

Chapter 2

Review of annual reports

2.1 This chapter examines selected annual reports in greater detail, and provides the Senate with information that may be of particular interest.

2.2 The following annual report under the Employment portfolio is discussed in this chapter:

- Workplace Gender Equality Agency.

2.3 In addition, two quarterly reports under the Employment portfolio, both from the Australian Building and Construction Commission are discussed.

2.4 No reports from bodies under the Education and Training portfolio were received during this recording period.

Workplace Gender Equality Agency

2.5 The Workplace Gender Equality Agency (WGEA) is a statutory agency established under the *Workplace Gender Equality Act 2012*.¹

2.6 The WGEA is charged with promoting and improving gender equality in Australian workplaces, including through the provision of advice and assistance to employers and the assessment and measurement of workplace data.²

2.7 In 2015-16, the agency focused on expanding its reach to a national audience. A series of public speaking engagements were undertaken, including six pay equity roundtables which brought together business leaders to discuss barriers to pay equity and possible actions to remedy this issue. Fourteen Australia-wide webinars and live walkthroughs of the WGEA reporting process involved 1,524 participants.³

2.8 As of 19 September 2016, 4,707 reports had been assessed by the WGEA as compliant for the 2015-16 reporting period. These employers represented over 4 million employees, which accounts for approximately 40 per cent of employees in Australia.⁴

2.9 All of WGEA's performance criteria were either met or exceeded. These were:

- Percentage of women in leadership roles: Greater than 24.5 per cent of governing board members, 26.5 per cent of key management personnel (KMP) and 38 per cent of other managers;
- More than 25 per cent of relevant employers have conducted gender remuneration gap analyses;

1 Workplace Gender Equality Agency, *Annual Report 15-16*, p. 12.

2 Workplace Gender Equality Agency, *Annual Report 15-16*, p. 16.

3 Workplace Gender Equality Agency, *Annual Report 15-16*, p. 8.

4 Workplace Gender Equality Agency, *Annual Report 15-16*, p. 10.

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- 56 per cent of relevant employers have a strategy or policy to support employees with family or caring responsibilities;
 - 210,000 visits to the agency website.⁵

2.10 The WGEA has expanded its education outreach during the reporting period. A suite of educational resources and fact sheets were produced to support employers and promote public understanding. Increased knowledge of the WGEA was exemplified by the 276,928 unique website visits and 516 media mentions during the reporting period.⁶

2.11 The committee commends the WGEA for its work during this reporting period and its continued role in enhancing awareness and promoting gender equality in Australia.

Australian Building and Construction Commission

2.12 The Australian Building and Construction Commission (ABCC) began operations on 2 December 2016 after the commencement of the *Building and Construction Industry (Improving Productivity) Act 2016* (BCIIP Act) and the *Building and Construction Industry (Consequential and Transitional Provisions) Act 2016*.⁷

2.13 Under the BCIIP Act the ABCC is required to produce an annual report as soon as practicable after the end of each financial year.⁸ As noted elsewhere in this report, the ABCC was established after the conclusion of the 2015-16 reporting period and as a result its first annual report will be for 2016-17.

2.14 The ABCC is additionally required to prepare quarterly reports for the 3 month periods beginning 1 July, 1 October, 1 January and 1 April.⁹ Section 20 of the BCIIP Act requires the Australian Building and Construction Commissioner to prepare a report each quarter on the performance of the Commissioner's functions and the exercise of the Australian Building and Construction Commissioner's powers during that quarter.¹⁰

2.15 This review of annual reports covers two quarterly reports, the *Australian Building and Construction Quarterly Report, Second Quarter of 2016-17*, which covers the 16 business days between 2 December and 31 December 2016, and the

5 Workplace Gender Equality Agency, *Annual Report 15-16*, p. 18.

6 Workplace Gender Equality Agency, *Annual Report 15-16*, p. 21.

7 Australian Building and Construction Commission, *Quarterly Report (Third quarter of 2016-17)*, p. 3.

8 See the *Building and Construction Industry (Improving Productivity) Act 2016* (BCIIP Act), s. 32K.

9 See the *Building and Construction Industry (Improving Productivity) Act 2016* (BCIIP Act), ss. 20(1).

10 Australian Building and Construction Commission, *Quarterly Report (Third quarter of 2016-17)*, p. 1.

Australian Building and Construction Quarterly Report, Third Quarter of 2016-17, which covers the period between 1 January and 31 March 2017.

2.16 During the reporting period the ABCC was in the process of developing a case management system, due for release in July 2017. The ABCC's existing case management system (AIMS) was carried over from Fair Work Building and Construction and does not have the capability to allocate and track agency costs against individual matters.¹¹

2.17 For the transition from AIMS, the ABCC has added a basic time recording capability to the AIMS system that allows for approximate reporting of internal costs against investigations. The nominal internal cost data is based on this interim solution and provides an approximation of internal time costings.

2.18 During the second quarter of 2016-17, the ABCC had 49 open investigations. Of these, 20 investigated coercion, 17 right of entry, six unlawful industrial action, five freedom of association and one misrepresentation of workplace rights.¹² For the third quarter of 2016-17, the ABCC had 81 open investigations. Of these, 27 investigated coercion, 17 unlawful industrial action, 15 right of entry and 10 wages and entitlements disputes. Freedom of association, misclassification/sham contracting and misrepresentation of workplace rights accounted for seven, four and one investigations respectively.¹³

2.19 During the second quarter of 2016-17 the ABCC provided assistance and advice by responding to 337 enquiries. Sixty-two per cent of responses regarded inquiries into the Building Code, including general Code information, Code assessment and notices of Code breach.¹⁴ For the third quarter of 2016-17, the ABCC responded to 1,658 enquiries of which 65 per cent were related to the Building Code and a further 16 per cent to workplace laws such as wages and entitlements, right of entry and unlawful industrial action.¹⁵

2.20 During the second and third quarters of 2016-17 the ABCC finalised eight Building Code audits and 47 Building Code inspections. Of these, six audits identified

11 Australian Building and Construction Commission, *Quarterly Report (Second quarter of 2016-17)*, p. 7.

12 Australian Building and Construction Commission, *Quarterly Report (Second quarter of 2016-17)*, p. 8.

13 Australian Building and Construction Commission, *Quarterly Report (Third quarter of 2016-17)*, p. 7.

14 Australian Building and Construction Commission, *Quarterly Report (Second quarter of 2016-17)*, p. 9.

15 Australian Building and Construction Commission, *Quarterly Report (Third quarter of 2016-17)*, p. 9.

potential issues which have since been addressed and 10 inspections identified potential issues.¹⁶

2.21 The ABCC finalised 11 proceedings during the two recording periods, of which two are subject to appeal.

2.22 During the second quarter of 2016-17 the agency incurred approximately \$490,000 in external legal expenses as a result of enforcement action undertaken in 41 matters.¹⁷ During the third quarter, the ABCC incurred approximately \$1.2 million in external legal expenses through enforcement action in 60 matters.¹⁸

2.23 The agency received 77 complaints during the recording period, comprising 15 in the second quarter¹⁹ and 62 in the third quarter.²⁰

2.24 The committee notes this information regarding the performance of the Commission's functions and the use of its powers and expects to examine the Commission's first full annual report during the 2016-17 reporting period.

Senator Linda Reynolds CSC Chair

16 Australian Building and Construction Commission, *Quarterly Report (Second quarter of 2016-17)*, p. 9; Australian Building and Construction Commission, *Quarterly Report (Third quarter of 2016-17)*, p. 10.

17 Australian Building and Construction Commission, *Quarterly Report (Second quarter of 2016-17)*, p. 11.

18 Australian Building and Construction Commission, *Quarterly Report (Third quarter of 2016-17)*, p. 10.

19 Australian Building and Construction Commission, *Quarterly Report (Second quarter of 2016-17)*, p. 11.

20 Australian Building and Construction Commission, *Quarterly Report (Third quarter of 2016-17)*, p. 14.

