



DIVERSITY
COUNCIL
AUSTRALIA

30 January 2013

Julie Collins
Minister for Community Services
Minister for Indigenous Employment and Economic Development
Minister for the Status of Women
PARLIAMENT HOUSE
CANBERRA ACT

Dear Ms Collins,

I am delighted to enclose Diversity Council Australia's submission for the next stage of implementation of the Workplace Gender Equality Act (WGE Act) 2012.

Our submission has been prepared as a result of extensive consultation with our members, many of whom are leading the way in efforts to attract, retain and promote women and who are also broadening their diversity agendas to include men as carers and diversity amongst women.

Our members have been formally consulted and prepared written submissions and we have also held an informal consultation roundtable to canvas their views.

DCA looks forward to continued consultation as a key stakeholder so that the Act is implemented in the most appropriate and relevant way and has the best opportunity to meet the objectives it has specified.

I look forward to hearing back from you in the next few weeks.

Yours sincerely,

Nareen Young
Chief Executive Officer

**DCA's Submission on the
Workplace Gender Equality Act 2012
Consultation on reporting matters**

January 2013

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Introduction

Diversity Council Australia (DCA) is delighted to support and inform the Minister for Women and the newly established Workplace Gender Equality (WGE) Agency as it moves into the next phase of implementation of the WGE Act following its Royal Assent on 6 December 2012.

The following submission reflects the views of our members who have been consulted regarding the establishment of reporting matters under the Gender Equality Indicators (GEIs) in the Act. We hope that outcomes from this new era in legislation will progress the agenda for working women in Australia.

In particular, DCA welcomes the new focus on recognising the caring role undertaken by both working women and men. We are hopeful that supporting men and women as carers will see flexible working becoming increasingly mainstream, and no longer negatively impact on women's careers.

DCA's response focuses on questions raised in WGE Consultation Paper and particularly to the examples of reporting measures listed in the Draft Framework for Reporting Measures under the Gender Equality Indicators (attached).

About DCA

Diversity Council Australia provides diversity advice and strategy to over 180 organisations, many of whom are Australia's biggest employers.

In partnership with our member organisations, our mission is to:

1. Lead public debate;
2. Develop leading diversity research, thinking and practice;
3. Enable diversity management in a dynamic environment; and
4. Drive business improvement through successful diversity programs.

Funded solely by member subscription and advisory services, our members are Australia's leading diversity and strategically-oriented businesses – they understand that membership of DCA as the peak diversity organisation in Australia pays dividends, both internally and externally.

A priority area of DCA's work is to provide member organisations with resources, networks, skills and tools in order to progress workplace gender equality strategies in their workplace. This is done through a number of methods, including:

- Regularly running Gender Reporting Network teleconferences, providing members with a direct interface to organisations such as WGE Agency and ASX, for example;
- Leading practice face to face and teleconference networks;
- Cutting-edge research that directly impacts important areas to be measured as outcomes of the new Act, e.g. *Get Flexible!*, *Understanding the Economic Implications of the Pay Equity Gap in Australia*, *Grey Matters to Women* etc.;

- Making information and leading practice case studies available through our website at www.dca.org.au, fortnightly *Diversity Matters Updates* and regular *Diversity Matters* and *Research Matters* publications;
- Advocacy through the voices of DCA staff, including Chief Executive Officer, Nareen Young, who was named by prominent news and lifestyle website, *Daily Life*, as one of the 20 most influential female voices in Australia and by the *Financial Review* and Westpac Group as one of 100 Women of Influence, receiving the top honour in the diversity category; and
- Advice and guidance from DCA staff, many of whom have extensive experience working with and in organisations that implement gender regulatory instruments.

The WGE Act 2012

DCA very much welcomes the release of the WGE Act 2012 and looks forward to a new phase in Australian gender equality legislation which will deliver tangible improvements in gender equality in this country.

Despite efforts to date, there remains substantial opportunity for improvement in gender equality as evidenced by key equality indicators such as the gender pay gap (17.4% in 2012)¹, and the negligible change in executive ranks with women (e.g. women comprise 9.2% of executives in the ASX 500, only 12 ASX 500 companies have female CEOs, women hold 12.3% of directorships in the ASX 200 but only 9.2% in the ASX 500 women²).

In addition, women still face significant barriers to their inclusion in employment, either directly through discrimination or indirectly through the way employment is structured and how this interfaces with the role many women play as carers to children, the aged and family members with a disability.

The EOWW Act of 1999 has helped to improve the status of women in the workplace, and DCA envisages that the recently amended legislation will continue to drive positive change in this regard, through reducing the burden of reporting on employers whilst ensuring newly developed reporting matters and GEIs assist employers to promote gender equality in their workplaces. DCA also welcomes the effort the new agency is undertaking to develop industry benchmarks and trend data which will be useful to organisations seeking to achieve leading practice.

On 28 October 2009, DCA put forward its submission to the Review of the Equal Opportunity for Women in the Workplace Act 1999. The submission aimed to make a material contribution to the drafting of the WGE Act 2012 and was prepared as a result of extensive consultation with our members, many of whom are leading the way in efforts to attract, retain and promote women. We also drew on the knowledge of an 'expert panel' appointed to contribute their views to this submission and the wide experience base of DCA staff and consultants.

DCA is delighted to make this second submission in support of the implementation of the WGE Act.

DCA is keen to support its members in achieving the objectives of the new Act, which are principally to:

¹ Workplace Gender Equality Agency: Gender Pay Gap Fact Sheet, May 2012.

² 2012 Women in Leadership Census, WGEA

- Promote and improve gender equality (including equal remuneration between women and men) in employment and in the workplace;
- Support employers to remove barriers to the full and equal participation of women in the workforce, in recognition of the disadvantaged position of women in relation to employment matters;
- Promote, amongst employers, the elimination of discrimination on the basis of gender in relation to employment matters (including in relation to family and caring responsibilities);
- Foster workplace consultation between employers and employees on issues concerning gender equality in employment and in the workplace; and
- Improve the productivity and competitiveness of Australian business through the advancement of gender equality in employment and in the workplace.

Member Consultation on WGE Act Reporting Matters

DCA appreciates the invitation to make this submission, and looks forward to further consultation as a key stakeholder group, as indicated by the Minister.

DCA's members are representative of businesses that are committed to the emerging business principles of diversity management. Accordingly, they are well equipped to reflect and comment on the role of legislation in this context.

DCA has specifically sought the views of its members on this important issue and this submission focuses on those areas most relevant to them, including the practical reality of gender equality implementation, reporting and demonstrating that the activities they are undertaking are achieving long term results for gender equality. This submission is a combination of their opinions, views and experiences.

DCA members have indicated they are very keen to continue to be consulted during all the important stages of implementation of the Act. DCA members have stated that they believe this to be an excellent method for them to have an open dialogue with the Minister and the WGE Agency during this vital process of legislative implementation.

While DCA understands the need to progress the implementation of the legislation as quickly as possible, we would like to stress the importance of ensuring that adequate opportunity is provided to consult with industry. The new Act represents a significant difference in the way organisations manage gender equality implementation and reporting and it is critical that goodwill is maintained by consulting closely with business and supporting their efforts to meet the challenge of the new reporting arrangements.

Further details of DCA's consultation process and responses from members in contained in Appendix A.

DCA's Overarching Position on the Issues Paper

Overall, DCA supports the move to the GEI approach and the development of reporting matters to demonstrate them. It is important that the focus for organisational reporting be on 'measurable outcomes', in particular those outcomes that will help deliver tangible improvements in gender equality in Australian

workplaces. Without measuring priority outcomes, it is impossible to assess meaningful change and ensure the reality of workplace inequities is challenged.

DCA also applauds the use of 'process indicators' as this provides an opportunity for organisations to demonstrate the types of interventions and initiatives they are putting in place to progress the gender equality agenda. Not all interventions are successful and a trial and error approach is sometimes the only option, especially when organisations face unique circumstances and challenges. Further, process indicators are able to reflect the level of commitment and effort organisations are putting into their gender diversity programs and this should be valued as a positive step forward as change can take significant time.

All in all, DCA's consultation with member organisations reveals that there is overwhelming support for the new legislation and that the draft framework for reporting measures under the gender equality indicators is consistent with the aim of the Act to remove barriers to women's workforce participation and promote gender equality in employment.

DCA members also by and large agreed that outcomes for the Act are appropriate and will help in the development of minimum standards for compliance.

In saying this, DCA notes that whilst the Act is to be used positively to move community and industry debate forward through the use of GEIs, this approach is only one part of the answer. Clearly, other factors including other government policy frameworks around childcare or aged care, the accessibility of quality and affordable care, genuine shared responsibility for care and other domestic responsibilities and changed cultural and social attitudes are just as important. In addition, legislative instruments such as the proposed consolidated federal anti-discrimination law, other influential and governing bodies such as the ASX and its corporate governance principles and labour market factors are also critical.

Key Recommendations

The DCA consultation on reporting matters under the GEIs has resulted in the following key recommendations. These recommendations have been developed on the basis of DCA member feedback. *Further details of DCA member feedback can be found in **Appendix A: Member Responses to Questions***).

1. Definitions

It is critical that clarity be provided in relation to each GEI definition, particularly given indicators will be focussing on outcomes. Specifically, definitions need to be developed that address the following concerns:

- a. Will 'gender composition of the workforce' be similar to the workplace profile reporting provided under the EOWW Act 1999? It is important to recognise that many organisations have developed processes and systems that are specifically adapted to this reporting method and any change may require a significant lead time.
- b. Providing clear definition of a 'governing body', while also recognising the need for flexibility across industries and professions. Particular consideration must be given to how organisations report on governing bodies that are based off-shore or comprise a global team.
- c. A need for sophisticated descriptors of how to carry out a gender pay assessment and consideration for the differences within organisations but also across classifications so that organisational totals in measuring the pay

gap are reflective of a true pay gap across the organisation and not distorted by one classification.

- d. Whilst availability and utility of employment terms are still seen as vital, most members expressed a desire for the provision of an exhaustive definitional list for as many types of 'flexible work arrangements' as possible. This would mean going beyond descriptors for part-time work to include less formal arrangements including partial telecommuting and flexible start and finish times.
- e. Significant member concern was expressed over the concept of consultation and what an adequate process would look like. In particular, members noted that expectations around what constituted appropriate consultation should be cognisant of the impact of organisation size (rather than industry). To illustrate, large organisations needed to navigate the challenges of consulting with a large, regionally and globally dispersed workforce, disparate and sometimes isolated geographic locations and matrix reporting structures.

Given the Agency is seeking to create a longitudinal data set, establishing clear definitions upfront is critical.

2. Minimum Standards

Industry-based minimum standards must be established in close consultation with industry. Thought also needs to be given to how this will be done for organisations whose workforce crosses a spectrum of industries. Some members were concerned that the ABS Industry Classification structure is too broad to provide adequate comparative references. Further, the move to global structures is presently being experienced by many DCA members and this factor needs to be considered in terms of determining relevant industry comparisons.

3. Timing

A phased-in approach is strongly supported to recognise the challenges of developing short term reporting outcomes for GEIs, especially the ones that vary from or drill down further into the existing reporting requirements under the Equal Opportunity for Women in the Workplace (EOWW) Act 1999.

A phased-in approach is also recommended for associated industry-based minimum standards. The approach favoured by members involves:

- Reporting on indicators most closely aligned with the former EOWW Act 1999 framework; and
- Working towards the development of the newer indicators in consultation with key stakeholder groups and industry.

This approach is favoured as it maximizes the opportunity to generate clear, meaningful and useful minimum standards which can be applied consistently within a particular industry sector. It also allows time for organisations to adapt their systems and data collection processes. The 'higher bar' of outcomes with prescriptive definitions may require significant systems upgrades for even leading practice organisations.

4. Process Indicators

Organisations must be offered the opportunity to report on a range of process indicators, recognising that different actions/initiatives will have different relevance for different organisations, that change can take time and that credit needs to be given where positive action is being undertaken even when outcomes may not yet have been achieved.

5. Additional Measures

Over time, members agreed that consideration should be given to encouraging organisations to report on gender intersectionality process and outcome indicators (e.g. initiatives and outcomes relating to Aboriginal and Torres Strait Islander women or women with a disability etc.).

DCA's Response to the Issues Paper Questions

GEI Outcomes

Question - *Do you think the outcomes identified for the GEIs sufficiently reflect the intent of the Act? Do they need expanding or amending?*

Question - *Will the achievement of these outcomes support progress towards workplace gender equality in Australia? Is so, why? If not, why not?*

DCA RESPONSE

DCA members felt the GEI outcomes reflect the intent of the Act. DCA is particularly pleased to support inclusion of flexibility indicators as a key element of improving gender equality. However, it is crucial that sufficient definitional guidance is given to ensure that flexibility is adequately measured. In particular, DCA members noted that flexibility should not be measured only through reference to part-time work.

DCA members were also of the view that the Act and associated GEI outcomes should not only be used as an enforcement measure, but also in a positive way to move the community and industry debate forward around gender equality. In large part, this is because while establishing GEI outcomes will assist employers promote gender equality in their workplaces, they are clearly only part of the answer – other issues such as community attitudes, accessibility of childcare etc. are also key.

DCA members indicated that achieving the GEI outcomes will support progress towards gender equality – what gets measured gets done. Transparency is important and reporting on the GEIs will provide an evidence base by which to measure progress. However, it is also critical that a focus on organisational actions to remove barriers is maintained.

Whether or not the objectives are achieved will depend on the benchmarks and targets that are set and these will be contested – accordingly, it is critical that adequate time is provided to consult with industry.

Workforce & Board gender composition

Question - *What are the most important measurable outcome indicators and process indicators in relation to workforce gender composition?*

DCA RESPONSE

Gender composition measurable outcome indicators should be based on the previous EOWW Act workforce profile – that is, measured indicators relating to boards, executive management, senior management, middle management and overall workforce.

DCA members commented that it is crucial that clearly defined consistent definitions which enable genuinely comparable industry benchmarks be established. For example, distance from the CEO may be a useful consistent measure, however some caution will need to be used with respect to companies who are based internationally.

DCA members also supported data collection on recruitment, exit/attrition and retention of employees by gender.

According to DCA members, process indicators could take a variety of forms recognising that different initiatives will be suitable for different organisations. Examples of possible indicators could include organisational policies relating to gender based discrimination and harassment, initiatives relating to recruitment and retention of women (including specific demographics such as Indigenous women or mature age women), leadership/executive development strategies for women, women's mentoring/sponsorship programs, evidence of management development strategies and/or KPIs in relation to gender equality.

Equal remuneration for men & women

Question - *What are the most important measurable outcome indicators and process indicators in relation to equal remuneration for men and women?*

DCA RESPONSE

DCA members stated that indicators of equal remuneration should include measures of base pay, performance pay and non-pay benefits such as superannuation, car parking, allowances etc.

Additionally, it was felt that the data should be broken down by occupational group, band etc to ensure meaningful assessments and comparisons can be made.

The Agency should note that measuring equal remuneration is likely to prove difficult for many organisations and WGE Agency assistance through tools and specialised support is crucial to the success of this measure.

Considerations should also be given to how confidentiality is maintained for women at senior executive levels. In the vast majority of organisations, there is still only a small number of women at senior levels and making remuneration information public will in reality mean that the remuneration packages of some senior women are readily identifiable in a way that is not the case for their male counterparts.

DCA members noted that process indicators could include evidence of organisational action on pay equity such as pay equity audits, policies to promote gender pay equity, work value assessments for female dominated job classifications, and/or other initiatives. Importantly, it should be recognised that pay equity process indicators should be able to take a variety of forms as different initiatives will be suitable for different organisations.

Availability & utilisation of conditions & practices relating to workplace flexibility

Question: *What are most important measurable outcome indicators and process indicators?*

DCA RESPONSE

DCA members stated that outcome indicators of flexibility could include:

- Numbers of part-time and casual employees by gender and job classification;
- Recruitment, retention, promotion data for part-time workers by gender;
- Employees taking parental leave, quantum of leave taken and return to work from parental leave (calculation guidelines required for consistency); and/or
- Employees accessing carer's leave by gender.

Process indicators could include organisational policies on:

- Workplace flexibility generally;
- Quantum of parental leave and related conditions;
- Carer's leave/flexibility;
- Teleworking arrangements;
- Part-time working arrangements; and/or
- Leave/flexibility for employees with health and/or disability needs.

Process indicators could also include case studies of leading practice initiatives and awards (such as Employer of Choice citation).

Consultation with employees on issues concerning gender equality in the workplace

Question: *What are most important measurable outcome indicators and process indicators?*

DCA RESPONSE

Because consultation processes and practices are workplace specific, consistent and comparable outcome indicators are unlikely to be possible.

Clarity will be required about the definition of consultation and the appropriate standard required (e.g. are employee engagement surveys, focus groups or exit surveys sufficient? Is establishment of on-going consultative forums required?).

Consideration should also be given to the fact that information on this measure may prove difficult to collect across large organisations with many workplaces.

It will also be important to assess over time whether this measure makes a useful and meaningful contribution to gender equity.

The development of this measure should also ensure that consultation processes do not result in men becoming disengaged, as men are central to achieving progress in gender equality.

Collection of measures

Question: *Are organisations currently collecting this information? What existing information is most useful in demonstrating action towards gender equity? What is least useful?*

Question: *Of all the outcomes and process indicators, which ones are the most important and which outcomes and process indicators will be the most difficult to report on?*

DCA RESPONSE

In principle, DCA supports the goal of establishing a long term data set, provided the data generates useful evidence-based insights for industries and that issues to do with data consistency are adequately considered and proactively managed. Other factors which need to be considered in developing the groundwork for a data set include the impact of organisational structure, size, reporting matrix and the global nature of many Australian businesses.

Many DCA members currently collect data on workforce composition and gender composition of boards and governing bodies as part of the existing requirements of the EOWW Act.

Some larger, leading practice organisations also currently collect data on equal remuneration, however this is not widespread. Reporting on equal remuneration for those organisations which have not already begun this process is likely to be time consuming and potentially costly.

Organisations do not generally collect data on flexibility beyond employment status. Accordingly, while measuring utilisation of formal flexibility (i.e. number of part-time staff) should not prove too onerous, measuring utilisation of informal flexibility (i.e. early start finish times) or arrangements individually negotiated between an employee and supervisor could prove more difficult and may necessitate some form of employee survey. If flexibility is measured via voluntary employee surveys it may be difficult to get an accurate measure (i.e. survey response rates of 30-60% are typical in employee surveys and so findings may not reflect the actual state of flexible work utilisation). If the aim is to collect a data set which is transparent and able to track changes over time it is critical that types of flexibility being measured are clearly defined and consistent across industries.

The utility of all measurable indicators should be reviewed after the first reporting cycle to ensure they are not imposing unnecessary burdens on business.

Industry assistance

Question: *Will organisations require assistance in reporting for these outcomes and process indicators? What type of assistance?*

DCA RESPONSE

There is no doubt that the new reporting arrangements will present a significant challenge to many organisations and require substantial changes to current internal systems and arrangements.

Reporting on some measures – in particular equal remuneration – may require significant systems upgrades – some financial support may be required from WGE Agency to support the transition.

DCA strongly recommends that on-line reporting tools and detailed guidance are developed which facilitate ease of reporting. Such tools will also assist in ensuring consistency of reporting and genuinely comparable industry benchmarking.

WGE Agency should also develop leading practice pro-forma policies to assist organisations with establishing process indicators.

WGE Agency should also consider assistance for organisations that are non-compliant, particularly in the first reporting cycle.

Timing

Question: *Would it be beneficial to phase certain outcome measures or process indicators in over time? If so, which ones, and on what basis?*

DCA RESPONSE

As previously indicated, a phased-in approach is strongly supported to recognise the challenges of developing short term reporting outcomes for GEIs, especially the ones that vary from or drill down further into the existing reporting requirements under the EOWW Act.

Such an approach to introducing GEIs and associated industry-based minimum standards is likely to be appropriate, given the need to adapt to new, prescriptive definitions and possibly significant systems upgrades.

In the first instance it may be best to begin with those reporting measures which closely align with what is already being provided under the EOWW Act, along with process indicators in other areas where outcome measures are not yet well developed.

Another of our members' major concerns about the implementation of the legislation is the lack of clarity about what the minimum standards will be for outcome and process indicators and when these will be introduced.

Until these are developed – which must be done in close consultation with industry – it is difficult to provide a more specific response to questions about timing of individual measures.

Additional measures

Question: *Are there any outcomes or process indicators that should also be included or should or should not be included for particular industries? Why?*

DCA RESPONSE

In general, DCA supports the proposed measures as sufficient to give an indication of progress of gender equity. As previously indicated, it is important that the utility of the measures be assessed, both after the first reporting cycle, and on an on-going basis to ensure that they are making a genuinely useful contribution to advancing gender equality and are not posing an unreasonable burden on business.

In relation to additional measures, it is worth giving consideration to having reporting that takes account of both 'lead' and 'lag' indicators as a way to understand and manage pipeline issues.

Also, data specifically on recruitment such as gender breakdown of applicants can be useful for male dominated industries.

Conclusion

DCA is strongly supportive of the WGE Act and its implementation.

We cannot emphasise enough that while DCA and our members understand the need to progress forward with the implementation of the legislation as quickly as possible, it is critical that adequate opportunity is provided to consult with industry as the implementation proceeds.

The new Act represents a significant difference in the way organisations manage gender reporting and it is vital that goodwill is maintained by consulting closely with business and supporting their efforts to meet the challenge of the new reporting arrangements.

DCA is pleased to have been involved with the consultation to date on the Act and its implementation and would encourage WGE Agency to feel free to contact us should you require any further information on our submission or our further assistance.

Appendix A: Member Responses to Questions

DCA's member consultation process was carried out as follows:

1. A questionnaire was developed and sent to members seeking views on reporting matters under the new Gender Equality Indicators. This questionnaire was based on the WGE Act framework for reporting document as set out by the Minister.
2. The questionnaire was sent on Monday 14 January 2013 and responses due to DCA by COB Friday 18 January 2013. DCA received 12 official written submissions.
3. DCA consolidated member views and positions and pre-circulated a summary to them on Monday 21 January 2013.
4. DCA members were invited to join a teleconference held on Thursday 24 January 2013 and provide feedback on the DCA consultation summary. It also provided an opportunity for those who had not commented by return email to provide their input. An additional 27 member organisations joined the teleconference to provide their views or comment on the draft.
5. Comments were accepted by attending organisations via email until COB Sunday 27 January 2013.
6. DCA summarised feedback from member consultation and teleconference and developed this final submission.

Below is a summary of responses provided by DCA members relating to the questions set out by DCA seeking views on reporting matters under the new Gender Equality Indicators. Where views have been expressed repeatedly, a summary of the view is provided and then indicated by a double asterisk next to the comment**. No member organisation's individual identity is revealed.

1. Do you think the outcomes identified by the GEIs (listed above) sufficiently reflect the intent of the Act?
 - Yes. It is excellent that the focus for flexibility will also include men now as this will have a direct impact on the capacity for women to take up flexible working arrangements**.
 - The intent of the Act seems to be to modernise legislation and in particular will begin to generate a shift in Australian workplaces. As evidenced in certain European countries by setting clear measurements changes within public and private organisations can result. The real test however, is how much actual behaviour, so intertwined with social attitudes and culture, really shifts, and if so how long this takes **.
 - Measurements such as the GEIs are good at further building awareness within an organisation and start to move the conversation into how might change happen. What is vital however is how to ensure this is a positive conversation, embraced by all stakeholders, rather than a negative reactionary one that might be seen as 'enforced measures'***.
 - Yes, but the GEIs could be expanded further to include, for example, the number of interventions that promote career advancement after parental and carers leave which ensure careers and pay do not decelerate upon return.

2. Will the achievement of these outcomes support progress towards workplace gender equality in Australia? Is so, why? If not, why not?

- More clarity needs to be provided around exactly what “achieving outcomes” means**.
- What gets measured gets done. If we don’t track and report, we won’t know if any progress is being made. The only concern is that many organisations need to look at what barriers exist in achieving more women in leadership and the GEIs do not look at input measures **.
- Achievement of outcomes will support employer efforts to remove barriers to full and equal participation of women however the success of these is inextricably linked to having an aligned societal/cultural change across the Australian community. For example issues such as the prevailing stigma of gender stereotypes and lack of quality child care at affordable prices need to be addressed. Employers do not have all the answers **.
- The objective of transparent reporting is supported. Utilising benchmarks to lead change is appropriate but only if they correctly reflect specific industry dynamics. The formation of such benchmarks would need to include business leaders of both genders and of a range of diverse backgrounds **.
- By reporting on the indicators, awareness and understanding of the current situation within an organisation and the wider economy will grow. It will then be about how much an organisation commits to changing the result of these measurements, and in particular how they go about this, that will be the real test. This will take a substantial period of time, and currently it is hard to tell what the expectation around timeframes is. Timeframes will then differ depending upon where an organisation is starting from. For example some large corporations are leading the way in changes these outcomes, where others have only just begun**.
- The suggestion of benchmarks will also play a big part in what will constitute achievement. This is currently a much contested discussion within organisations as many people have different views on what is an appropriate benchmark or target to aim for. Building these benchmarks in close consultation with business will be vital for any achievement of outcomes. Adequate time to consult with business will be a key opportunity for government and we recommend that a full consultation timetable be made available to business at the outset so that appropriate resourcing can be provided to the issue**.
- Yes, but there need to be clear processes in place for measuring the success and sustainability of those outcomes as well as the outcomes themselves.
- As caring responsibilities is a key dimension for consideration in the Act, there also needs to be a systematic review of child care across Australia, which will particularly enable the goal to improve women’s workforce participation across Australia.

3. Do any of the GEIs need to be modified or expanded? Please provide details.

Governing Bodies

- There is a need to define 'governing bodies' particularly in the context of a partnership. A "Board" in the case of a partnership may not necessarily be the 'governing body'. For a partnership the gender composition of the management/executive team of partners may be

the more relevant indicator. To help ensure consistency across reporting organisations it would be helpful to define precisely what is meant by 'governing bodies'**.

Flexibility

This particular GEI received the greatest response from members and most of it was centred on defining workplace flexibility and what type of 'measurable' indicators could be put in place to determine the extent to which such practices were being accessed.

- Specific detail should be provided as to what a flexible working arrangement means so as to be used as an aspirational ambition for organisations. For example, going beyond part time work to look at true flexibility of time and place. This may include noting the number of laptops or hand held devices organisations disseminate as well as ways of identifying the number of informal flexible working arrangements**.
- Need to clarify what is meant the term "flexibility". Whilst our organisation can accurately report on formal flexible working arrangements such as part-time; job-share; different start/finish times; casual and formal working from home it is very difficult to accurately collect data relating to informal flexible working arrangements - and yet we acknowledge these are instrumental to helping ensure that employees feel valued and included.
- It would be beneficial to get a better understanding around the specific requirements of capturing the 'utilisation' of employment terms relating to flexible work arrangements in the organisation. The degree the reporting of all flexible work arrangements could have a significant impact on current processes.
- Will it just be a case of being able to report on the number of employees on reduced hours (e.g. part-time) or will there be a requirement to report on the take up of all flexible work arrangements such as those who are currently on flexible start and finish times due to family responsibilities, finishing early one day per week to attend study for example, which are not typically captured formally but are more of a mutual agreement with an employee's direct line manager.

Consultation/Flexibility

- Whilst voluntary employee survey includes questions relating to working flexibly (formal and informal) these only reflect the views of the 60% of employees who typically participate in the survey. Whilst we could extrapolate this data across our workforce it would be highly problematic to use this approach if asked to compare "flexibility" data across organisations/industries
- The 'consultation with employees' indicator is quite vague and it is unclear what is exactly required. It seems to be linked to the need to publish the report and make it available for employees to comment on. The current wording of the indicator suggests activities such as focus groups, committees, and surveys would be the focus of the consultation however there is little information about what the Act expects business to do with the comments employees have offered on the report.
- OH&S legislation demands the same process for consultation, so perhaps we could look to this for guidance. Qualitative measure will be more meaningful here, but appreciate the WGEA will also be looking for hard and fast measures.

- Real value and change comes from taking an inclusive approach to consultation. If workplace gender equality is seen as a real driver for business performance, then all the business should be consulted on the initiative, so that it is not just a 'female' issue. The moral argument is important and compelling to start a change, but believing that gender equality is a business performance issue is where real change starts to come.

Minimum Standards

- Information on how the Minister will establish the minimum standards is not specifically explored and we would encourage the Minister and Department to consult widely with business**.
- Member organisations stated they would be more than happy to assist with this process**.
- Regional based experience could provide relevant input e.g. regional centres may not be able to achieve minimum standards as easily as urban areas and therefore the potential of being named in Parliament as having consistently failed to meet the standards may be a challenge for some businesses.

General

- Beyond reporting on remuneration levels, gender composition of the workforce and governing bodies, we should also be required to report on the balance achieved through our recruitment and promotion gateways, and the level to which we achieve gender balance in our intake of women onto training and development programs, formal Talent programs etc. We should also be required to report on our promotion criteria.
- Would there be a requirement to go back to all employees and for us to formally capture all this information in time for the 2013 – 2014 reporting period?

4. The Minister is seeking feedback on both 'outcome indicators' (i.e. numerical statistics such as women's representation in leadership or return from parental leave rate) and 'process' indicators (i.e. defined as any actions, strategies and activities being implemented to achieve the GEIs).

When organisations are reporting on the GEIs, what do you consider the most important *measurable outcome indicators* would be in relation to each of the following?

- **Workforce gender composition?**
 - We need a uniform approach for reporting of gender composition as at the moment, data even within industries is not consistent**.
 - For some organisations:
 - Definitions, similar to those in the workplace profile of the old reporting style would be helpful, using direct reporting lines from CEO as a way of demonstrating levels**.
 - The reporting lines from CEO are not an accurate reflection of responsibility. In a partnership structure for instance, many, many individuals are theoretically only 2 reporting lines away from CEO but have no line or reporting responsibilities**.

- For **global companies** who have a complex, matrixed and less hierarchical structure. A significant number of our employees while based in Australia have roles in non Australian markets. In one example, while the employees are based in Australia and form part of the Australia headcount, the reporting line for these roles is not directly into the country CEO but to Global or Growth Market executives. This means that a number of executives, managers and employees are not captured using the methodology of Direct reports to the CEO (CEO - 1 level), Management /Executives (CEO - 2 level), Management / Executives (CEO - 3 level) etc. In this case, a different approach is used looking at the following categories**:
 - > Board members
 - > Executives
 - > People Managers
 - > Graduates
 - > Interns
 - > Entire organisation.
- A critical factor is to have gender composition relevant to **industry** as some industries that are particularly male dominated may not compare favourably with other industries because they have a smaller talent pool to draw on and more difficult circumstances**.
- Track year to year change (increase or decrease) with aim for parity (50%) representation.
- A good benchmark could be female representation at or above industry average.
- This can be a powerful statistic to report. The composition needs to link to grades, roles and level of responsibility. A measureable outcome could be a positive change over time. Yet such a change would be at least 5 years or more, and require a strong policy/strategy foundation for organisations to implement. Forced change in this area can be very damaging and so guarded reaction is provided on the naming on non compliant organisations in Parliament. It is anticipated that the suggested Ministerial support to non compliant organisations may assist some businesses improve performance however demographics in some regions may make this impossible.
- By seniority; by FTE; by location; by line of business/function (e.g., some segments of our workforce are skewed to be female dominant, such as HR).
- **Gender composition of any governing bodies?**
 - To help ensure consistency across reporting organisations it would be helpful to define precisely what is meant by 'governing bodies'**.
 - There is a need to define 'governing bodies' particularly in the context of a partnership. A "Board" in the case of a partnership may not necessarily be the 'governing body'. For a partnership the gender composition of the management/executive team of partners may be the more relevant indicator**.

- This has seen positive change both within Australia ASX boards and other countries. However, again the danger is tokenism and the placing of females onto governing bodies who are unsupported or lack the skills. Ways to support and develop the type of women needed to see outcomes in this area is needed and government's Board Link project is applauded. The measure also needs to relate to a long term change.
- Target of minimum 30% female representation on board is the generally accepted minimum point **.
- ***Equal remuneration for men and women?***
 - The calculation for pay equity needs to be carefully described so as to avoid oversimplification and distortion of data. It may be useful to break pay equity into organisational classification as well as by industry**.
 - Simply stating 'equal remuneration' is too broad. Indicators need to be articulated carefully and all assumptions stated clearly**.
 - This is very powerful yet also very challenging for an organisation to achieve as it requires an organisation to have adequate and up to date metrics systems in place to capture this data appropriately**.
 - It is also currently not clear what is the next step if clear inequalities are discovered as this will have bottom line implications for a business**.
 - It is important that the remuneration analysis looks at each occupational group so both job band and family are taken into account in the calculation.
- ***Availability and utilisation of conditions and practices relating to workplace flexibility?***
 - Indicators need to relate to both policy and practice, including informal arrangements which are very challenging to measure**.
 - Need to clarify what is meant the term "flexibility". Whilst many organisations can accurately report on formal flexible working arrangements such as part-time; job-share; different start/finish times; casual and formal working from home it is very difficult to accurately collect data relating to informal flexible working arrangements - and yet it is acknowledged that these are instrumental to helping ensure that employees feel valued and included**.
 - Important to clarify access to flexibility for men and for those utilising it for elder care or for care of people with disabilities as this is the true nature of a supportive flexible work culture.
 - A good GE measure would be improved employee satisfaction levels with flexible work and leave options available to them.
 - GEIs could include: utilisation of part-time working arrangements; uptake of flexible working arrangements; amount of additional leave purchased; amount of parental leave allowance provided; number of job share arrangements, access to working from home arrangements and hand held devices and all these measures should be analysed according to male/female ratios).

- Real measures of flexibility include telecommuting and work from home, with employees being well supported with Infrastructure, having laptops and collaboration tools such as instant messaging that allow them to work effectively away from the office. However, telecommuting agreements are negotiated between the employee and their manager and the agreements are not entered into a central database.
 - **Consultation with employees on issues concerning gender equality in the workplace?**
 - Need more definition on what is meant by consultation. For example, are employee engagement surveys, focus groups, specific women's groups and working committees, world cafes and employee dialogue sessions and exit surveys sufficient or is a different level of consultation expected?**.
 - Consultation devices and methods need to be directly assessed in terms of organisation size as capacity and bureaucracy can complicate the seeking of employee feedback and views **.
 - In addition to the discussion re the dependency on organisation size, geographic spread and industry itself are factors that affect/determine consultation i.e. remote, site based locations**.
 - It will be important to develop strategies to prevent the risk that the consultation does not result in men becoming disengaged since we know that men can tend to confuse gender equality with positive discrimination for women.
 - Will improved employee satisfaction levels via survey be a reasonable indicator?
 - The details of EBAs in place; employee survey mechanisms; ombudsmen/governing bodies may be useful.
 - In certain male dominated industries, the method of consultation is different: *"we use Toolbox Talks and hard copy newsletters to communicate and consult with our field. Our geographic spread also means that while we have a Talent Committee, we are unable to establish Diversity Councils in all locations, especially overlaid with the technology limits"*.
5. How would your organisation demonstrate 'process' indicators for each of the outcomes identified in question 4 above?
- Organisations reported on mass that they would continue to list initiatives under their Diversity policy and strategy, including date implemented and accountability**.
 - Organisations also reported on mass they would continue to use the following**:
 - Traditional methodology such as reports, employee surveys, policies, internal measures, HR/people metrics, strategic projects, workplace initiatives, people bodies, awards, case studies and relevant involvement in external community activities.
 - For workforce gender composition – setting of female hiring targets for interns, graduates and professional hires.

- For governing bodies: specialised development programs for senior women to help them move to board roles. A sponsorship program for senior females.
- For equal remuneration for men and women – annual remuneration analysis taking into account each occupational group so both job band and family are considered.
- For availability & utilisation of conditions and practices relating to workplace flexibility – education and information for managers and employees about negotiating a flexible work arrangement (part time, job share or work from home). Tracking of the number of males and females working part time and in other flexible capacities.
- For consultation with employees on issues concerning gender equality in the workplace – work through employee networking groups to gain feedback on topics related to gender equality and hold roundtable discussion groups on issues.
- Many organisations would like the opportunity to highlight success through process indicators as the changes achieved will appear small in data, but are significant cultural shifts e.g. our Managing Director speaking at the Women’s forums and conferences or joining prestigious groups such as the ‘Champions for Change’ or Male CEOs for Change in WA.
- Through the policies in place in the organisation; through internal and external target setting; through employee feedback gathered in response to employee engagement and/or exit surveys; through analysis of grievance/disciplinary/complaint themes; customer feedback/surveys; through external audit feedback/reporting of key elements (e.g., remuneration levels).
- One member suggested that WGEA could develop a ‘Diversity Survey’ that organisations can run internally, focusing on some core principles that are used to understand and capture staff engagement and satisfaction with organisational diversity initiatives. While the survey could be tailored or complemented with organisational specific data, there could be a base level of data that organisations can report on.

6. Does your organisation currently collect any of this information (relating to question 5)?

- Most organisations responded ‘yes’ to this question but many indicated that there were limitations due to systems and structure**.
 - E.g. we have a clear work plan and communicate to the rest of the organisation regularly on it.
 - E.g. yes some, yet always limited by internal processes and systems. For example our organisation still has quite a few manual processes which means collating good people metrics to report on can be a struggle. It will be important for the Department and Minister to recognise that not all businesses will have state of the art IT systems to collect data for the proposed reporting requirements under the Act.

7. What existing information do you currently collect that is most useful in demonstrating action towards gender equity?

- Inputs to increasing the number of women in the organisation, such as applicants and short lists as well as an annual pay equity survey and other activities**.
- Gender composition of workforce by grade, accountability, career level and age; turnover by gender; parental leave return rates; learning and development participation by gender; formal flexible working by gender; employee survey responses by gender; performance and pay outcomes by gender**.
- Responses to specific questions in our engagement survey around opportunity within the workforce for males and females and monitor metrics on gender composition of job roles and grades**.
- Track female hiring of interns, graduates and professional hires**.
- Attrition data for men and women**.
- Monitor female representation across the whole organisation at different band levels as well as at people manager, executive and board level**.
- Number of females identified as top talent and whether they have mentors, sponsors, the development programs they participate in**.
- Undertaking a gender pay equity analysis**.
- Information from consultation processes e.g. employee perceptions of whether or not we have “values led” leaders (Feedback indicates that this is a critical factor in engagement and retention).

8. Is there any information your organisation has previously collected but then rejected due to its lack of usefulness?

- Many organisations responded ‘no’ or ‘never’ to this question.
- Others explain they have attempted to use benchmarks to aim for in regards to metrics on women in leadership roles, or females promoted. However, because this benchmark did not seem to reflect their specific industry, maturity of organisation or agreed target it has not been useful.

9. Of all the outcomes and process indicators, which ones are the most important to your organisation?

Outcome Indicators

- It appears that amongst members DCA consulted with, the issue of ‘women in leadership’ and therefore, gender workforce composition is the dominant priority**.
- Availability and accessibility of flexible work practices as a way to attract and retain talent came a clear second**.
- Gender pay equity was the third most nominated outcome priority**.
- Several organisations noted that reporting should be against ‘lead’ and ‘lag’ indicators. One organisation is now tracking and reporting in this way to help them understand pipeline issues.

Process Indicators

- There appeared to be no dominant indicator for process, however the following were noted repeatedly by members:
 - Specific actions in response to employee engagement survey results;
 - Policy and workplace initiatives identified by the business that are relevant to our specific industry;

- Hiring and attrition data, including interns, graduates and professional hires;
- Development program participation;
- Target setting for female people managers and executives
- Salary analysis;
- Employee perceptions of whether or not we have “values led” leaders;
- The mainstreaming of flexible working;
- One example was a pledge to directly engage all people managers within the organisation to increase the number of women direct reports in their teams by at least one within 12-18 months).

10. Which outcomes and process indicators will be the most difficult for your organisation to report on? Please provide details of why? Are there other ways in which this information might be obtained?

- Utilisation of flexible work practices, especially given that many of the arrangements that indicate true flexibility are informal flexible arrangements that are not part of an individual’s work contract but rather, arrangements made with their managers. This issue was **repeatedly** expressed by members**.

One member states:

“Availability and utilisation of conditions and practices relating to workplace flexibility – we are collecting relevant information to our business however this may be different to what the Minister wants us to report on. For instance our organisation currently reports on workplace flexibility and it appears positive. Yet, upon closer inspection nearly all requests are made by and awarded to females only. Furthermore, it appears some requests that are not approved are not necessarily officially reported, as it is not always known beyond the manager and employee. Flexibility is more than just about supporting parental or carer responsibilities. It is actually about shifting how we work from a 9-5 tradition into a modern, adaptable attitude to how the job gets done. Currently the existing methods and reporting are far from supporting this new approach to work. The current reporting is also a highly manual task”.

- Equal remuneration for men and women, mainly due to a lack of robust reporting and older tracking systems in place**.
- Gender balance in the “supply” of the external workforce is difficult to track but plays a big part in how successful our recruitment outcomes may transpire.
- Reporting is challenging when organisations have multiple systems that do not necessarily talk to each other e.g. several payroll systems, learning management tools, etc.

11. Would it be practical for your organisation to phase certain outcome indicators or process indicators in over time? If so, which ones and why?

- There is resounding agreement regarding the phasing in of outcome and process indicators. Members typically agreed their systems had been structured to report on indicators as they related to the seven employment matters under the EOWW Act 1999 and that it would be useful to utilise those indicators which match the old framework as phase one of reporting**.

- In particular, organisations requested that ‘phasing in’ together with detailed descriptors would be appropriate for:
 - Flexible working arrangements, where systems currently do not record those arrangements which are informal
 - Gender pay equity, where systems are presently not sophisticated enough to appropriately tabulate this data.
- Of importance to members was that phasing be allowed to enable close consultation with industries to develop appropriate GEIs for the outcome indicators and in particular, the industry benchmarks and minimum standards. Should these be developed jointly with industry, a phased approach would enable appropriate trial, error and refinement of such indicators**.
- The phasing could also assist in the setting of benchmarks and targets to support positive change over time. For example, what gender composition should be aimed for over a period of time?
- Using the previous reporting structure as the year 1 baseline, phasing would make sense to build from there. The focus for year 1 should be on the actions taken to improve the quantitative outcomes.
- One organisation noted that the phased approach is preferred as their key challenges for implementation will be GEIs 2 and 3.

12. Will your organisation require any assistance in reporting for these outcomes and process indicators? Can you articulate the type of assistance required?

- Most members stated that support would be required in the particular articulation of GEIs and industry benchmarks to enable appropriate industry comparisons and baseline benchmarking data**.
- Assistance is required by some members in setting performance and pay outcomes by gender; gender composition by career level; parental leave return rates; turnover by gender and age; flexible work arrangements**.
- Reporting on some of the measures may require significant system and tracking upgrades which organisations may not have the opportunity to support within the business.
- Guidance on what is considered best practice for each of the indicators would be useful particularly in relation to recommended ways to consult with employees on gender equality issues.
- There were several members who responded ‘no’ to this question.

13. Are there any particular outcomes or process indicators that would not be relevant for:

- Your organisation (why?)
 - Members stated they would want to see more information about the specific minimum standards before answering this question.
- Your industry (please specify?)
 - Members stated they are wanting to see more information about the specific minimum standards before they could answer this question**.
 - OH&S requirements and checks for off site working not as relevant for certain industries as they would be for other such as mining or construction, for example.
 - Again, the importance of industry consultation in the setting of industry based standards was stressed. There is a significant

amount of work being done within the traditionally male dominated industries in the gender equity space, however they feel they are not at the stage where they can be measured against generic minimum standards.

- Until workplace flexibility is adequately defined some members feel unable to respond to this indicator**.
- Consultation with employees may be a challenge and may require a sophisticated communication strategy.

14. Do you have any other comments?

The following is a list of anecdotal comments that do not fit into any of the sections above:

- *Whilst as an organisation we are comfortable in meeting these requirements, we are keen to ensure smaller businesses that are not as far on the diversity journey as we are, are still able to easily meet these new requirements.*
- *We look forward to being able to input to the shaping of the minimum standards (by industry sector) over the next three years.*
- *As a blue-collar organisation, we are concerned about being compared with industries that do not face the same attraction challenges that we do.*
- *Our organisation operates across multiple industries, so another concern is how industries will be determined. ABS is insufficient e.g. we work in Property Services, Facility Management, Telecommunications, Mining, Resources, Construction, etc.*
- *Size is also not an adequate differentiator when while we would fit into medium size, we do not have the same resources as smaller financial or professional services organisations.*
- *While not specifically canvassed in this consultation process, we have read a lot about thinking into what happens to organisations who fail to make progress / achieve goals. There is always much debate about penalties and there is talk about 'naming and shaming' and 'tax penalties' – of course punitive measures are always an option (and probably a powerful one at that, but potentially for the wrong reasons). It might also be bold of me to say that punitive measures are a very masculine and traditional way to bring about change – and therefore defeating the very change I believe all these measures are trying to bring about. We would also like to see more done to recognise and celebrate achievement of success. Could we be so bold as to say something like a tax credit (even if it is a token amount) for those who do it right?*