day.

The report analyses data collected by WGEA under the 2012 Workplace Gender Equality Act and reveals some of the strongest empirical evidence to date that improved gender pay outcomes are driven by companies promoting greater gender equity in senior leadership roles.

This second report in the [\*BCEC|WGEA Gender Equity Series\*](#), explores how gender pay gaps vary across industries and occupations, and also includes special investigations on gender pay gaps for graduate program participants, workforce gender segregation and the

impact of changing the gender balance in senior leadership over time.

Speaking to the findings at the launch of the report, Centre Director and co-author, [\*Professor Alan Duncan\*](#) noted that the perplexing issue of gender pay gaps has remained a feature of the Australian labour market for too long and is something that must be addressed.

"The report reveals that top tier female managers in Australian organisations earn on average \$93,000, or 26.5 per cent, less per year compared to their male counterparts," Professor Duncan said.

"The most significant discrepancy in pay between men and women occurs in the finance and insurance services sector, at some 33.2% in 2015-16.

"Men account for 70% of around 55,300

senior leaders across all industries in Australia, and women approximately 30%."

BCEC Principal Research Fellow and co-author, [\*Associate Professor Rebecca Cassells\*](#) said the report outcomes were a stark indicator of the different ways women and men engage with the workforce, and how their respective contributions are valued.

Female-dominated organisations in Australia tend to be lower paid, particularly in those industries where workforce roles are 'gendered'. This speaks to the recent claim expressed by IMF Managing Director Christine Lagarde that society has a tendency to undervalue women's work and contributions.

"To address these differences, organisations need to ensure that their



"Within the context of an ageing population in which women are disproportionately represented, gender pay gaps and gender wealth gaps not only pose significant risk for the economic wellbeing of Australian women but also have important implications for social equity and fiscal sustainability."

Associate Professor Rebecca Cassells  
Principal Research Fellow, BCEC

progression and remuneration practices are robust against unconscious bias.

Expert panellists highlighted that society has a tendency to undervalue women's work and contributions, and that we need to start changing this.

Workplace Gender Equality Agency, Research and Analytics Manager, Andrew McMahon, said the history of the gender pay gap is a stubborn feature of the Australian economy.

"The persistence of the gender pay gap in Australia demonstrates the need for coordinated action to move us closer to gender pay equity," Mr McMahon said.

Wesfarmers Limited, Non-Executive Director, Diane Smith-Gander, said equality is the key to achieving prosperity in Australia.

"There's a need for greater pay transparency and that the denial of any gender pay gap is economically unsustainable for the country," Ms Smith-Gander said.

BHP Billiton, Asset President Iron Ore, Edgar Basto, encouraged everyone to get involved in ending the unacceptable inequality that is present in pay conditions across Australia from recruiters to team members.

Associate Professor Cassells said there was reassuring news for those seeking evidence about what drives change.

"Organisations that improved the gender balance of their executive leadership teams between 2015 and 2016 saw the biggest decline in their organisation-wide gender pay gaps," Associate Professor Cassells said.

"This report provides a powerful evidence base that highlights an important opportunity to target and reduce gender pay gaps across Australian organisations. We can do this through ensuring diversity exists in key management roles and more importantly, the need to ensure that progression and remuneration practices are robust against unconscious bias."

## BCEC presents at Senate Inquiry into gender segregation

The BCEC|WGEA Gender Equity Insights report generated much media interest and discussion, and led to a submission to and the Centre's participation in the recent Senate Inquiry into Gender Segregation in the workplace and its impact on women's economic equality.

Professor Duncan and Associate Professor Cassells appeared as expert witnesses to the Inquiry in April in Sydney, outlining key issues around workforce segregation and policy recommendations stemming from the report results, including the role strong organisational leadership plays in gender equity.

"One thing that came across a lot in our discussions before and after the release of our latest report is that leadership is a critical component of the overall gender equity position in Australia. The drive for change has to come from decisions and leadership, be that in the private sector organisations or from politics and the public sector," Professor Duncan said.

Associate Professor Cassells also reiterated the impact of the gender pay gap on women in the workforce, explaining the lifetime effects of a lower wage.

"At a macroeconomic level, gender pay gaps can depress economic growth and productivity. At an individual level, it slows down the rate of wealth accumulation of women relative to men," Associate Professor Cassells said.

"The ramifications reverberate across the life course, with women bearing greater exposure to poverty and disadvantage at every age. Within the context of an ageing population in which women are disproportionately

represented, gender pay gaps and gender wealth gaps not only pose significant risk for the economic wellbeing of Australian women but also have important implications for social equity and fiscal sustainability."

Associate Professor Cassells continued that her ongoing research into young people is showing a reversal in the gender pay gap, with young women earning on average a higher hourly wage than young men.

"This change is typically explained by young women being highly educated; and going on to attend university at higher rates than young men.

"However, when we follow those women five or ten years into their career, the wage gap flips the other way and the gender pay gap becomes unexplained by factors such as education. If we can remove unconscious bias and everything else that is driving the wage gap then I think we will go a lot further towards eliminating it, or in fact reversing it in a way that is actually explainable.

"Initiatives that raise awareness of, and seek to eradicate, the damaging effects of unconscious bias and the systematic devaluation of women in society in general are well overdue.

"We need large-scale structural change in the form of equal representation, or more even representation of men and women in certain occupations and industries. It may not completely eliminate the gender pay gap and gender inequities but I think it will go some way," Associate Professor Cassells said.





## THE CONVERSATION

BCEC IN THE CONVERSATION

# Not everyone wins from the bank of mum and dad

By [Professor Rachel Ong](#), Deputy Director, Bankwest Curtin Economics Centre, Professor Gavin Wood, Professor of Housing, RMIT University and Dr Melek Cigdem-Bayram, RMIT University.

The “bank of mum and dad” is helping young Australians with more than just their housing aspirations. New analysis of data on children receiving an inheritance or cash payment from their parents has found they are more likely to be involved in business startups, financial risk-taking and entrepreneurial ventures, and receive other benefits to those without wealthy parents.

The bank of mum and dad is an expression coined to describe parents generously helping their children to get onto the home ownership ladder. We already know that [parental transfers are helping Gen X and Gen Y children](#) break into home ownership, in a market considered unaffordable by international standards.

While some are angered by the growing intergenerational wealth divide between the millennials and their baby boomer parents, estimates from the Household, Income and Labour Dynamics in Australia

(HILDA) survey show many young people are benefiting from the wealth of their parents.

Between 2002 and 2012, 1.8 million Australians received an inheritance on one or more occasions. There was an average transfer of A\$95,000 per beneficiary over the period. An even higher number (5.8 million) received cash transfers from surviving parents. These gifts averaged A\$9,000 per recipient.

Housing assets remain the most important component of households’ wealth portfolios. The majority of households will therefore directly or indirectly draw down on housing wealth to finance monetary gifts to others while they are still alive. The family home is also typically the largest asset bequeathed when parents pass on.

Moreover, booming real house prices have boosted inheritances. At the same time, flexible mortgages have enabled parents to dip into their housing wealth to

finance cash gifts to their children.

### More than a leg up the housing ladder

A [recent Australian Housing and Urban Research Institute report](#) has shed new light on how financial gifts from parents help shape young people’s economic opportunities.

The study matches every person benefiting from an inheritance or parental cash transfer to a “control” person who is not a beneficiary, but has otherwise similar personal characteristics.

We found that the bank of mum and dad is helping young Australians with more than just their housing.

Intergenerational transfer beneficiaries are more likely to hold a bachelor’s degree than non-beneficiaries. Among those who receive cash payments from their parents, 29% hold a bachelor’s degree compared to 21% of the control group who do not receive such transfers. Bequest recipients

have double the average bank deposit account balance of the matched controls. These larger financial holdings can be used to buffer income shocks, and as collateral to relax borrowing constraints.

Beneficiaries might therefore be willing to take more risks. They are also better positioned to borrow and finance business startups that might not otherwise get off the ground. These ideas are supported by the data.

A higher percentage of those enjoying access to the bank of mum and dad have set up their own business. 22% of heirs to a bequest are self-employed. In comparison, only 16% of the matched controls were self-employed. Similarly, 17% of those receiving cash payments from their parents are self-employed, compared to 11% of the matched controls.

The findings suggest that the bank of mum and dad could play a role in lifting economic growth through multiple channels. These include business startups, financial risk-taking and entrepreneurial ventures.

### **Bridging an intergenerational divide or widening an intra-generational gap?**

It seems the bank of mum and dad is recycling large amounts of housing wealth to the next generation through intergenerational transfers; and it is an increasingly important pillar supporting educational, housing and business opportunities. However, this is a "leg up" that only benefits those fortunate enough to have parents that are able and willing to transfer wealth.

The business opportunities, educational gains and home ownership status that these transfers promote will create a growing divide among younger Australians. Those whose parents own a home are able to take advantage of a wider set of opportunities than others.

As the home ownership dream fades for growing numbers of Australians, this divide will become more conspicuous. Life time renting is a prospect that many Gen X and Gen Y parents are having to contemplate. Unless Australian governments reverse the decline in home ownership, their children will in turn be bypassed by the intergenerational circulation of housing wealth.

These concerns should provide added impetus as governments strive to improve housing affordability, and restore the home ownership society older Australians take for granted. If our governments fail in this regard we could very well witness further entrenchment of inequality in decades to come.

This article first appeared in [The Conversation](#) on March 15 2017.

## AWARDS AND ACHIEVEMENTS

# Bankwest Curtin Economics Centre wins the CBS Professional Team Award



Bankwest Curtin Economics Centre's Professional Team was recently awarded the 2016 Curtin Business School (CBS) Professional Staff Team Award at the annual CBS Awards Ceremony.

The Centre's Professional Team - Business Manager, [Kumeshini Haripersad](#); Administrative Officer, [Naomi Cordell](#) and Events and Communications Officer, [Kelly Pohatu](#) - was recognised for their outstanding contribution to BCEC, supporting the Centre to deliver its core mission and underlying objectives.

The team are relatively new to the Centre, having all joined in 2015 and 2016. In this time, they have introduced a multitude of new processes and are having a profoundly positive impact on the Centre's efficiency.

The Award demonstrates that the real success of the Centre stems from our ongoing

commitment to building a great team that is highly capable, and willing to provide optimum support to the Centre and its key stakeholders.

The Award recognises the Team's commitment to clients; improvement of organisational performance; demonstrated leadership; interaction with colleagues; and providing innovative solutions to improve the workplace.

The CBS Professional Staff Award was established in 2003, and it is designed to recognise and reward outstanding service by professional staff over the current and previous years of employment.





## BCEC UPDATE

# BCEC PhD scholar examines the impact of gentrification on housing affordability.

Christopher Phelps, 23, from Perth was successfully awarded a BCEC PhD Scholarship in 2016. Christopher shares insights into his journey conducting research within the Centre, over the past year.

### Why did you choose to apply for the BCEC PhD Scholarship?

It was both a chance to gain a competitive edge against other graduates if I decided to pursue a job outside of academia, and the opportunity to continue into academia if I enjoyed the process of full time research.

### What is something interesting you are working on?

I am currently beginning the first stage of my PhD thesis which explores variations in house price growth in Australian cities, and its link to the concepts of gentrification.

Gentrification is the sudden influx of high income households into low



"Housing is vital to a person's security and happiness, and it is also the biggest investment they will make in their lives. What else do we buy or rent that has so much impact?"

Christopher Phelps  
PhD Scholar, BCEC

income areas. While it's a hot topic internationally, there exists almost no research into the gentrification of Australian cities. As a PhD scholar at BCEC, I have the opportunity to conduct this research for the first time under the tutelage of some of Australia's top housing researchers.

My honours thesis explored housing preferences, trade-offs and choices in Perth. The project used data to analyse the trade-offs Perth residents were willing to make between housing types to access their desired neighbourhoods.

### Why are you interested in BCEC's research theme: housing pathways and affordability?

Housing is vital to a person's security and happiness, and it is also the biggest investment they will make in their lives. What else do we buy or rent that has so much impact? I guess I find the impact of housing fascinating, whether that be on an individual or the economy as a whole.

### BCEC Deputy Director Professor Rachel Ong is your mentor within the Centre. What is it like working under her tutelage?

I am very lucky to be supervised by one of the few housing economics researchers in Australia, as well as someone so well respected among her peers. Along with my other

supervisors in Professor Gavin Wood (RMIT), Associate Professor Steven Rowley (Curtin) and Professor Mark Harris (Curtin), I have a massive pool of knowledge and experience to draw from.

### What other support do you have to enable the success of your research?

The other PhD students currently at BCEC provide another support network. It's always nice to have people going through the same things that you can relate to, instead of going at it alone.

### Are you working part-time?

I have been a casual research assistant at Curtin University while undertaking my PhD. This has given me the opportunity to participate in research projects relevant to my research, learn important skills such as research techniques and statistical programs, all while getting paid for it!

### How do you manage to juggle all your commitments?

Besides the occasional meeting or deadline, the advantage of being a PhD scholar, is being able to work from home when you need, and shuffle around your work time to suit you. If 'life stuff' needs attention I can go back to PhD progress later - I don't have to worry about being at work on time. I guess it's all about finding the right



balance! There is definitely time in a PhD to maintain a normal and healthy social life, which I think is very important.

Sometimes coming up to a deadline you might have to put socialising and hobbies aside, but it is nothing out of the ordinary.

Other than the regular exploits of a young adult, I am an avid sports fan, so I'm often keeping up with the AFL, cricket, NBA and also participating in sports myself.

**Your family must be extremely proud of your drive and dedication.**

Yes indeed! My parents didn't have the opportunity to go to university, or even dream about obtaining a PhD. My Dad is very proud that I now have the chance to reach such heights and they are very supportive of my endeavour be the best researcher I can be.

**What are some of the highlights working within BCEC?**

There are many well-respected researchers working at BCEC, so it is a privilege to be among such company. Through BCEC, I have been able to attend several major report launches which has given me the opportunity to see how impactful research can be. I get to see firsthand how research can generate good discussion and contribute towards the momentum of affecting change.

**Where do you see yourself in the future? What career path do you wish to pursue?**

I hope to continue into a career of academia and continue my housing research.

**What advice or words of wisdom would you share with others interested in applying for the BCEC PhD Scholarship?**

What do you have to lose? You are getting the opportunity to work with some of the most respected researches in the State, the tax free scholarship is generous, and there are always opportunities to pursue casual research assistant work or teaching work at the University while you study. I would much rather be conducting my own original research on my own schedule, than battling to please a boss each day at a graduate position.



*BCEC Principal Research Fellow Associate Professor Michael Dockery signs the MoU with Gooniyandi Aboriginal Corporation Environmental Team Coordinator Mr Patrick Davies*

**RESEARCH HIGHLIGHTS**

## BCEC SIGNS MOU WITH FITZROY VALLEY FUTURES

Bankwest Curtin Economics Centre has signed a Memorandum of Understanding with Fitzroy Valley Futures, to undertake research that aims to benefit the communities of Fitzroy Valley in the Kimberley region of Western Australia.

**Associate Professor Michael Dockery,**

BCEC Principal Research Fellow and lead researcher for the collaboration with Fitzroy Valley Futures, said the partnership has the potential to create a wide range of research opportunities.

"I am looking forward to working together with Fitzroy Valley Futures to conduct research that promotes the cultural, social and economic aspirations of Aboriginal communities in Fitzroy Valley," Associate Professor Dockery said.

"It's important our research is relevant across this diverse State in terms of both geographical reach and for different cultural groups. While the partnership offers benefits to Curtin researchers, the ultimate aim is to empower Indigenous peoples in the Fitzroy Valley.

"We hope to achieve this by increasing the capacity of local Indigenous peoples to participate in and control research and policy that impacts upon them.

"BCEC is privileged to be signing a relationship pathway with Fitzroy Valley Futures, a community-based network that represents the voices of the Indigenous people in the region."

The signing of the MOU signals a formal commitment on the part of both organisations to build upon a relationship developed over several years of collaboration with Elders and community leaders.

One local Aboriginal Corporation recently contributed to a major project on Native Title, and Fitzroy Valley Future's participation in several further projects is already under negotiation.

Michael's research interests and activities traverse a range of issues in applied labour economics; including the links between Indigenous cultural identity and socio-economic outcomes.



## Culture, housing, remoteness and Aboriginal and Torres Strait Islander child development: Longitudinal Study of Indigenous Children

Emerging frameworks of Aboriginal and Torres Strait Islander wellbeing emphasise the importance of cultural factors in promoting wellbeing, as well as mainstream indicators of socio-economic success, such as employment, education, income, service access and housing circumstances.

As a broad generalisation, Aboriginal and Torres Strait Islander residents who live in more remote areas score higher on cultural markers of wellbeing, notably access to traditional lands, language use and participation in traditional or cultural activities. However, poorer availability of services and inferior standards of housing in more remote areas are frequently cited as factors hindering outcomes for Aboriginal and Torres Strait Islanders, largely attributable to the greater cost of delivering services, housing and other infrastructure to smaller and more isolated communities.

Policy discourse at the Commonwealth and WA government levels has called into question the very viability of remote Aboriginal communities. In this context, a recent study by BCEC Principal Research Fellow Associate Professor Mike Dockery investigated the links between some of these factors and outcomes for Aboriginal and Torres Strait Islander children using data from the Longitudinal Study of Indigenous Children. The research was undertaken in Mike's role as Project Leader of the Cooperative Research Centre for Remote Economic Participation (CRC-REP)'s [Population Mobility and Labour Markets Project](#), and published as a CRC-REP working paper.

The study looked at children's health, social-emotional adjustment, scores on standardised maths and reading tests and school attendance. By analysing parents' survey responses, three key elements of parental attitudes and practices were identified with respect to passing on Aboriginal and Torres Strait Islander culture when their child is young: Connection to Country, Connection to Kin and Traditional Knowledge. The



Connection to Country and Kin factors are interpreted as reflecting parental aspirations to promote the child's sense of Aboriginal and Torres Strait Islander identity. Measures of these cultural attitudes and practices were related to the child's outcomes later in life.

A key finding from the analysis is that where parents place a high priority on fostering a strong sense of identification with their Aboriginality in their children – pride, respect and knowledge of their family networks and family history – then those children display better outcomes. Parents fostering a strong kinship connection is found to contribute to positive child development across the domains investigated. This includes fewer social and emotional difficulties as assessed by the children's teachers.

Desire to pass on traditional knowledge in early childhood is associated with better results on the maths and reading test

scores, but there is some evidence it is associated with lower school attendance. The findings support arguments by others that remote schools do not appropriately cater to their children's learning needs (see, for example, Guenther et al. 2015).

Greater remoteness is associated with inferior aspects of housing, notably more crowding and a high incidence of government and community housing, but there is little evidence that this has a substantial impact on child outcomes. There is some evidence that residential instability impedes social and emotional adjustment and leads to lower school attendance, though children living in more remote areas are in fact observed to experience fewer changes of address.

The housing-related characteristic found to have the strongest associations with child outcomes is tenure: inferior outcomes are observed across the board for children living in government or





community housing as opposed to those who rent privately or own their home.

After controlling for these and other factors, living in more remote areas is found to be associated with inferior child health as assessed by the parent, and lower maths and reading achievement scores and school attendance, but there is no evidence of lower social and emotional wellbeing. Parental education, having at least one parent in work and adequate family financial resources are found to be associated with positive child development.

An important aspect of this study is to advance the empirical literature relating culture to wellbeing. A limited number of previous studies have found health and other benefits associated with Aboriginal and Torres Strait Islander peoples' cultural engagement and sense of identity. A weakness of that existing empirical literature is the challenge of 'reverse causality': that better health and other outcomes may enable Aboriginal and Torres Strait Islander people to engage in their culture, rather than cultural engagement having a causal effect on

outcomes. Utilising the longitudinal nature of the data, the research design relates parental cultural attitudes and practices to the child's outcomes later in life, thereby eliminating the possibility of (the child's) outcomes 'causing' greater cultural identity or engagement.

The data confirms that living in remote locations facilitates greater attachment to traditional lands and the passing on of traditional knowledge for many Aboriginal and Torres Strait Islander children. It also provides examples of the compromise in the quality of housing and service provision, in this case evidence of less culturally appropriate schooling. Findings from the Population Mobility and Labour Markets Project and previous research show that temporary mobility often facilitates coexistence in 'both worlds' for people living in remote communities, such as combining cultural obligations with access to mainstream services and the maintenance of kinship networks – visiting family is one of the main drivers of temporary mobility among Aboriginal and Torres Strait Islander people. The evidence of the importance of identity associated with connection to kin in promoting positive child development provides a further strong justification for such mobility.

The full study can be downloaded from the [BCEC website](#).







## Concentration of women managers results in higher pay for men



"Not only do female-dominated organisations tend to be lower paid, but this analysis shows that in workplaces with heavily female-dominated management teams there are large gender pay gaps in favour of men."

Associate Professor  
Rebecca Cassells  
Principal Research Fellow,  
BCEC

By Anna Patty, Workplace Editor, Sydney Morning Herald

The gender pay gap women widens when women hold most of the top management jobs.

A 10 per cent or more increase in the proportion of female senior executives can narrow the gender pay gap.

But if women make up more than 80 per cent of managers, the gap widens again, new research from Bankwest Curtin Economics Centre and the Workplace Gender Equality Agency has found.

Report author and Bankwest Curtin Economics Centre principal research fellow Rebecca Cassells said the report findings starkly show the different ways women and men engaged with the workforce and how their contributions are valued.

Report author and Bankwest Curtin Economics Centre principal research fellow [Rebecca Cassells](#) said the report findings starkly show the different ways women and men engaged with the workforce and how their contributions are valued.

"The highest-paid 10 per cent of women in graduate trainee positions receive at least \$81,000 in base salary, whereas the highest-paid 10 per cent of male graduate trainees took home at least

\$88,000 – this equates to a pay gap of 8.0 per cent," the report said.

"Not only do female-dominated organisations tend to be lower paid, but this analysis shows that in workplaces with heavily female-dominated management teams there are large gender pay gaps in favour of men," Associate Professor Cassells said.

"It seems that where the men are few, they are more highly valued. It is often thought that men are put on a pedestal in environments where they are outnumbered by women."

The report speculated an explanation for this was likely to be driven by unconscious bias and stereotypical views of men as figures of authority.

It found that within organisations where management was dominated by women – beyond 80 per cent – the gender pay gap among managers increased from 8 to 17 per cent.

The gender pay gap widens when there is a concentration of women managers.

Report co-author [Professor Alan Duncan](#) said the findings provide some of the "strongest empirical evidence to date that improved gender pay outcomes are

driven by companies promoting greater gender equity in senior leadership roles".

"Organisations that increased the share of women in executive leadership roles by more than 10 per cent between 2015 and 2016 recorded a reduction in the organisation-wide gender pay gap of 3 percentage points over the course of a single year," Professor Duncan said.

Overall, the report shows the gender pay gap for female executives is starting to narrow because women's wages at top levels have grown faster than wage increases for men. Women appear to be more protected from economic downturns because of the types of industries they tend to work in.

"Both men and women's salaries have grown over the same period, but men's at a slower rate, particularly among management," Associate Professor Cassells said.

"This reflects the economic downturn and the greater exposure men typically have to the economic cycle due to the types of industries they work in – mining, construction changes in the gender pay gap will often reflect the economic cycle – when the economy is doing well the pay gap expands, when it's not doing as



well it contracts.

“When we see the gender pay gap fall outside of these cyclical movements, that’s when there is a real structural change afoot and a real improvement in pay equity.”

The report found gender pay gaps for those participating in a graduate program are minimal, but men are more likely to receive top graduate trainee salaries. Overall, the median gender pay gaps for full-time graduate trainees are 2.9 per cent on base salary and 2.1 per cent on total remuneration.

However, the gender pay gap for graduate trainees progressively widened in the top tiers of salary earners.

“The highest-paid 10 per cent of women in graduate trainee positions receive at least \$81,000 in base salary, whereas the highest-paid 10 per cent of male graduate trainees took home at least \$88,000 – this equates to a pay gap of 8 per cent,” the report said.

“Women are consistently under-represented in the highest graduate salary bands, with some 18 per cent fewer women paid over \$80,000 compared to their share of the graduate workforce.”

Overall, the report shows gender pay grows with seniority and climbs to 26.5 per cent for top-tier managers. The annual difference between men and women is currently about \$93,000 at senior management levels.

The report to be released on Thursday, [Gender Equity Insights 2017: Inside Australia’s Gender Pay Gap](#), looks at gender pay gaps across more than 12,000 organisations, representing more than 4 million employees.

It found that gender pay gaps for organisations with a balanced representation of women in senior leadership roles are half the size of those with a much lower proportion of women in leadership positions.

Workplace Gender Equality Agency director Libby Lyons said the report shows gender-balanced workplaces and gender-balanced leadership teams lower the gender pay gap.

“We must address the stereotypes dictating the work women and men ‘should’ do, if Australia is to meet the social and economic challenges in the decades ahead,” she said.

This article first appeared in [The Sydney Morning Herald](#) on March 2 2017.

## UPCOMING EVENTS

### The Engine Room for Growth? The Role, Performance, and Future Prospects of Small Business in Western Australia



**When:** Friday 26 May 2017, 7.15am to 9.00am

**Where:** The Hyatt Regency Perth, Grand Ballroom  
99 Adelaide Terrace, Perth

The Bankwest Curtin Economics Centre invites you to the launch of the next report in the Focus on Western Australia report series which will examine the role of the small business sector in driving economic growth, employment and prosperity in Western Australia.

As governments grapple with the policy dilemmas of a changing economic landscape, slow productivity growth, and disruptive technologies, governments are placing greater emphasis on the important role of small businesses. Indeed, the 2015 Australian Federal Budget referred to small businesses as the ‘engine room’ of the economy.

### Education Inequality in Australia

**When:** Wednesday 28 June 2017, 7.15am to 9.00am

**Where:** The Hyatt Regency Perth, Grand Ballroom  
99 Adelaide Terrace, Perth

The Bankwest Curtin Economics Centre’s next report in the Focus on the States report series focuses on education inequality in Australia.

This report provides an overview of the importance of education to the economy and society and the role educational attainment plays in shaping the socio-economic outcomes of individuals’ lives. Key indicators relating to educational attainment and access at different levels of education across the States are explored, as are trends over time.

**To express your interest to attend these events, contact the Bankwest Curtin Economics Centre by email [bcec@curtin.edu.au](mailto:bcec@curtin.edu.au) or phone 08 9266 2873**



**Ha Nguyen**  
Research Fellow  
Bankwest Curtin Economics Centre

### HA RESEARCHES INEQUALITY IN AUSTRALIA

Ha Nguyen is a Research Fellow at BCEC, and contributes to the Centre's research into health, wellbeing and disadvantage.

Prior to joining BCEC, Ha held academic positions at the Research School of Economics at the Australian National University and the Centre of National Research on Disability and Rehabilitation Medicine (CONROD) at the University of Queensland.

Ha completed his PhD from the Australian National University, and his general research interests are in the economics of health, labour, education, immigrants and housing.

Ha's recent research projects have centred on the intergenerational transmission of health and human capital; the causal impacts of macroeconomic conditions on health, well-being and labour market outcomes of Australian immigrants; and the dynamics of informal care provision by Australians.

These projects have recently led to five publications in high-impact economics journals including the Journal of International Economics, Health Economics, American Journal of Health Economics and the Economic Record.



**Astghik Mavisakalyan**  
Senior Research Fellow  
Bankwest Curtin Economics Centre

### ASTGHIK'S INTERNATIONAL COLLABORATIONS CONTINUE

In April, BCEC welcomed Dr Anna Minasyan, a development economist from the University of Goettingen in Germany.

Anna is collaborating with BCEC Senior Research Fellow Dr Astghik Mavisakalyan to explore the unusually high ratio of men to women in certain parts of the world – a phenomenon coined as 'missing women'.

Historically, increases in this ratio during and after wars have been observed but not consistently studied. This project will provide the first comprehensive examination of the link between wars

and sex ratios. The project will culminate in the release of research publications that will add valuable insights to the evidence base needed to inform good social and economic policy.

Although Anna has since returned to Germany, the project will continue into late 2017, with Astghik due to visit the University of Goettingen this year.

The project is funded by the Australia-Germany Joint Research Cooperation Scheme, which supports academic exchange and collaboration between researchers in Australia and Germany.



**Naomi Cordell**  
Administrative Officer  
Bankwest Curtin Economics Centre

### TEAMWORK THE KEY TO SUCCESS AT BCEC

Naomi Cordell is BCEC's Administrative Officer and is the friendly voice you're likely to hear when you call the Centre.

Hailing from the United Kingdom, Naomi has worked in a variety of sectors including education, corporate services and recruitment.

Naomi reflects on the success of BCEC, which she says comes from teamwork and unity.

Naomi believes success takes care of itself if a team is moving forward in unison towards a common vision.

A seasoned musician, she enjoys spending her downtime playing clarinet and saxophone in a local symphonic wind band.





## LATEST RESEARCH

# Publications

## Accessing BCEC's Publications

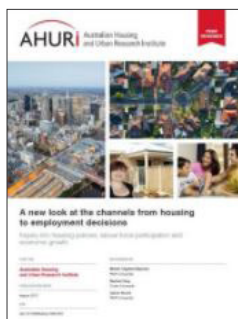
Visit [bcec.edu.au](http://bcec.edu.au) to view the Centre's published reports, journal articles and working papers, along with presentations, newsletters and government inquiry submissions prepared by BCEC.



### The dynamics of informal care provision in the Australian household panel survey: Previous work characteristics and future care provision

**Ha Nguyen, Luke B. Connelly**

This study examines the informal care provision choices of working age Australians. We focus on the impact of previous work characteristics (including work security and flexibility) on subsequent care provision decisions and distinguish between care that is provided to people who cohabit and people who reside elsewhere, as well as between the provision of care as the primary caregiver, or in a secondary caring role.



### A new look at the channels from housing to employment decisions

**Melek Cigdem, Rachel Ong, Gavin Wood**

This study investigates the role of current housing assistance arrangements, housing wealth and mortgages in individuals' employment decisions. The study also explores whether bequests or parental cash transfers, which are typically financed (directly or indirectly) through housing wealth, lower work effort and participation in skills and training programs.

These findings broaden the current evidence base to inform a policy reform agenda that features increasing employment participation rates in order to counter the labour market consequences of population ageing.



### Parental health and children's cognitive and non-cognitive development

**Ha Nguyen, Huong Thu Le**

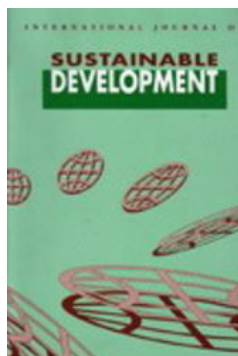
This paper examines the effects of parental health on cognitive and non-cognitive development in Australian children. We find that only father's serious mental illness worsens selected cognitive and non-cognitive skills of children. Maternal poor health also deteriorates some cognitive and non-cognitive outcomes of children of lone mothers only. Our results demonstrate that either failing to account for parent-child fixed effects or using child non-cognitive skills reported by parents could overestimate the harmful impact of poor parental health on child development.



### The edges of home ownership – the borders of sustainability

**Marietta Haffner, Rachel Ong, Susan J. Smith, Gavin Wood**

In many Western countries the edges of ownership form a neglected zone between the majority tenure, sustainable owner-occupation, and the minority experience, long-term renting. In these tenure-divided societies, it is surprising that so little attention has been paid to the zone of transition between styles of accommodation, not least because the edges of ownership are now so precarious. The six papers included in this special issue advance empirical and conceptual understandings of these neglected zones, showing how, increasingly, they compromise the sustainability of housing solutions.



### Re-imagining the future for desert Australia

**Digby Race, Michael Dockery, Lisa Havas, Catherine Joyce, Supriya Mathew, Bruno Spandonide**

Desert regions of the world comprise about 25% of the world's land surface and are home to 500 million people, yet are often portrayed as extreme places with resident communities marginalised from mainstream development. Australia has a relatively vast desert region, covering about 70% of the continent and home to about 200,000 people. This article draws together research on climate change, energy, housing and transport to provide a transdisciplinary analysis of how the desert region could become a highly liveable and prosperous area for existing and new residents.



**Let's keep in touch**

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