

## Government senators' dissenting and additional comments

1.1 Government senators recognise that workplace gender segregation has significant economic implications for Australia's employment growth and prosperity in an increasingly competitive global economy, and that harnessing women's participation in the workforce is crucial to addressing this issue.

1.2 The committee heard evidence that Australia and Australian businesses would reap considerable economic advantages by closing the gap between male and female employment and productivity, with the potential to boost Australia's GDP by between 11 per cent and more than 20 per cent.

1.3 The government has a proven record of supporting women and gender equality, and continues to demonstrate its strong commitment to supporting Australian women to ensure that they are respected, represented, have a strong voice and are financially and economically secure and safe from violence.<sup>1</sup>

1.4 The committee has heard from expert witnesses that workplace gender segregation is a complex, multi-levelled and multi-faceted issue. Government senators believe that the solution demands a nuanced and multi-faceted response that identifies policy measures designed to achieve the most effective outcomes in each portfolio area.

1.5 Government senators are disappointed that the majority report does not fully acknowledge the range of measures already in place, nor the progress that is being made to achieve lasting changes in Australian workplaces. Some of these initiatives are government-led or being undertaken in collaboration with industry. Others are industry-led and achieving significant results in addressing gender segregation in individual industries and workplaces.

1.6 The Australian Industry Group, for example, presented evidence to the committee about how it has been working with employers and educators to address the low intake of females into Science, Technology, Engineering and Mathematics (STEM) fields, including a recent collaboration with the Office of the Chief Scientist to produce the *STEM Programme Index 2016* as a tool for educators.<sup>2</sup> Appendix 3 contains a description of specific industry-led initiatives that were brought to the committee's attention during the inquiry.

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1 'Turnbull Coalition's commitment to supporting Australian women', Liberal Party of Australia, Media release, 11 June 2016, <https://www.liberal.org.au/latest-news/2016/06/11/turnbull-coalitions-commitment-supporting-australian-women> (accessed 1 June 2017).

2 Ms Genevieve Vaccaro, Australian Industry Group, *Proof Hansard*, 26 April 2017, p. 44; see Office of the Chief Scientist and AiGroup, *Stem Programme Index 2016*, [http://www.chiefscientist.gov.au/wp-content/uploads/SPI2016\\_release.pdf](http://www.chiefscientist.gov.au/wp-content/uploads/SPI2016_release.pdf) (accessed 1 June 2017).

1.7 Government senators also point to the Australian Public Service Commission's strategy, *Balancing the Future: The Australian Public Service Gender Equality Strategy 2016-19*, as an outstanding example of an initiative that seeks to bring about longer-term cultural change in the APS through leadership, flexibility and innovation rather than prescriptive regulatory changes.

1.8 The committee has heard a considerable amount of evidence about the nature of gender segregation in Australian industries and occupations, as well as the range of strategies and measures that have been adopted in both the public and private sectors.

1.9 This evidence clearly demonstrates that, not only is there a heightened awareness across government and industry of the causes of workplace gender segregation in Australia, but also a concerted effort underway to address these factors and ensure that women and men are able to participate equally in the workforce. Specific policy measures that have already been identified by government and are being implemented are discussed in more detail below.

1.10 Government senators are concerned that the legislative and policy measures proposed in the majority report potentially duplicate or weaken existing initiatives underway in the public and private sectors. Many of the larger employers in the private sector, for example, have already implemented a range of effective recruitment practices and workplace strategies to directly tackle key drivers of gender segregation such as unconscious bias, while smaller businesses are devising and implementing practices that are increasing gender diversity in their workplaces.

### **Increasing women's workforce participation**

1.11 Government senators are disappointed that the majority report does not recognise the government's efforts in meeting the G20 goal of increasing women's labour force participation by 25 per cent by 2025. Australia was instrumental in having this goal accepted by G20 nations in 2014, and the government is now well-advanced in developing a cross-portfolio strategy to ensure that Australia will meet its goal.<sup>3</sup>

1.12 Government senators also note that the government has recently invested around \$37 billion on child care support over the next four years, including \$2.5 billion to support the implementation of the *Jobs for Families Child Care Package*. These reforms are designed to make the Australian child care system more affordable, flexible and accessible for Australian families in order to assist working parents get back to work sooner.<sup>4</sup>

1.13 The *Jobs for Families Child Care Package*, for example, will give around one million Australian families relief from out-of-pocket child care cost pressures and provide more children with the opportunity to benefit from early education. The

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3 Senate Finance and Public Administration Legislation Committee, Estimates, *Proof Hansard*, 22 May 2017, pp. 69–71.

4 Department of Education and Training, Early Childhood and Child Care, <https://www.education.gov.au/early-childhood-and-child-care> (accessed 1 June 2017).

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package of measures aims to provide support for Australian parents who want to work or work more. In particular, the reforms will assist those who work the most and earn the least by making the system more affordable, accessible and flexible.<sup>5</sup>

### **Meeting the science and technology challenge**

1.14 Government senators agree that engaging more women in STEM professions is essential if Australia is to maximise its economic opportunities and drive innovation to meet the demands of a rapidly evolving and increasingly competitive global economy.

1.15 Government senators support the government's substantial commitment to overcoming the barriers that girls and women face in entering STEM fields as part of its National Innovation and Science Agenda (NISA).<sup>6</sup>

1.16 In 2015, the government committed \$13 million to encourage women to choose and stay in STEM fields, start-ups and entrepreneurial businesses. Initiatives include the Science in Australia Gender Equality pilot led by the Australian Academy of Science and the Academy of Technological Sciences and Engineering; the Male Champions of Change project to encourage greater gender equity in STEM-based and entrepreneurial industries; and partnering with the private sector on initiatives that celebrate female STEM role models and foster an ongoing interest in STEM careers among girls and women.<sup>7</sup>

1.17 The Australian Government's *Inspiring all Australians in Digital Literacy and STEM* represents a further commitment of \$64.6 million for initiatives to improve the teaching and learning of STEM in schools and childcare centres. It is focusing on increasing the engagement of underrepresented groups including girls by upskilling teachers and students, facilitating industry partnerships, and providing Digital Literacy School Grants.<sup>8</sup>

1.18 In addition, the Australian Department of Education and Training provided evidence to the committee about a range of school-based initiatives, such as the National STEM Partnerships program (Scientists and Mathematicians in Schools) involving mentoring and partnerships with teachers and classes to bring real-world learning into the classroom; ICT Summer Schools initiative for Years 9 and 10

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5 Department of Education and Training, *Jobs for Families* Child Care Package, <https://www.education.gov.au/jobsforfamilies> (accessed 1 June 2017).

6 Australian Government, National Innovation and Science Agenda, <http://www.innovation.gov.au/page/agenda> (accessed 1 June 2017).

7 Department of Education and Training, Submission 21, pp. 13-14; also see Australian Department of Innovation, *The National Innovation and Science Agenda: engaging more women in STEM*, <http://science.gov.au/scienceGov/news/Pages/The-National-Innovation-and-Science-Agenda-engaging-more-women-in-STEM-.aspx> (accessed 1 June 2017).

8 Department of Education and Training, *Inspiring all Australian in Digital Literacy and STEM*, <https://www.education.gov.au/inspiring-all-australians-digital-literacy-and-stem> (accessed 1 June 2017).

students, commenced in January 2017; and *Curious Minds*, a hands-on extension and mentoring program for Years 8 to 10 to ignite girls' passion for STEM subjects.<sup>9</sup>

### **Women in leadership**

1.19 Government senators believe that considerable progress has been made in achieving vertical gender segregation, with targets for gender equality on boards and in senior management being met across both public and private sectors.

1.20 The 'BoardLinks Champions' database, for example, has been a highly effective tool for connecting leading women in Australian industries with opportunities to be considered for Australian Government board positions. The personal endorsement of a BoardLinks Champion, Australian Government Minister, or Department Secretary ensures BoardLinks candidates are of the highest calibre.<sup>10</sup>

1.21 Government senators note that the government is on track to achieving its gender diversity target across all Australian Government boards to 50 per cent representation with a minimum of 40 per cent on each board.<sup>11</sup>

1.22 Company boards play a pivotal role in creating an inclusive organisational culture and ensuring gender balance within their organisations, and Government senators note that the number of women on ASX200 boards has more than doubled over the last five years, from 8.3 per cent in January 2010 to 21.9 per cent in January 2016.

### **Response to majority report recommendations**

1.23 Government senators have concerns with some of the recommendations contained in the majority report, and these are outlined below:

#### ***National policy framework for women's workforce equity***

1.24 Government senators do not support recommendation 1. Government senators believe that the existing policy framework provides a strong and effective response to the range of policy issues associated with workplace gender segregation. They do not consider that it is necessary to establish another policy framework, and are concerned that it will lead to duplication of existing efforts, competition for existing resources, and potential confusion over policy objectives.

1.25 The existing framework includes measures to address gender pay equity, gender segregation and flexible work provisions. In 2013, the government made the decision to reinstate the Office for Women in the Department of the Prime Minister and Cabinet, with the express intention to connect gender policy across the whole of government, and to demonstrate its commitment to strengthening gender analysis,

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9 Department of Education and Training, *Submission 21*, pp. 13–14.

10 Australian Government, *BoardLinks*, <https://www.boardlinks.gov.au/> (accessed 1 June 2017).

11 Australian Government, *BoardLinks*, <https://www.boardlinks.gov.au/>; Senator the Hon Michaelia Cash, International Women's Day 2016, Media release, 8 March 2016, <https://ministers.employment.gov.au/cash/international-womens-day-2016> (all accessed 1 June 2017).

advice and mainstreaming across all portfolios. The Office for Women's priorities focus on strengthening women's workforce participation and supporting more women into leadership positions.

1.26 Other measures in the existing framework include the Fair Work Commission's (FWC's) role in providing access to pay equity research, and the Fair Work Ombudsman's best practice guide on achieving gender pay equity.<sup>12</sup>

1.27 As noted above the government is also demonstrating, through a wide range of programs, that it is committed to promoting women's workforce participation by promoting flexible work provisions and access to affordable early childhood education and care.

1.28 The committee also heard evidence from industry groups that demonstrate their support for policies that encourage flexible working arrangements and policies and procedures which enable particular jobs to be performed on a flexible basis by both men and women.<sup>13</sup>

1.29 Government senators see merit in the idea of an appropriate government agency maintaining a list of relevant measures that have been successfully adopted in other jurisdictions, in order to give Australian policymakers and businesses access to international best practice initiatives that may be applicable in the Australian context.

### ***Reforms to Fair Work Act 2009***

1.30 Government senators do not support recommendations 2 and 3 calling for amendments to the *Fair Work Act 2009* to require the FWC to properly consider equal remuneration as an explicit objective of the Act and a positive duty when making or varying an award, and to consult with stakeholders to achieve these reforms.

1.31 Australia's legislative framework already provides employees with a suite of protections against gender discrimination in the workplace. Government senators consider that the current legislative provisions relating to equal remuneration and work value matters are adequate and do not see the need for an equal remuneration principle.

1.32 Government senators are concerned that the committee's recommendations for changes to the *Fair Work Act 2009* are not only unnecessary, but they are likely to impose additional constraints and burdens on employers, particularly larger employers who already have effective strategies and initiatives in place to promote gender-neutral employment practices and greater diversity in their workplaces.

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12 FWC, Pay equity research, <https://www.fwc.gov.au/resources/research/pay-equity-research>; FWC, Gender pay equity, <https://www.fairwork.gov.au/how-we-will-help/templates-and-guides/best-practice-guides/gender-pay-equity> (all accessed 1 June 2017).

13 Ai Group, *Submission 11*, p. 9.

### ***Reforms to Fair Work Commission***

1.33 As noted above, government senators consider that the existing protections against gender discrimination in the workplace are adequate, and do not support recommendation 4 seeking to reinstate the Pay Equity Unit within the FWC.

1.34 The FWC is an independent body which is equipped with the expertise and authority to regulate and enforce provisions regarding minimum wages and employment conditions.

1.35 The FWC established the Pay Equity Unit in 2013 following a recommendation by House of Representatives Standing Committee on Employment and Workplace Relations in 2009.<sup>14</sup> Its role was to undertake pay equity related research and provide information to inform matters relating to pay equity under the *Fair Work Act 2009*. The Unit completed its research program in 2014 – 15 and produced several reports which are available on the FWC's website.<sup>15</sup>

### ***Career exploration and guidance***

1.36 The committee heard evidence about the need for gender-sensitive career guidance for secondary school girls, aimed at promoting STEM and other non-traditional careers, building on elements of successful programs from Australia and around the world.

1.37 Government senators support, in principle, recommendation 5 proposing that the Department of Education and Training update the National Career Development Strategy and the Australian Blueprint for Career Development to ensure that they include provision for gender sensitive career guidance and counselling. Government senators note that the committee received no specific evidence on the need to update the Strategy and the Blueprint, and current initiatives in this area need to be taken into account.

1.38 Government senators support, in principle, recommendation 6 proposing that the Department of Education and Training undertake a national evaluation of all programs and initiatives aimed at increasing the number of girls undertaking STEM courses in order to provide benchmark data and best practice guidelines. However, government senators consider that the necessity for such a review should first be established, given the government's significant commitment and current initiatives already underway in this area, as outlined above.

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14 House of Representatives Standing Committee on Employment and Workplace Relations, *Making it Fair: Pay Equity and Associated Issues related to Increasing Female Participation in the Workforce*, Canberra, November 2009, [http://www.aph.gov.au/Parliamentary\\_Business/Committees/House\\_of\\_Representatives\\_Committees?url=ewr/payequity/report.htm](http://www.aph.gov.au/Parliamentary_Business/Committees/House_of_Representatives_Committees?url=ewr/payequity/report.htm) (accessed 1 June 2017).

15 FWC, Pay equity research, <https://www.fwc.gov.au/resources/research/pay-equity-research> (accessed 1 June 2017).

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***Gender data reporting***

1.39 Gender data reporting is an essential source of information about employment characteristics of individual workplaces in Australia. As the committee heard during the inquiry, Australia is already a world leader in gender data reporting and government datasets, particularly those maintained by the Australian Bureau of Statistics and the Workplace Gender Equality Unit.

1.40 These datasets provide a rich source of gender-related data that is regularly published in summary form and made available to expert analysts to ensure that the government has access to policy advice on gender segregation and the gender pay gap across portfolios.

1.41 Given the robust and detailed nature of the current system of gender data reporting, government senators are cautious about imposing additional reporting requirements that will impose a further burden on employers who are already meeting their obligations to provide detailed gender data for individual workplaces.

1.42 Government senators do not support recommendation 7 which proposes a review of the recent United Kingdom initiative on Gender Pay Gap Reporting, recommendation 8 which proposes a review of the job classifications used by the ABS with the intention of improving the granularity and portability of datasets, or recommendation 9 which proposes that the ABS Time Use study recommence on a regular basis.

Senator James Paterson  
Deputy Chair

Senator Bridget McKenzie  
Senator for Victoria

