



To the Senate Finance and Public Administration Legislation Committee

Submission to the inquiry into the Australian Government Boards (Gender Balanced Representation) Bill 2015

ABOUT ECONOMIC SECURITY4WOMEN

economic Security4Women (eS4W) is an alliance of national women's organisations funded by the Australian Government through the Office for Women's under the Women's Leadership and Development Strategy.

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

The role of eS4W is to:

- bring together women's organisations and individuals from across Australia to share information, identify barriers to women's economic security and to identify solutions by prioritising the key issues for action to bring about change
- engage actively with the Australian Government on policy issues as part of a better more informed and representative dialogue between women and government.

As a National Women's Alliance we take a lead in ensuring that the voices of as many women as possible are heard, especially those who in the past have found it difficult to engage in advocacy and decision making.

BACKGROUND

Improvements in gender balance on boards has been encouraging in some sectors and industries, but not in others. Research undertaken by Australian Institute of Company Directors (AICD)¹ showed an increase in appointments of women to non-executive director roles between 2009 and 2014 that almost doubled, resulting 17.6% of ASX 200 board appointments going to women in 2014, with strong representation in Financials, Telecommunications and Consumer Staples sectors.

In contrast Federal, Queensland and West Australian governments are showing a backward trend. It is disappointing that the 2015 Board Diversity Index (BDI)², published by Women on Boards, shows that gender balance on significant Federal Government boards had a negative trend between 2013 and 2015. While the negative trend identified in the BDI is

¹ Female non-executive director appointments to ASX 200 boards

² <http://www.womenonboards.org.au/news/2015/media-150316-bdi.htm>

small at -0.6%, the authors noted that the Australian Governments own report showed a -2% trend between 2013 and 2014 and concluded that it could be further eroded in coming reporting periods.

OUR POSITION ON THE AUSTRALIAN GOVERNMENT BOARDS (GENDER BALANCED REPRESENTATION) BILL 2015

- 1 eS4W supports the intention of this Bill to implement existing Government policy in relation to gender-balanced representation on Government boards.

The existing policy, introduced by the Gillard Labor Government in 2010 and maintained under the current Government, provides for a gender diversity target of 40 per cent men on Government boards, 40 per cent women, and 20 per cent to be made up of either gender.

We support the move from the current aspirational target to a positive obligation that will apply in relation to each appointment to a Government board.

- 2 We also support the replication of the existing reporting requirements for Government portfolios, under which they are required to provide statistical information to the Office for Women for the purpose of publishing the *Gender Balance on Australian Government Boards Report*. Currently, the report is consolidated and published by the Department of Prime Minister and Cabinet as the portfolio under which the Office for Women sits.

The Bill requires Commonwealth officials making appointments to Government boards to ensure that each board is made up of at least 40 per cent men and at least 40 per cent women. It also requires each portfolio department to prepare a report each financial year, setting out the gender composition of each Government board within that portfolio. Further, the Minister for Women must then publish that information in a consolidated report, to be tabled in Parliament.

BOARDLINKS

- 3 Furthermore, eS4W is concerned about the current status of the BoardLinks initiative. BoardLinks was established to provide opportunities for women actively seeking leadership roles to be appointed to Australian Government boards to enhance their economic and workforce participation.

BoardLinks is one mechanism to increase the number of women on Australian Government Boards and should be actively supported by the Australian Government to achieve the gender diversity target outlined in this bill.

<http://www.pennywong.com.au/media-releases/government-supporting-women-into-leadership/>

Female non-executive director appointments to ASX 200 boards

<http://www.womenonboards.org.au/news/2015/media-150316-bdi.htm>