

BCA

Business Council of Australia

# Review of the Workplace Gender Equality Act 2012

Submission

November 2021



# Contents

1.	About this submission.....	2
2.	Key recommendations.....	3
3.	A new focus for the Workplace Gender Equality Agency .....	4
4.	Labour market recovery strategy and women’s economic security .....	6
5.	Additional Reporting.....	7

# 1. About this submission

The Business Council of Australia welcomes the Review of the Workplace Gender Equality Act 2012 (the Act) as an important step to lock in and build on Australia's substantial gains in gender equity in workplaces.

Our submission to the Review is guided by the following principles:

- As we rebuild following the COVID global pandemic, we must emerge stronger and fairer giving Australians the opportunity to realise their full potential.
- We must set the economy up for the transformational changes needed to boost growth and position the country for the future.
- One of the best ways to achieve economic equity for women will be to optimise the fundamentals right across the economy, particularly in relation to paid parental leave, access to childcare, supporting lifelong learning through a skills guarantee and addressing systemic barriers that keep women from pursuing leadership positions in corporate Australia and beyond.
- Businesses want to work with governments to put in place the policies that will let all Australians get ahead.

The purpose of the Review is to ensure that the Workplace Gender Equality Agency (WGEA) has the powers, tools and levers at its disposal that are necessary to achieve the objectives of the Act which include:

- improving and promoting gender equality in Australian workplaces;
- supporting employers to remove barriers to achieving that objective; and
- eliminating all forms of gender based discrimination in the workplace.

Relatedly, the Review is also examining necessary changes that reduce regulatory barriers on employers.

Increasing women's participation in the workforce is critical to our economy and our economic future, particularly as labour shortages put a handbrake on our post-pandemic recovery

In 2018, KPMG modelling found that if the labour force gender participation gap was halved, Australia's GDP would increase by \$60 billion in 20 years.<sup>[1]</sup>

Numerous reports since that time have reflected the substantial economic and societal gains to be made by achieving this outcome. Given that the conclusions of a number of these reports are referenced in the Review's Consultation Paper, they have not been repeated in this submission.

The measures the Business Council of Australia is advocating in this submission will help lay the foundation for a future national economy that increases women's participation, pays higher wages, encourages more investment and is more adaptable to the transformative forces impacting our economy.

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<sup>[1]</sup> [KPMG 2018 Ending Workforce Discrimination Against Women](#)

## 2. Key recommendations

### **Recommendation 1:**

- Work with the Business Council to identify the strategies, systems and processes that are in place and already working for large employers.

### **Recommendation 2:**

- Work with the Business Council of Australia to codesign a Women in Leadership Report and bi-annual survey that reports on top gender equity practices that drive cultural change.

### **Recommendation 3:**

- WGEA should examine how employers can use the post-COVID period to build more dynamic workplaces that allow for equal access to flexible work. This work should include data gathering and analysis to ensure that workplace flexibility does not distort gains made in women's participation in the workplace. Highlighting best practice case studies is also beneficial and illustrative.

### **Recommendation 4:**

- WGEA should advocate across government on gender equity issues particularly in relation to regulatory barriers such as paid parental leave, access to childcare, permanent part time conversion, and taper rates for trainees which remain systemic blockages to women's participation in the labour force.

### **Recommendation 5:**

- WGEA should work with relevant Government Departments and industry to develop a lifelong skills agenda for women beginning with unemployed women and older women

### **Recommendation 6:**

- Establish reporting arrangements that go beyond numerical data gathering to with a focus on good practice examples that lead to systematic change. As part of this WGEA should support a Productivity Commission Inquiry into where the greatest gaps and gains would be from increasing women's participation in the workplace.

### 3. A new focus for the Workplace Gender Equality Agency

The Commonwealth Workplace Gender Equality Act 2012 (the Act) and the Workplace Gender Equality Agency (WGEA) established under the Act have undoubtedly contributed to a broad understanding of gender equity issues.

One of the most significant impacts has been the development of a comprehensive and longitudinal dataset on gender equity issues.

Despite the frequency and detail of the reporting requirement on business, more work remains making progress on gender equity issues.

Businesses are focussed on how we emerge from the COVID pandemic in such a way drives the economic recovery and builds a fairer country with more opportunities for all.

Greater women's participation in the workforce will be critical to this.

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Recommendation 1:

Work with the Business Council to identify the strategies, systems and processes that are in place and already working for large employers.

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There is strong demand among employers blueprints that can be tailored and embedded through their culture and strategy.

On balance the BCA believes this is what will drive meaningful and lasting culture change rather than more onerous reporting requirements.

In 2018, the Business Council partnered with WGEA and McKinsey & Company to produce a landmark report "Women in Leadership".

The report revealed a common recipe for success among companies that have above average representation of women in executive roles. The report also revealed a suite of ten (10) practices that have proven to be effective and can be implemented across industries.

The Business Council believes there is a need for best practice guidance, particularly for small to medium businesses. Relatedly, we would welcome the opportunity to work with WGEA to codesign a mix of regulatory and cultural change approaches that allow for collection of data, tracking and reporting, and sharing best practice information.

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Recommendation 2:

Work with the Business Council of Australia to codesign a Women in Leadership Report and bi-annual survey that reports on top gender equity practices that drive cultural change.

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There is also an opportunity for the Agency to examine how employers reset and build dynamic workplaces, post COVID, that allow for equal access to flexible working without repercussion on career progression.

In June 2021, Chief Executive Women together with Bain & Company released their report *Equitable Flexibility: Reshaping Our Workforce* which found that the pandemic had disproportionately affected women as a result of increased care responsibilities and unpaid work in the household limited their engagement with paid work. The report concludes that equitable flexible work practices are a panacea.



The University of Sydney is currently undertaking further research on this issue through the Gender Equality in Working Life Research Initiative.

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### Recommendation 3:

WGEA should examine how employers can use the post-COVID period to build more dynamic workplaces that allow for equal access to flexible work. This work should include data gathering and analysis to ensure that workplace flexibility does not distort gains made in womens participation in the workplace. Highlighting best practice case studies is also beneficial and illustrative.

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## 4. Labour market recovery strategy and women's economic security

WGEA has an important role to play advocating for a range of policy responses that will increase female participation in the workforce. Paid parental leave, access to childcare, permanent part time conversion, and taper rates for trainees remain systemic blockages to women's participation in the labour force.

While there is substantial activity in some of these areas, WGEA could focus on those areas where the Australian Government controls the levers and act as a clearing house for reports and analysis.

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### Recommendation 4:

WGEA should advocate across government on gender equity issues particularly in relation to regulatory barriers such as paid parental leave, access to childcare, permanent part time conversion, and taper rates for trainees which remain systemic blockages to women's participation in the labour force.

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The Business Council supports pragmatic changes that span the full range of skills needs, from foundation level training to advanced digital skills. In this way, a lifelong learning pilot program could be targeted at older women looking to reskill or upskill to re-enter the workforce.

However, the formal tertiary system is less suited to supporting up-skilling and re-skilling for people later in their careers who are looking to switch jobs, re-enter the workforce (including after a period raising young children) or upgrade their skills within their current occupation. Candidates for this type of education and training come to it with a wide variety of prior experience and past qualifications. Older learners are also more likely to have working or caring responsibilities that make it difficult to engage in full-time or long-term study.<sup>1</sup> This is particularly true of women.

These Australians need more flexible, timely and tailored education and training options that they can pick from, group together and stack on top of (or into) full qualifications, depending on their individual needs. Short courses and individual micro-credentials should play an increasing role in this regard.

A well-designed, industry-engaged approach to micro-credentials (courses or modules shorter than formal qualifications) will address key pressure points in the workforce around entry, reskilling and upskilling and help to ensure women can capitalise on a fast-changing economy, rather than being left behind.

The Business Council believes the Agency can do more now to support the economic recovery and build a 21st Century skills system that supports continuous learning by advocating for these policy responses within Government. The Agency should become a strong advocate for lifelong learning by driving forward delivery and integration of short, flexible training options including micro-credential.

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### Recommendation 5:

WGEA should work with relevant Government Departments and industry to develop a lifelong skills agenda for women beginning with unemployed women and older women.

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<sup>1</sup> Productivity Commission. 2021. *National Agreement for Skills and Workforce Development Review*. Final Report. Canberra.

## 5. Additional Reporting

While recognising the importance of data collection and reporting, there is a need to ensure that reporting does not become too onerous. This concern is reflected in the consultation paper.

The move to include the Australian Public Service in the reporting arrangements are welcomed particularly as there are many lessons to be learned from the public sector approach to gender equity.

The Business Council notes WGEA's submission in which it recommends additional data to be gathered including age, location, non-binary, disability, cultural background, employment status, redundancy, involuntary exists and so on.

This creates a level of complexity which raises concerns particularly as some of the data points proposed may not align with other pieces of legislation and currently require only voluntary disclosure.

Additionally, existing systems may require significant changes in order to cater for these proposed requirements. More consideration of The Agency's recommendation is required, both to assess the value of this additional data, the feasibility of collecting it and on the regulatory burden on employers.

The BCA notes the Agency's recommendations that gender equity indicators be expanded, that benchmarks and reports for business be developed, and mandating employer action through minimum standards.

Other sectors offer readymade models that are already achieving a similar level of detail, benchmarking and granularity. Data collection on Reconciliation Action Plans for example features detail on the level of ambition, and recruitment and procurement policies. These existing models should be considered.

Importantly this approach has delivered culture change within organisations.

Key features of Reconciliation Action Plans are as follows:

- Data/reporting apply to all workplaces: it's equal and not intended to be punitive.
- A Codesign element with business which has seen it become a best practice model for culture change.
- Data/reporting provides a clear articulation of the problem we are trying to solve.
- Streamlines and reduces the workload across the corporate group.
- Practical by allowing organisations to configure their groups to reflect day-to-day practice
- Insightful through benchmarking against peers within your corporate group with detailed insights on areas of improvement and progress.

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### Recommendation 6:

The Business Council of Australia recommends reporting arrangements be established by WGEA that go beyond data gathering and include a focus on types good practice examples of increased participation of women in the labour force leading to systematic change.

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