

## **DIVERSITY COUNCIL AUSTRALIA PRE-SUMMIT SUBMISSION SUMMARY**

In 2022, Australia is experiencing the lowest unemployment rate in almost 50 years. This, along with record-high employment, means that many Australian organisations are struggling to meet their workforce needs.

At the same time, there are more than 3 million people in Australia who are looking for work, or who want more work.

More often than not, these potential workers belong to marginalised groups. Not only are these workers being left off recruitment radars, but they also experience bias and exclusion in the labour market as well.

A focus on diversity and inclusion (D&I) can help us to understand and address these issues, and in doing so it can also help us create a more equitable job market for all Australians.

In this submission, we outline what our research says about the experiences of Australian workers from a diversity of backgrounds, and offer evidence-based solutions to create inclusive workplaces. We also demonstrate the significant productivity and innovation benefits to Australian organisation of becoming more diverse and inclusive.

We welcome the Government's aspiration for the Summit, and look forward to working with Australian organisations to make workplaces more accessible and inclusive and in doing so, creating opportunities for more Australians to get ahead and to reach their aspirations.

### **Inclusion for Aboriginal and/or Torres Strait Islander peoples at work**

In 2020, DCA collaborated with the Jumbunna Institute on [Gari Yala](#) to gain a firsthand understanding of the diversity of Indigenous workers' experiences. This research revealed that Indigenous workers in Australia experience shocking levels of racism, cultural load and identity strain.

The summit must ensure that the experiences of Aboriginal and/or Torres Strait Islander people at work are a key focus, and that these discussions must be led and informed by Aboriginal and/or Torres Strait Islander people.

### **Addressing the gender pay gap**

Australian women are among the most educated in the world. Yet despite many years of higher educational attainment than men, and women working more than ever, the gap between women's and men's earnings hasn't significantly budged.

To address this issue, DCA, along with KPMG and WGEA, recently released the fourth iteration of [She's Price\(d\)less](#), which uses econometric modelling to unpack the drivers of the gender pay gap, and help provide an evidence base for interventions to close the gap.

#### *Gender discrimination*

DCA supports the full implementation of the Respect@Work report, and notes that the Government has made a commitment to doing this.

We recognise, however, that workplaces will need support and advice to ensure that these recommendations are implemented appropriately.

### *Care, family and workforce participation*

DCA recommends that in order to better understand the gendered impact of caring we need to measure unpaid care and work.

We also recognise that there are interventions that government and employers can take:

- **Government** can address the unequal impact that care, family and workforce participation has on women's earnings by ensuring affordable, available, flexible and accessible universal childcare. Universal access ensures that all families can access quality childcare, in a form that meets the needs of children, parents and community, and at a cost that does not present a barrier to participation.

Australian parents face some of the highest out of pocket early childhood education and care costs in the OECD, while tax and family benefit policies disincentivise women from working additional hours or working at all.

DCA was pleased to see the Government's pre-election commitment to reducing the cost and increasing the availability of childcare, and looks forward to seeing this implemented.

- **Employers** can make flexible work available to anyone for any reason, and introduce 'shared care' parental leave so all parents have equal paid leave and can access this flexibly.

DCA also advocates for employers to improve their capability around job-design and recommends taking a team-based approach, as outlined in our evidence based guide, [Future Flex](#). It is also important for them to consider how COVID-19 has impacted on different segments of their workforce.

### *Gender segregation in job type*

Women's overrepresentation in certain industries and occupations continues to be a significant driver of the pay gap. Women make up most of the workforce in low-paying industries and jobs we rely on to carry out our daily lives but simultaneously undervalue, and this needs to change.

We must make addressing wage inequality in feminised industries an urgent priority.

DCA was pleased to hear of the Government's plans to make gender pay equity an objective of the Fair Work Act and strengthen the Fair Work Commission's powers to order pay rises for workers in low paid industries dominated by women.

DCA also supports the call by Chief Executive Women for the Summit to address the systemic issues in the care economy.

### **Improvements to data collection and reporting**

Australia does not currently collect national data that would enable us to examine the pay gap through an intersectional lens.

There is strong support from our member organisations for expanding the data currently collected by the Workplace Gender Equality Agency and DCA supports the work currently underway to broaden data collection (including recognising non-binary genders) for WGEA.

### *Better data collection for understanding Australia's LGBTIQ+ populations*

Without nationally consistent national data sets for benchmarking, the addition of intersectional data to the WGEA data set will have limited applicability.

DCA therefore recommends that the government ensures that questions on sexual orientation, gender identity and intersex status are also included in the Census.



*Better data collection for understanding Australia's racial and cultural diversity*

DCA would encourage the ABS to consider the framework outlined in DCA's Counting Culture: Towards A Standardised Approach to Measuring and Reporting on Workforce Cultural Diversity in Australia.

**Workplace inclusion as a strategy to reduce discrimination and enhance opportunities for all Australians**

DCA's [Inclusion@Work Index 2021-22](#) shows that inclusive workplaces significantly decreases the risk of experiencing discrimination and/or harassment while at work; and inclusive workplaces are more productive and have better outcomes for all employees.

Employers who do the work to actively create and maintain diverse workforces with actively inclusive practices are more productive, more innovative, and more profitable.

Employers who embed inclusive practice have happier, more effective, more innovative workers who are four times less likely to be looking to leave in the next year.

We urge the Summit to make D&I a priority for tackling some of the systemic issues that are impacting our economy.

**Addressing Racism at Work**

DCA's [Racism At Work](#) revealed that workplace racism is having a significant impact on Australian employees' wellbeing, and impacting Australian organisations.

Australia must address racism, and DCA supports the work being undertaken by the Australian Human Rights Commission on a National Anti-Racism Strategy.

DCA recommends that the Summit must address racism in workplaces, and be led by racially marginalised people on interventions.

Furthermore, to address racism in Australia more broadly, more work needs to be done to increase racially literacy in the community.

**Inclusive recruitment**

In 2022, Australia is experiencing the lowest unemployment rate in almost 50 years. This, along with record-high employment, means that many Australian organisations are struggling to meet their workforce needs.

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DCA has new research – to be released in October, that looks at who are the overlooked and underleveraged pools of talent in Australia's labour market, what is preventing this talent from being recruited, and how we can recruit, inclusively.

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Diversity Council Australia (DCA) is the independent not-for-profit peak body leading diversity and inclusion in the workplace. We have over 1,100 member organisations, reaching more than 20% of the Australian labour market. For more information contact [advocacy@dca.org.au](mailto:advocacy@dca.org.au).

