



November 2021

Future Super Group's Submission to the Review of the Workplace Gender Equality Act 2012

1. Are the functions and powers of WGEA appropriate for promoting and improving gender equality in the workplace? How effective is WGEA in achieving its functions to promote and improve gender equality in the workplace including by enabling relevant employers to report on the gender equality indicators, developing benchmarks and reports, undertaking research, education and leading practice programs, and contributing to the public discussion on gender equality?

As an ethical investor, WGEA data has been very useful for integrating a gender equality lens into investment decision making and for investor stewardship activities on gender equality in the workplace. WGEA's role in creating a world-leading dataset has been essential for this, and for creating transparency and accountability for reporting organisations.

However, though transparency is a crucial first step, the progress on achieving gender equality and closing the gender pay gap has been slow. We can see this from the following:

- The gender pay gap is on track to remain for another 26 years.
- Women remain under-represented across all levels of leadership.
- There's been little improvement in primary carer parental leave cover.
- 16% of women in Australia have experienced sexual harassment in the workplace.

WGEA has also identified an 'action gap', meaning that organisations have policies and strategies in place but are not necessarily taking action to implement them. To rectify this, reporting requirements should be changed so that reporting entities must have stated action plans on achieving gender equality, and report on their progress against these plans on an annual basis. Failure for reporting organisations to act should be reflected in their overall dataset and should result in the removal of employer of choice citations where applicable. Resourcing to WGEA should be appropriate for the agency to take a progress and action-oriented approach in helping reporting organisations achieve the goals stated in their action plans.

2. i. What is your experience of what works to improve gender equality in your workplace?

We applaud the agency's continued desire to encourage employers to report gender equality data against the GEIs to better understand the overall state of workplace gender equality. Future Super does not qualify for WGEA reporting, however as a purpose-driven employer, we are punching above our weight with regards to policies and programs intended to increase gender representation at all levels of the business. As a starting point, we regularly



report on the gender diversity and gender pay gap for the company as a whole, as well as by team. This data is readily accessible to all employees.

To maintain gender equity during recruitment, our HR team has implemented a number of measures to increase and maintain gender equality.

Our recruitment guidelines include the following measures to address and encourage gender equality:

- Using *Applied*, a de-identified recruitment platform
- Encouraging the use of non-gendered language in our Job Descriptions; and
- Stipulating that interview panels be gender-balanced as well as culturally diverse

Last year following one of our quarterly engagement surveys, the Employee Net Promoter Score (eNPS) for women at Future Super was significantly lower than for men. We ran a workshop in what was then SuperWomen (an Employee Resource Group, now called SuperGenders) to see what we could do to improve the engagement of women in our workplace. Menstrual and Menopausal Leave was one of the ideas suggested, which we implemented in January 2021.

ii. How do you currently engage with WGEA and use the reporting process and their resources to improve gender equality?

As a medium sized business, we are not currently required to report to WGEA. As an ethical investor, we utilise the WGEA dataset to evaluate the progress reporting organisations are making on gender equity in the workplace. As an employer, we refer to WGEA resources on what best practice on gender equality in the workplace looks like and seek to incorporate this into our policies and processes.

iii. What changes, if any, would you like to see in the areas of future focus for WGEA to further promote and improve gender equality over the next ten years?

With the shift to flexible working arrangements for employees as a result of the COVID pandemic, it's important that WGEA focuses on the impact a more distributed or a flexible-first workforce has on gender equality as it relates to possible increased rates of gender-based family and domestic violence due to women working for a greater portion of their time at home.

- 3. Should the coverage of the Workplace Gender Equality Act be further changed? Specifically, should the definition of 'relevant employer' be expanded? If so, would additional considerations need to be factored in for new reporting employers?**



We would like to see the definition of ‘relevant employer’ expanded to include:

- Federal, State, Territory and Local Government public sector agencies with 20 or more employees
- Non-public sector businesses with more than 50 employees.

However, we acknowledge that reporting requirements can be burdensome on SMEs and would recommend additional resources and tools to roll out reporting to smaller businesses. Smaller agencies and businesses are likely to face less challenges if their reporting requirements are limited to core indicators and metrics, and they’re allowed a period of time to adjust (where they can run a trial reporting session for a year, receive feedback, and tune their internal mechanisms).

Additionally, we would also like to see the definition of “employees” being expanded. Companies that disproportionately rely on contract workers or the gig economy may be exempt from reporting to WGEA under the current set of rules. Any updates should reflect the changing nature of labour markets in Australia.

4. In addition to gender, should WGEA collect other data on diversity and inclusion criteria on a mandatory basis, to enable a more nuanced analysis of men and women’s experiences in the workplace? If yes, please specify criteria (e.g., cultural and linguistic diversity, disability, age, location of primary workplace). If not, why not?

It is important that WGEA collects other data on diversity and inclusion criteria, in addition to gender, as gender is only one of many factors that can shape a workplace experience.

Other aspects of a person's identity, such as cultural background, disability, and age, intersect with their gender, and change the experiences they face, in and outside of the workplace. These identities can compound the disadvantage and inequality an individual faces. It is integral to collect this data, to begin to understand and identify the differences within an identity category and identify blind spots where workplaces may not be fully addressing diversity and inclusion issues.

With collecting more sensitive data on other diversity and inclusion metrics, an emphasis on anonymity or a reassurance to how the data will be safely handled should also be strengthened. Disclosing other identities comes from a place of vulnerability, as workers may fear that disclosing such things may bring on a negative reaction.

However, companies should not refrain from collecting such data in fear of the lack of successful data collection, instead, the responsibility is on the company requesting the data, to reassure and provide a safe environment where workers feel they can disclose such information.

More nuanced data points on the diversity and inclusion of a workforce signals to us as ethical investors that a company has taken the steps to understand the diversity and



inclusiveness of their workplace and has the data points to better craft measures to address inequality in the workplace.

5. How could data be better collected and/or used by WGEA to promote and improve gender equality? Should there be some form of pay transparency – should remuneration data in some form be public?

Transparency is vital to achieving gender equality in Australia. Remuneration data submitted by reporting organisations should be made public, as this will keep companies accountable to taking action on closing the pay gap. The confidentiality component of the Act should be removed to achieve this.

Given that WGEA already collects this data at an individual organisational level, there would be little resourcing needed to make this data public. As an ethical investor, we would be able to use this data to engage with our investee companies and their performance on closing the gender pay gap, as well as guide investment decisions relating to gender equality. It can be used by other stakeholders in the community who can use this information for research purposes, reporting, and further engagement with companies.

We recommend that gender pay gap data be published for both base salary and total remuneration, expressed both as percentage and average dollar earnings of employees by gender. The gender pay gap data should be published in quartiles, from highest paid to lowest paid quarter to ensure that pay gap data is representative and can be analysed from the highest to lowest paid workers.

6. Could the minimum standards be expanded to improve the way they drive practical gender equality outcomes in workplaces? What would employers need to do to implement these changes in their workplace? Should Minimum Standards apply to all reporting employers, not just those with 500 or more employees?

We recommend a trial program for employers with fewer than 500 employees. Future Super are keen to embed structural changes in our diversity and inclusive strategies but currently are not obligated to report under the Act. We would find it useful and instructive for SMEs to embed gender targets early on and with additional resources and support to fulfil reporting obligations. Refer to our response regarding the coverage of the Act above.

7. Are there any other matters you want to comment on in relation to the Workplace Gender Equality Act and improving and promoting gender equality in the workplace in Australia?

We would like to back WGEA to incorporate relevant recommendations from the Respect@Work report, specifically enabling additional collection of data as specified by the Respect@Work Council. The current reporting standards are limited to existing sex-based discrimination and harassment policies, prevention programs and grievance mechanisms.



We would like to see these reporting requirements being expanded to include best practice data collection to monitor and evaluate the prevalence and patterns of sex and gender-based discrimination, harassment or violations occurring within companies.

We also support WGEA being involved in supporting other recommendations from the *Respect@Work Report* that relate to data collection, specifically Recommendation 3 and Recommendation 14.

Additionally, we encourage a change of wording in the mandatory reporting requirements in the Act. More specifically, the current Act only requires employers to provide reports based on the relative positions of women and men in their workplaces. We advocate for a change of this wording to be inclusive of non-binary people. This is due to an absence of data on employees who do not identify with binary definitions of gender.