

The Review of the Workplace Gender Equality Act 2012

Workplace Gender Equality Agency

Australian Government, Department of the
Prime Minister and Cabinet

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The Australian Research Council Centre of Excellence
for Children and Families over the Life Course

 lifecoursecentre.org.au

Life Course Centre

The Australian Research Council Centre of Excellence for Children and Families over the Life Course (the Life Course Centre) investigates the factors underlying deep and persistent disadvantage, including gender inequality, to provide life-changing solutions for policy and service delivery. The Centre is administered by the Institute for Social Science Research at the University of Queensland and is a collaboration with the University of Western Australia, the University of Sydney, and the University of Melbourne as well as international, government, business and community partners.

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Life Course Centre Submission

The Life Course Centre welcomes the opportunity to provide a submission to the Review of the Workplace Gender Equality Act 2012 by the Workplace Gender Equality Agency (WGEA).

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Introduction

Gender inequality is an ongoing driver of disadvantage in Australia, and it is getting worse. Global rankings of gender equality show that Australia has dramatically dropped from 15th in the world in 2006 to now 50th in the world in 2021 (World Economic Forum, 2021) based on cross-national comparisons of economic, education, health and political empowerment gender gaps.

Further evidence for rising gender inequality in Australia includes: a rise in the gender pay gap from 13.4% in 2020 to 14.2% in 2021 (WGEA, 2021); and women's continued underrepresentation in leadership positions, comprising only 32.5% of key management positions, 28.1% of directors, 18.3% of CEOs and 14.6% of board chairs (WGEA, 2021). In addition, older women are the fastest growing group of homeless people in Australia, have less wealth than men, and retire with substantially less superannuation (Australian Bureau of Statistics, 2019; Australian Human Rights Commission, 2019). Almost 1 in 4 Australian women have experienced domestic violence (AIHW, 2019), over half of female homicide victims in Australia are killed by their intimate partner, over 90% of female homicides are perpetrated by men (Bricknell 2020), and there are strong links between experiences on violence and subsequent poverty for Australian women (Life Course Centre, 2021). Women also continue to undertake the majority of housework and care work in Australia and, not surprisingly, report higher levels of time pressure, stress, depression and burnout than men (Ruppanner et al., 2018).

The growing problem of gender inequality in Australia, and the influence it exerts on experiences of disadvantage, makes the role of the WGEA more important than ever.

Australia can and should do better in ensuring equal opportunities for men and women in the workplace, and the Life Course Centre proposes two key areas of focus for the WGEA to achieve more gender-equal outcomes:

- **Widening and deepening the collection of data**
- **Strengthening enforcement and incentives**

Widening and deepening the collection of data

What we don't know, we can't change.

Capturing more information on the state of gender equality policies and practices across a broad cross-section of Australian businesses is crucial. The WGEA currently requires businesses with 100+ employees to report their data. But more than 97% of all Australian businesses are classified as **small businesses** by employee numbers of 0-19 (Australian Small Business and Family Enterprise Ombudsman, 2020). Given the dominance of small businesses, this means a large proportion of the Australian workforce is not covered by WGEA's data. And it is perhaps in these smaller businesses, with smaller or no human resources department, that gender inequality may be more likely to be present. While only organisations with 100+ employees are required to report to the WGEA, gender inequality is not dependent on size. This cut off seems arbitrary and should be removed.

Most large businesses are likely to have an administrative system in place which will allow them to extract, and aggregate, gender equality information for the WGEA in a straightforward manner. However, smaller businesses may lack such automated human resources systems. Understanding how we can facilitate small businesses' participation in the WGEA reporting is important for gaining a more complete picture of gender equality in the Australian labour market. Due to their small employee numbers it should be possible for small businesses to conduct manual collection of staff data. But there may also be a need for **specialist support for small businesses**, e.g. shorter, streamlined questionnaires tailored to small business, WGEA templates developed and provided to small businesses owners to fill in details, with the data then aggregated in the relevant ways. Other data sources, such as Single Touch payroll, could also be utilised.

Knowing the current state of affairs on gender equality in organisations of all sizes will help with the design of policies to ensure men and women can participate equally in the labour force and are treated equally, with access to the same pay and working conditions and entitlements. In addition, including public sector employers in requiring them to report to the WGEA is crucial for the credibility of government policies and demonstrating that gender equality is important to them. **Public sector involvement** would also serve as an example of good behaviour for the private sector.

As well as widening the scope of organisations that report to the WGEA, there is also a need to deepen the data collected on the **demographic and social characteristics of employees**. Workplace policies to improve gender equality must take diversity seriously. This means understanding differences in experiences and outcomes that may require different approaches and strategies in different contexts, time periods and for different social groups. The issues constraining gender equality for migrants, Indigenous people, young, old, disabled, refugees, working class groups, people of diverse sexualities, across geographical regions in male dominated versus female dominated industries, will vary and strategies that do not take these intersecting inequalities into account will not be sufficient. What works in one social setting, time or place may not work in others.

Some of the required information may already being collected (e.g. location of employers), but additional employee characteristics could also be collected, such as country of origin, disability, sexual and Indigenous status (as self-reported by employees).

Pay transparency is also crucial for achieving gender equality in the workplace. While salary and remuneration data is confidential under the WGEA, and not included in public data or reports, aggregate salary information could be provided by gender and type of position. It is secrecy that makes it difficult for individual women to build a case for being underpaid relative to their male peers. Having this information out in the open, will make it more difficult to pay women less than men, and women could choose to find a more reasonable employer if they remain relatively underpaid.

In addition to collecting data on the policies available in organisations, it would also be very useful to have information on **take-up of policies and entitlements**. How many men and women make use of various policies and work entitlements? And which ones? For example, how many women and men take parental leave (which is currently already been collected), how many women and men use care leave entitlements and how many women and men use flexible working arrangements. Similarly, knowing the success rate for promotion or job applicants by gender would also provide useful material.

Strengthening enforcement and incentives

More ‘teeth’ to enforce compliance.

At the moment, the only penalty for non-compliance is that the non-complying business may be named (publicly) on the non-compliance list on the WGEA website and may not participate in the Government procurement framework (i.e. not be eligible for grants).

Given the importance of the data to develop effective policies, consideration should be given to **additional penalties for non-compliance** as well as possibly **introducing rewards for compliance**, especially when meeting or exceeding minimum standards. More focus could also be given to educating businesses on the benefits of understanding gender equality issues in their own organisation. Participating businesses will have an overview of the current state of gender equality in their business and how they are tracking compared to previous years. The WGEA webpage - under step “13) Download, share and analyse your report” – says: “Once you have completed reporting, you will be able to access a number of reports in the ‘Data and Insights’ tab of the Portal. You will also be able to benchmark your gender equality performance over time and against your competitors.” This benefit to businesses could be emphasised more.

Conclusion

No discussion of gender inequality can ignore **the impact of COVID-19**. Our research shows women were disproportionately affected by the decline in employment resulting from COVID-19 lockdowns (Hérault et al., 2020; Kalb et al., 2020; Kalb and Meekes, 2020). They also shouldered a large proportion of additional care work due to children not able to attend childcare and school for substantial periods of time.

This combined to reinforce and exacerbate existing inequalities, and it is important to ensure that, as we return to a 'new normal', women regain the lost ground and policies are designed to further improve gender equality. Beyond the direct employment impacts, COVID-19 is triggering social and economic impacts that threaten to wind back gender gains of recent decades while exposing underlying gender fault lines that recent policies have only papered over. We know that gender inequality limits the choices and life opportunities of men and women, but it also restricts economic growth and long-term economic development (Mörtvik and Spånt, 2005) short-changing future, as well as present, generations.

Alongside the negative impacts that COVID-19 has triggered, **the pandemic may also present silver linings** to address long-standing inequalities and disadvantage in Australian society, including gender inequality, in terms of insights into how to achieve the required change. When the pandemic hit Australia in March 2020, governments rapidly changed the rules of some of our major institutions and the long taken-for granted rules and regulations governing how we live and work. This included increasing welfare payments, supporting business to retain workers, providing free childcare, and closing schools and workplaces while education and work continued. Innovative, previously unthinkable, interventions were quickly implemented and widely accepted, including working for work. It will take time to emerge from the current COVID crisis, and there will be future health and economic shocks. But, right now, there are opportunities for rethinking, redesigning and transformation of institutions to address disadvantage and inequality and build back a better and fairer society for all (Baxter et al., 2021).

Finally, **gender equality is not just about equality for women, it is also about equality for men**. Men should also be able to benefit from workplace policies and have flexibility to balance family and work. Too often gender inequality is constructed as a women's issue, and solutions are developed that support women to manage multiple (conflicting) responsibilities. But these solutions do not involve men as being part of the solution or challenge gender divisions. For example, policies for work-family balance, parental leave and flexibility are too often developed with only women in mind and, not surprisingly, it is women who take up these opportunities and then find themselves falling behind, because they cannot reasonably manage to keep up with men who do not face the demands of both paid and unpaid work, or women are stressed, tired and end up with poor levels of mental health (Ruppanner et al., 2018; Westrupp et al., 2016). More gender equal parental leave policies would not only improve gender equality in care work at home, but also support men to develop strong emotional bonds with their children. This could help to create cultural change in workplaces about the importance of making time for care work by both men and women, lead to stronger family relationships, and improve outcomes for children (Grattan Institute, 2021). All of this on top of supporting women to maintain employment and earnings during the childrearing years.

There are many positive flow-on effects from advancing a fairer and more equitable gender division of both paid and unpaid work, including on women's housing, superannuation, and wellbeing further on in the life course. Helping women to maintain strong connections to the labour market not only benefits the women and families involved, but also society more broadly. With stronger connections to the labour market, fewer women will become dependent on income support, social housing or other support in their later years. To gain a better understanding of whether family-oriented workplace policies are being taken-up by both men and women, and whether specific policies serve the purpose for which they were introduced, we need to know who is using these policies, and whether there are variations by industry, occupation, skill level, employee background etc. Deeper data and understanding of the differences in the take-up will enable improvements to allow and encourage men and women to take full advantage of family-oriented workplace policies.

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