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**AN INTERNATIONAL COMPARISON OF THE IMPACT
OF PUBLIC POLICIES ON WOMEN'S PROGRESS IN THE
ACCOUNTING PROFESSION**

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ABSTRACT

Women's progress in entering the profession of public accounting varies across nations. Factors that affect women's progress are not unique to accounting but are universal obstacles confronting women in workplaces generally. Therefore, we consider the relationships between strengths and effectiveness of workplace equity and family friendly (family leave, childcare) policies and implementations with women's representation in the profession in six nations: Australia, Canada, Great Britain, Japan, Sweden, and the United States. The comparatively greater strength and duration of U. S. affirmative action policy may partially explain the superior progress of U. S. women in public accounting.

Introduction

A debate within the literature concerns the source of the labor market gender gap: human capital factors or discrimination. Overall, research findings indicate that human capital factors explain only part of the gap.¹ For example, Stroh, Brett, and

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¹ Margaret L. Andersen, *Thinking About Women* sixth edition, Allyn and Bacon, Boston, (2003).

Reilly² studied 1000 top managers at the twenty top United States companies and found that when women and men were equal in education, job tenure, work experience, and willingness and ability to relocate, women received smaller salary increases and fewer opportunities to relocate. Indeed, the American Management Association and the Business and Professional Women's Foundation³ reported that among high level managers, women's base salaries averaged under 70 percent of men's. The higher the management level, the greater is the wage gap. Likewise, Lyness and Judiesch⁴ found that women in high status jobs received comparably fewer promotions than do men in these roles. Thus, even with attempts to address gender inequality in promotions through policies such as affirmative action, the gap has not yet been eliminated.⁵ When human capital variables are controlled, women continue to lag behind men in promotions.⁶

Other researchers⁷ have found women, but not men, pay a parenthood wage penalty of five to thirteen percent. The penalty was not fully explained by experience differentials for it remained at five percent when experience was controlled. Further, little of the gap was found to result from "mother friendly" work conditions such as flexible hours.

That a gender gap remains when human capital factors are controlled suggests the continuing need for policies to reduce

² L. K. Stroh, J. M. Brett, and A. H. Reilly, "Family Structure, Glass Ceiling, and Traditional Explanations for the Differential Rate of Turnover of Female and Male Managers," *Journal of Vocational Behavior*, Vol 49: 1 (1996) 99-118.

³ American Management Association and Business and Professional Women's Foundation, "1999 AMA/BPW Survey," 1999, <http://www.amanet.org>.

⁴ K. S. Lyness and M. K. Judiesch, "Are Women More Likely to Be Hired or Promoted Into Management Positions?" *Journal of Vocational Behavior*, Vol 54:1 (1999) 158 to 173.

⁵ Glass Ceiling Commission, *Good for Business*, Washington D. C.: U. S. Government Printing Office (1995).

⁶ Andersen.

⁷ M. G. Budig and P. England, "The Wage Penalty for Motherhood," *American Sociological Review*, Vol 66 (2001) 204-255; J. Waldfogel, "The Effects of Children on Women's Wages," *American Sociological Review*, Vol 62 (1997), 209-217.

differences due to discrimination. In this paper we consider whether policies that focus on improving compatibility between work and family versus those that target elimination of gender based differences in pay, promotions, and the like have greater impact on promoting equality. Thus, we consider whether workplace equity or family friendly policies better predict progress of women in the workplace. We focus on public accounting as an example because the process of obtaining certification is documented and highly visible compared to census classifications, where individuals of differing levels of skill and education can be classified similarly. We compare policies relevant to compatibility of work and family roles (affirmative action, family leave, and childcare policies) and the status of women in public accounting in: Australia, Canada, Great Britain, Japan, Sweden and the United States.

Workplace Equity Policies and Implementation

Australia: The Sex Discrimination Act of 1984 and the Commonwealth Affirmative Action Act of 1986 prohibited direct and indirect gender discrimination by employers. However, enforcement was problematic because orders for damages and compensation by the Commonwealth Human Rights and Equal Opportunity Commission were often required to be reheard in Federal Court.⁸ Data and research on women in the labor market indicated a continuation of massive indirect discrimination, as well as lack of government support to take cases of persistent indirect discrimination forward.⁹

Thus, the 1999 Equal Opportunity for Women in the Workplace Act requires more positive action from employers. Employers must develop an equal opportunity program for women and report annually to the Equal Opportunity for Women in the Workplace Agency on the plan's effectiveness. Employers must

⁸ Barbara Sullivan, "Women and the Current Queensland State Government," *Hecate*, Vol 19 (1993), 8-26.

⁹ Women's Electoral Lobby, "1998 Review of the Affirmative Action Act of 1986," www.wel.org.au/issues, (1998) 1-8.

demonstrate that they have identified the issues for women and taken action to address them. Women working full time earn 84% of men's wages but only 66% when all levels of employment (full, part-time and overtime) are included.¹⁰

Canada: In 1996 Canada replaced two 1986 acts with the new Employment Equity Act and Regulations, a single and more comprehensive policy governing both private and public sector employers under federal jurisdiction. The new act strengthened previous laws by clarifying employers' responsibilities and by giving the Canadian Human Rights Commission the authority to audit employers to ensure compliance. Coverage was extended to all federal departments and agencies and to all "separate employers" with 100 or more employees.¹¹

Canada's policy goes beyond traditional affirmative action because it has the potential to eliminate pay gaps between male-dominated and female-dominated occupations with similar requirements in the same workplace. The onus is placed on the employers to prove real differences between the two occupations to warrant the pay differential.¹²

Workforce participation in 2000 was 73% for men and 60% for women.¹³ Overall representation of women to men in administrative and managerial occupations is 0.89 to 1.0, and women represent approximately 45% of legislative officials and government administrators.¹⁴ While the gender gap among those

¹⁰ Equal Opportunity for Women in the Workplace Agency, "Paid Maternity Leave, Where Are We Now", www.eeo.gov.au/About_Equal_Opportunity/Key_Agenda_Items/Work_Life_Balance/Paid_Maternity_Leave.asp, March 5, 2001.

¹¹ Berna J. Skryipnek, Janet. E. Fast, "Work & Family Policy in Canada," *Journal of Family Issues*, Vol 17:6 (1996) 793-813.

¹² N. M. Fortin, M. Huberman, "Occupational Gender Segregation: Public Policies and Economic Forces," *Canadian Public Policy—Analyse de Politiques*, Vol 28,:1 (2002), 1-10 at 3.

¹³ Fortin and Huberman.

¹⁴ Richard Anker, "Gender and Jobs: Sex Segregation of Occupations in the World," United Kingdom: International Labour Organization, (1998).

with university education is narrowing, in 1998, 49% of female and 62% of male graduates held high level jobs.¹⁵ Although many women are in positions of authority, Canada includes a broad range of workers in high level categories. For example, clerical, sales, service and production supervisors are categorized as managerial.¹⁶ Hence, the picture is not as rosy as the data suggest.

While Fortin and Huberman¹⁷ cite women's hourly earnings as 84 to 91% of men's hourly earnings, when part-time jobs are factored in, women's earnings range from 58 to 66% of men's earnings.¹⁸ Even in professional and administrative categories women earn 15 to 20% less than their male counterparts.¹⁹ Workplace characteristics, such as size of company, may account for as much as 40% of the wage gap.²⁰

Great Britain: The Sex Discrimination Act of 1975 made it illegal to discriminate directly or indirectly on the grounds of sex or marital status in decisions regarding hiring, training, or promotion and required the establishment of an Equal Opportunities Commission to monitor and enforce the legislation. The act does not permit positive discrimination but does allow positive action in training for jobs where women are unrepresented or underrepresented. Nonetheless, the Sex Discrimination Act has been comparatively ineffective due to several factors. First, employers are not required to implement positive action plans. Second, the burden of proof is placed on the complainant. Third, redress is limited to the complainant. Courts cannot order

¹⁵ W. Clark, "Economic Gender Equality Indicators,"(2000), www.swc-cfc.gc/pubs/egei2000/index_ehtml

¹⁶ Anker.

¹⁷ Fortin and Huberman.

¹⁸ J. Rebick, "Unity in Diversity: The Women's Movement in Canada," *Social Policy*, 23, 1, 47-56, (1992); Clark 2002.

¹⁹ International Labour Organization, "Remuneration for Women's Work: A Curious Paradox," (2002) Press Kit: All Women Are Working Women.

²⁰ Fortin and Huberman, 2002.

employers to review their employment policies nor to show evidence of future policy compliance.²¹

Great Britain falls midway among European Union nations in size of pay gap with women earning 78% of men's earnings. The gender pay gap is only 15% in the lowest 10% of salaries but is 35% in the highest paid 10%. Of those with university degrees, women earn 32% less than men compared to a gap of only 22% for those with no qualifications past basic schooling. These figures suggest that educational credentials do not reduce the gender pay gap. Research suggests job segregation to be a factor in pay gap.²² Likewise, women are overrepresented in part time jobs.²³

Japan: Prior to 1986 work equity laws did not apply to the private sector, lacked penalty clauses, and failed to address all forms of discrimination.²⁴ To fulfill requirements of the U. N. Convention, stronger laws were approved in 1986 and 1999. Japan's work equity laws now apply to both public and private sectors and prohibit gender discrimination in salaries, hiring, and retirement.²⁵

Data from the ministry of labor indicates many industries continue to discriminate against women in wages, job assignments, on-the-job training, promotion, and retirement age. The following points provide documentation of these problems. First, the gender salary gap remains one of the largest in the industrialized world. Women's salaries range from 52% to 62% of men's salaries.²⁶

²¹ MacLennan, N.Fonda, and F. Nickie, "Great Britain," Women Workers in Fifteen Countries, in J. Farley, ed., (New York: ILR Press, 1985), 90-111.

²² "Women's Pay in Europe," Labour Market Trends, vol 110:5, 227, (2002)

²³ International Labour Organization

²⁴ Hiroko Hayashi, "Japan," in Women Workers in Fifteen Countries, Jennie Farley, ed., (New York: IRL Press, 1985), 57-67.

²⁵ Peter Custers, "Capital Accumulation and Women's Labour in Asian Economies." (London: Zed Books, 1997); "Japan: Job Market for Women Closing Again," Winter, 1993, Women's International Network News, Vol. 9:1 (Winter 1993), 55; "Japan: Prohibition of Night and Overtime Work for Women Lifted, Women's International Network News, Vol 26:1 (Winter 2000), 65.

²⁶ Custers, 1997; "Women in Japan Still Ignored by Business and Government," Women's International Network News, Vol 23:1, (Winter 1997), 57; Cameron

Second, Japan's 1986 Equal Opportunities Law does not prohibit discrimination in job assignments within firms. Thus, men's work is often defined as executive or skilled and women's work as clerical or unskilled.²⁷ Further, two thirds of temporary and part-time workers are women. Third, a gender gap in on-the-job training serves to justify a gender-based gap in promotions.²⁸ Even among college degreed job seekers a gender gap in hiring persists with male graduates twice as likely as female graduates to find jobs. Less than 1% of women graduates enter professional tracks.²⁹ Fourth, Japanese women suffer more severe levels of sexual harassment than women in other industrialized nations with 26% reporting harassment incidents over a two year period.³⁰ One reason for high levels of harassment is that employers lack formal systems for dealing with harassment.³¹

Factors in the relatively slow progress for women include: lack of penalties for employer violations, failure to place burden of proof on employers, women's reluctance to take legal actions,³² grievance procedures that make it difficult for women to prevail, decade long court processes that make legal expenses prohibitive and government's lack of leverage to force employers to change their practices.³³

Sweden: Sweden's most recent Equal Opportunity Act became effective in 1992. This act requires employers: to promote gender balanced job distributions; to try to attract

W. Barr, "Japanese Women Refuse to Bow to Job Discrimination," *Christian Science Monitor*, 87:183, (August 16, 1995):1-2; "Working Women: Four Country Comparison," *Wall Street Journal*, (July 26, 1995); K. Kodera, "gender and Space in Japanese Society: An Illusion of Motherhood," *International Review of Sociology*, Vol. 6:3, 465-478.

²⁷ Custers; *Women in Japan...*

²⁸ Custers.

²⁹ Barr.

³⁰ *Working Women...*, 1995.

³¹ Anne B. Fisher, "Japanese Working Women Strike Back," *Fortune*, Vol. 127:11, (1993), 22.

³² *Japan: Job Market...*, 1993.

³³ Barr.

applicants of the underrepresented gender; to make it easier to combine parenthood and employment; to counteract gender pay and other work condition differences in jobs where work is of equal value; to insure no employee is subjected to sexual harassment; and to be nondiscriminatory in hiring, terms of employment, pay, choice of assignments and termination. Employers with ten or more employees must make annual equality reports, including measures taken and gender pay differentials. The Equal Opportunities Commission is able to order employers to take active measures to promote equality.³⁴ Women's labor market participation was 75% in 1998.³⁵ Additionally, Sweden has the smallest pay gap of European Union nations; women's earnings average 88% of men's earnings.³⁶ Between 1968 and 1991 gender segregation declined from 68% to 53%. However, the Swedish market remains more segregated than most other developed nations.³⁷ In 1998 among Swedes aged 20 to 64, 27% of women versus 6% of men were employed part-time.³⁸ Likewise, a glass ceiling continues to exist with obstacles greatest in moving to the middle management level, though there are also statistically significant obstacles in moving from non-management to management.³⁹ In Sweden, men are 4.2 times more likely to hold top management positions than women, compared to a gap of 1.8 in the U.S.⁴⁰ Although the United Nations ranked Sweden at the top of 116 nations in gender equality,⁴¹ this ranking seems

³⁴ Nordic Council of Ministers, "Women and Men in the Nordic Countries," (Copenhagen: Nordic Council of Ministers, 1999).

³⁵ Fortin and Huberman.

³⁶ Women's Pay..., 2002.

³⁷ Magnus Nermo, "Occupational Sex Segregation in Sweden, 1968-1991," *Work and Occupations*, Vol. 23:3 (1996), 319-332.

³⁸ Nordic Council of Ministers, 1999.

³⁹ Janeen Baxter and Eric O. Wright, "The Glass Ceiling Hypothesis: A Comparative Study of the United States, Sweden, and Australia," *Gender & Society*, Vol. 14:2 (2000), 275-294.

⁴⁰ Baxter and Wright.

⁴¹ N. Benokraitis, *Marriages and Families* 3rd edition, Upper Saddle River, N.J.: Prentice Hall (1999) at 80.

somewhat surprising given Sweden's comparatively high levels of gender segregation and its glass ceiling problem.

United States: The Equal Pay Act of 1963 forbids pay differentials on the basis of sex. Title VII of the Civil Rights Act of 1964 bans discrimination in employment based on race, color, religion, sex, or national origin. Since 1975, employers are required to have affirmative action plans, to regularly review their employment policies, and to be able to prove compliance. U.S. affirmative action policy has been regarded as a standard of comparison;⁴² because burden of proof lies with employers.

Despite this, implementation has fallen short of total effectiveness. Reasons for shortfalls include absence of: uniform interpretations across regional offices, useful guidelines, and specific criteria to determine discrimination.⁴³ For example, French and Wells⁴⁴ linked these factors to massive noncompliance among institutions of higher learning.

On the other hand, two court cases have set precedents in the process of evaluating women for promotion. In *Hishon versus King & Spalding* (1984) the U.S. Supreme Court ruled unanimously that partnership decisions fall under Title VII of the Civil Rights Act of 1964. In *Hopkins versus Price Waterhouse* (1989) the U.S. Supreme Court reaffirmed that judging the conduct of employees based on traditional gender stereotypes falls under federal rules against sex discrimination.

The gender wage gap has declined among full-time workers from 63% in the 1970s to 76% in 2000.⁴⁵ However, courts have read the civil rights and equal pay acts narrowly and have refused

⁴² D. R. Margolis, "Women's Movements Around the World," *Gender & Society*, Vol 7:3 (Fall, 1993), 379-99.

⁴³ L. Wilson, *American Academics: Then and Now*, New York, NY: Oxford University Press, (1979).

⁴⁴ Sandra French and Alan Wells, "Affirmative Action in the 1980s: A Study of Compliance in Higher Education," *Sociological Focus*, Vol 24:4 (Winter, 1991) 343-55.

⁴⁵ Christine Larsen, "Why the Wage Gap?" *National Association for Female Executives*, 2002, <http://nafe.com/wagegap.html>.

³⁹Baxter and Wright.

to find against employers who pay men and women differently for similar work, invoking notions about the market setting wages. Therefore, employers may assign different pay for jobs requiring nearly the same duties and conditions as long as they don't explicitly link pay to gender. As previously noted, in the U. S. the gap between women and men in reaching upper management is less than in Sweden.⁴⁶

Policy Ratings: U.S. Affirmative Action policy has been in place longer and has served as a model for a number of countries including some in this comparison. Therefore, we rate the U.S. strong on work equity policies. We rate Canada's and Sweden's policies strong because they enacted laws during the 1990s requiring employers to have plans and report progress to central agencies that have the power to enforce compliance. In 1999, Australia strengthened its policies, but the policies in place for much of the period were difficult to enforce. Thus, we rate Australia moderate. In both Japan and Great Britain burden of proof is placed on the complainant. In Great Britain no positive action is required. In Japan there is no penalty clause for noncompliance. Thus, we rate Japan and Great Britain weak.

Implementation Ratings: We rank Australia, Great Britain, Canada and Sweden moderate. While the pay gap overall in Australia is less than in Japan and Canada, it exceeds the gap in the other three nations. We rank Great Britain moderate because the overall pay gap is 22%, the same as the pay gap for basic schooling only, while the gap for those with college degrees is 32%. This suggests the vast majority of employed women lack educational credentials for better jobs and, further, that educational credentials do not reduce the gap. While Canadian gender wage gap is relatively large, women's representation in managerial and administrative jobs is superior to that in most other countries. We rank Sweden moderate because Sweden has a more substantial glass ceiling problem than the U.S. and higher levels of job segregation than the other countries. Japan is rated weak. The

gender salary gap is one of the highest in the industrialized world, and job segregation, glass ceiling, and sexual harassment problems are substantial.

The likelihood of women being promoted to first and mid-level management is higher in the U. S. than in Sweden even though the wage gap is greater in the U.S. Pay gaps are similar in the U.S. and Great Britain, but fewer women with university credentials are in the British labor market. Therefore, we rate the U.S. moderate to strong.

Family Leave: Policies and Implementation

Australia: Australia was the first nation to provide maternity benefits. The 1912 Maternity Allowances Act provided benefits to offset costs of pre- and postnatal nutritional and medical care. While small (equivalent to two weeks pay), the plan was noncontributory and benefits were seen as rights owed to citizens.⁴⁷ However, in a 1998 United Nations study of 152 developed countries Australia was one of only six nations lacking a national paid maternity leave.⁴⁸ While 34% of all workplaces offer paid maternity leave, only 23% of private sector employers do so, but many of the 23% also offer paternity leave.⁴⁹

Canada: *In all industries that fall under federal jurisdiction, women who have worked for the same employer at least six months are entitled to 17 weeks unpaid maternity leave and must be reinstated with the seniority they had prior to the leave. Pension, health, and disability benefits must continue during leaves and protective reassignments are required if working conditions are hazardous to the mother, fetus or nursing child.*

⁴⁷ N. G. Butlin, A. Barnard, and J.J. Pincus, *Government and Capitalism: Public and Private Choice in Twentieth Century Australia*, (Sydney, Australia: George, Allen and Unwin, 1999).

⁴⁸ David M. Newman, and Liz Grauerholz, *Sociology of Families*, 2nd ed (Thousand Oaks, California: Sage Publications, 2002); Marilyn Gardner, "Why Do Americans Get Short-Changed on Maternity Leave?" *Christian Science Monitor*, (February 18, 1998), 5.

⁴⁹ Equal Opportunity for Women.

*The Canadian Labour Code provides a maximum of 24 weeks unpaid parental leave that may be shared between parents or used solely by either parent. Both natural and adoptive parents are eligible. Canadian workers not covered by the Code are covered by provincial legislation, some providing significantly less and some significantly more leave.*⁵⁰

Under the Unemployment Insurance Act of 1971, women who are employed for a minimum of 20 weeks are eligible for unemployment insurance at 60% of weekly pay for 15 weeks: fathers or adoptive parents are entitled to 10 weeks coverage.⁵¹

Great Britain: Until the mid 1990s, when the EEC began to focus on family policy, the U.K. did not consider parental leave a priority.⁵² The U.K. has since adopted policy requiring that parents receive 18 weeks of maternity leave at 90% of their salaries, 12 additional weeks at a lower rate, and up to 40 weeks of unpaid family leave.⁵³

Japan: Japan's Childcare Leave Bill of 1992 applies to both men and women and to the public and private sectors. An employee may take time to care for a child under age one and must be reinstated afterwards but not necessarily in the same or an equivalent position. However, there are no penalties for noncompliance and no guarantees of income or substitute workers during leaves.⁵⁴ Despite this, Japanese women are required to take eight weeks of leave after delivery.⁵⁵ Company sponsored maternity leave is unavailable.⁵⁶

Sweden: Sweden allows men and women one month maternity/paternity leave with 90% compensation, an additional ten months at 80%, a final three months at a marginal level of

⁵⁰ Skryipnek and Fast.

⁵¹ Skryipnek and Fast.

⁵² Linda Hantrais, "Comparing Family Policy in Britain, France and Germany," *Journal of Social Policy*, Vol 23: 2 (Summer, 1994), 135-60.

⁵³ Newman and Grauerholz.

⁵⁴ "Japan: Childcare Leave Bill Before the Diet," *Women's International Network News*, Vol 17:3 (Summer, 1991),

⁵⁵ *Working Women...*, 1995.

⁵⁶ Fisher.

compensation and an additional four months of unpaid leave for a total of 18 months leave with job protection. A parent can also elect a six hour day until a child is eight years old. Paid temporary leaves of 60 days a year to care for sick children to age 12 are allowed. Parents are also allowed two paid days per year to visit a child's school or daycare. Pregnant women in positions unsuited to pregnancy must be relocated or they must be granted leave during the remainder of the pregnancy.⁵⁷ These policies tend to increase differences between women and men workers because men rarely use the leaves. Indeed, women are often penalized in a range of ways: placement in lower paid, low level or unskilled jobs; or placement in reserve work pools, evening work, or part-time positions without benefits. Women employees, compared to men, have less difficulty taking leaves but greater difficulty returning after leaves.⁵⁸

United States: The U.S. had no federal family leave policy until 1993. The Family Medical Leave Act provides 12 weeks of unpaid leave per year for the birth or adoption of a child or to care for a sick child, parent, or spouse. The act has a number of serious limitations: it includes only workers who have been employed continuously for at least one year for 25 hours or more per week; the law exempts companies with fewer than 50 employees, thus covering only about 40% percent of full time workers; and allows an employer to deny leaves to the highest paid 10 percent of its workforce if the leaves would create "substantial and grievous injury" to business operations.⁵⁹

Family Leave Policies and Implementation Ratings: We rank the U. S., Australia, and Japan weak because none have paid family leave policies. Canada provides 60% of pay during

⁵⁷ Karin Widerberg, "Reforms for Women on Male Terms: the Example of the Swedish Legislation on Parental Leave," *International Journal of the Sociology of Law*, Vol 19 (1991), 27-44; Nordic Council of Ministers "Gender Equality: the Nordic Model," (Copenhagen: Nordic Council of Ministers, 1995), 20-21; *Working Women...*,1995.

⁵⁸ Widerberg.

⁵⁹Newman and Grauerholz.

maternity leave for 15 weeks for a moderate ranking. Great Britain and Sweden are both rated strong for providing up to 90% of salary for reasonable amounts of time.

Childcare: Policies and Implementation

Australia: In the 1970s the government established family daycare places. However, low funding for these daycare providers has limited service.⁶⁰ The most prevalent source of childcare is the private sector (centers, kindergartens, pre-schools) followed by babysitters and nannies. Thirty percent of households with children purchase daycare, while another 30% are assisted by relatives or friends.⁶¹

Canada: Childcare falls under provincial jurisdiction. Canada has federal-provincial cost-sharing agreements to subsidize childcare for low-income, single and unemployed parents.⁶² Daycare fees have increased relative to pay rates; government funding has declined; and daycare openings have not kept pace with demand. Thus, single mothers cannot afford licensed daycare and resort to unlicensed care. Many dual career families earn too much for subsidies but still find unsubsidized daycare difficult to afford.⁶³

Great Britain: Maternal employment is seen as an individual responsibility. The state subsidizes daycare only for the neediest. Employers that provide workplace nurseries get tax deductions but there are no employee tax deductions for childcare expenses. Thus, approximately 33% of women stop working after childbirth, and men rarely take career breaks. Most British employed mothers work 29 hours per week or less. Making childcare arrangements is so difficult that 57% of mothers with preschool children use more than one source of care to reduce

⁶⁰ Andrea Petrie, "Family Day Care Schemes," *Hecate*, Vol 17 (1991), 61-6.

⁶¹ Michael Bittman, George Matheson, and G. Meagher, "The Changing Boundary Between Home and Market: Australian Trends in Outsourcing Domestic Labour," *Work, Employment & Society*, Vol 13: 2, (1999), 249-273.

⁶² Skryipnek, and Fast at 16.

⁶³ Wood, et. al..

impositions on unpaid helpers. In Britain childcare arrangements are: 3% in daycare, 33% with grandparents; 27% with babysitters, 7% in the care of nannies, and 30% in nursery schools.⁶⁴

Japan: Japan provides no government childcare aside from small subsidies to corporations who voluntarily establish childcare assistance.⁶⁵ Only 19.2% of businesses provide childcare assistance and only 23.5% of female workers have any childcare available.⁶⁶ Furthermore, existing daycare centers operate only from 8 a.m. until 5 p.m. Given that workdays in Japan are 12 hours and mandatory overtime is commonplace, the effect of limited daycare hours is to force employed mothers to leave their jobs or to accept part time work. In Japan only 10.6% of children under three, 30.5% of children aged three, and 30.8% of those aged four and five are in daycare.⁶⁷

Sweden: Sweden is the best provider of childcare of all Nordic countries with 58% of children under seven and 29% of children aged seven to twelve in municipal childcare.⁶⁸ A total of 74% of Swedish children are in some form of daycare at least part time.⁶⁹

United States: Sixty-seven developed countries provide some form of childcare or child allowances to assist those raising children.⁷⁰ The United States does not. The U.S. does permit tax deductions for childcare expenses, though those at lower socioeconomic levels lack sufficient income to take advantage. The government grants some, though insufficient, matching funds to states to provide childcare for low-income families.⁷¹ Parents must rely on what the private sector provides. Of children aged 3

⁶⁴Windebank.

⁶⁵ Fisher.

⁶⁶ Japan: Childcare Leave Bill...

⁶⁷ Working Women...

⁶⁸ Working Women....

⁶⁹ Nordic Council of Ministers, Women and Men..., 1999.

⁷⁰ Maxine Zinn and D. Stanley Eitzen, Diversity in Families, 3rd ed.,(New York, : Harper Collins, 1993).

⁷¹ Zinn and Eitzen.

to 5, 64% are in daycare centers and 14% are cared for by friends or family members. Of children under one year, 10% are in daycare centers and 15% are in family daycare; of children aged one and two, 20% are in daycare centers and 18% are in family daycare.⁷²

Childcare Policies and Implementation Ratings: Australia's day care policies are weak; funding is minimal. Great Britain's and Japan's policies are also weak. Although both offer tax deductions or subsidies to employers who provide childcare, few employers take advantage. Canada is rated weak to moderate as is the U.S. Both subsidize childcare for low-income families. The U.S. also offers tax deductions for a portion of childcare expenses. We rank Sweden's childcare policies strong; a majority of Swedish children receive municipal childcare.

Women's Representation in the Accounting Profession

Australia: As early as the late 1980s major chartered accounting firms reported that close to 50% of new recruits were female.⁷³ Additionally, many employers characterized women as, "more highly motivated...more impressive all round than males."⁷⁴ Today more than half the candidates enrolled in post-graduate accounting programs are women. Additionally, membership in CPA Australia reflects increasing numbers of women; representation of women increased from 5% in 1978 to 15% in 1990 to 31% in 2000.⁷⁵ However, career barriers remain: lack of female mentor support, little allowance for family commitments

⁷² Wall Street Journal, "Working Women: Four Country Comparison," (1995), July 26.

⁷³ Carol Cohn, "Chiefs or Indians: Women in Accountancy," Australian Accountant, December, (1991); 20-30.

⁷⁴ Cohn, at 20.

⁷⁵ Institute of Chartered Accountants of Ontario, 2002, Annual Report, www.icao.on.ca.

and lack of flexible working hours⁷⁶ and male culture within organizations.⁷⁷

Canada: As early as 1988, 50% of new hires in the public accounting profession were women.⁷⁸ However, McKeen and Bujaki⁷⁹ found that of those who qualify as Chartered Accountants in the same year, the proportion of women reaching partnership is lower than that of men. This is due, in part, to higher turnover rates among women than men.

By 1996, Ernst and Young had increased the number of Canadian female partners to nearly 10% of its total but, like other firms, was losing too many women professionals. The company's solution was more active recruiting and family-friendly work arrangements.⁸⁰

While the partnership pool of the six largest firms was about 33% women, the last partnership admission round ranged from zero to 22% women.⁸¹ The Institute of Chartered Accountants of Ontario⁸² reports a 24% female and 76% male membership.

Great Britain: Women were 19.6% of members of the Institute of Chartered Accountants in 2000, up from 10% in 1989.⁸³ Recent data on women's salaries and advancement is lacking in the literature. In 1990, Silverstone found that the

⁷⁶ Philomena Leung, "Women in Chartered Accountancy: Career Expectations and Barriers," Social Science Research Network, Working Paper Series, 2005, Social Science Electronic Publishing,

http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2890.

⁷⁷ Leung, Clive Morely, Sheila Bellamy, et. al., "Gender Differences in Career Attitudes of Accountants and Their Impact on Career Progression," <http://commerce.adelaide.eud.au-bus.osaka-cu.ac.jp-visar.csustan.edu>.

⁷⁸ McKeen and Richardson..

⁷⁹ [1994].

⁸⁰ Steve Brearton, "Ties That Bind," CA Magazine, (Mar. 2004) Vol. 137:2,11.

⁸¹ Institute of Chartered Accountants of Ontario, 2002

⁸² Ibid.

⁸³ Institute of Chartered Accountants, 2000.

proportion of female partners lagged that of female entrants for respective hiring periods.⁸⁴

Japan: Between 1990 and 2000, the number of CPAs in Japan grew by more than 50%. The growth should have provided employment opportunities for the increasing number of female graduates of colleges and universities.⁸⁵ Yet, recent data indicate only 7% of Japanese CPAs and 17% of associate CPAs are women⁸⁶ and the salary ratio for female to male Japanese accountants is .79.⁸⁷

Sweden: Women constitute 23% of Authorized Public Accountants.⁸⁸ There is a dearth of literature regarding the status of female versus male accountants in Sweden. This lack provides opportunities for empirical research.

United States: Since the early 1990s the female percentage of new hires in public accounting has steadily risen from 50% to 56% in 2001. Currently, professionals in CPA firms are 58% male and 42% female. However, females represent only 18% of the partnership ranks.⁸⁹

Women CPAs continue to advance at a slower rate and are outnumbered by men in all areas of firm management, despite the fact that firms are offering more flexible work options to allow better life balance. In a related study no evidence was found in academia that women accounting faculty must achieve higher

⁸⁴ Rosalie Silverstone, "Women in Accountancy: Ten Years On," *Accountancy*, (Sept. 1990) 70-3.

⁸⁵ Yvonne Stedham, Jeanne Yamamura, "Gender and Salary: A Study of Accountants in Japan," Working Paper, <http://www.sba.muohio.edu>.

⁸⁶ The Japanese Institute of Certified Public Accountants. E-mail from Department of International Affairs. June 27, 2000.

⁸⁷ Stedham, Yamamura.

⁸⁸ Karin Engblom-Fredrikson, The Swedish institute of Authorised Accountants e-mail, March 31, 2000.

⁸⁹ American Institute of Certified Public Accountants, *The Supply of Accounting Graduates and the Demand for Public Accounting Recruits*, (New York, AICPA, 2002).

research output than male faculty in order to gain tenure.⁹⁰ Further research could focus on the source of the seeming disparity between the corporate and academic environments.

Summary and Discussion

Table one provides a summary of the social policy rankings and the status of women accountants for each nation in the study. Social policies relevant to compatibility of work and family roles and workplace equity in Australia, Canada, Great Britain, Japan, and the United States differ in strength and effectiveness. These policy differences are important because they may facilitate or restrict choices and opportunities for men and women to participate in work and family roles.

Although recently enacted, Canada's affirmative action policy may be the most inclusive. Australia and Sweden have also recently strengthened their policies. Previously, the U.S. policy was seen as the strongest, although enforcement has frequently been ineffective.⁹¹ Great Britain and Japan have the weakest policies of the six nations considered here. We rated the U.S. policy strongest because it has been in effect much longer, thereby having greater opportunity for impact on the employment data for women in accounting.

We rated Sweden's family leave and childcare policies strongest. Great Britain, while still having weak childcare policies, has recently strengthened family leave policies. This suggests that Great Britain prefers to encourage parental as opposed to third party childcare. Because Canada provides paid leaves, we rated its policies stronger than those of Great Britain, Australia, Japan and the U.S.

The comparatively greater strength and duration of U.S. affirmative policy may partially explain the superior progress of U.S. women's entry into public accounting as compared to the

⁹⁰ Steve Buchheit, Allison Collins, "Must Female Faculty Publish More to Achieve Tenure?" *Women in Management Review*, (2000) Vol 15:7, 344-55.

⁹¹ Margolis

other nations. In contrast, national family leave and childcare policies in Sweden, and to some extent in Great Britain and Canada, are clearly superior to those in the U.S., Australia and Japan.

Conclusion

While strong affirmative action policy appears to facilitate women's entry into traditionally male dominated professions like public accounting, a gender gap continues to exist in mobility within the profession. Research findings suggest the mobility gap may be at least partly explained by resignations or departures due to inability to integrate work and family life. None of the six nations have strong rankings in both work equity and family friendly policies. Elimination of a gender gap in the work force may be dependent upon the strength of both workplace equity and family friendly policies. Canada has moderate family friendly policies and a recently strengthened affirmative policy; Sweden has strong family friendly policies and a recently strengthened affirmative action policy. Will the combination of stronger family friendly policies and strong affirmative action policy lead to improved gender equity in both entry and mobility in these two countries? The results will be interesting to watch.

Table I
Social Policy and Implementation Ranking

	<i>Australia</i>	<i>Canada</i>	<i>Great Britain</i>	<i>Japan</i>	<i>Sweden</i>	<i>United States</i>
Work Equity Policies	Moderate	Strong	Weak	Weak	Strong	Strong
Work Equity Implementation	Moderate	Moderate	Moderate	Weak	Moderate	Moderate to Strong
Family Leave	Weak	Moderate	Strong	Weak	Strong	Weak
Child Care	Weak	Weak to Moderate	Weak	Weak	Strong	Weak to Moderate
% Of Women in Accounting	24%	Over 40%**	19.6%	7 – 17%*	23%	42%

* 7 % of CPAs; 17% of Associate CPAs

** Profession of accounting, not necessarily certified