



POLICY
INFLUENCE
REFORM

DIVERSITY AND INCLUSION

Concurrent Session Paper

THE AUSTRALIAN INDUSTRY GROUP
NATIONAL PIR GROUP CONFERENCE
1 & 2 MAY 2017

OVERVIEW – DIVERSITY AND INCLUSION WORKSHOP

Diversity and inclusion generally refers to the idea and actions of enabling individuals regardless of their attributes to achieve their full potential and, in doing so, generate value and worth to organisations and society at large. While diversity is commonly associated with differential attributes such as gender, caring responsibilities, gender identity, ethnicity, disability, age and sexual orientation, it is inclusive action that provides value to organisations and its people.

A diverse and inclusive workplace culture enables organisations to leverage diverse knowledge, skills, and perspectives to improve business outcomes, for example:

- Better innovation, and creative ideas development;
- Better response to changing consumer demands; and
- Better attraction and retention of talent.

This PIR Concurrent Session will focus on the following key areas:

- Gender diversity and inclusiveness;
- Cross-generational diversity and inclusiveness;
- Indigenous employment, and
- A differently-abled workforce.

This paper will prompt participants to ask questions and share ideas within the workshop. A key purpose of the Diversity and Inclusion Concurrent Session is to exchange ideas, practices and initiatives between Member companies to collectively build greater strategic thinking about more inclusive and innovative workplaces.

The Concurrent Session will ask participants to consider a range of questions (**below**) to assist discussion and information exchange.

This paper ends with a reminder to complete and submit your Workplace Gender Equality Reports to the Workplace Gender Equality Agency and provides a quick summary of the 2015-2016 reporting results.

GENDER DIVERSITY AND INCLUSIVENESS

Australia's workforce is highly segregated among occupations/jobs that are culturally considered 'women's work' and 'men's work'. This is currently the subject of a Senate Committee inquiry, *Gender Segregation in the workplace and its impact on women's economic equality* and a Workplace Gender Equality Agency education campaign '[women's work | men's work](#)'.

A contributor to the gender segregation of the Australian labour market is the reported difficulty in attracting (and retaining) women into technical roles in male dominated industries. The low number of women working in such roles, in part, is generated by the low intake of younger women in Science, Technology, Engineering and Mathematics (**STEM**) education and training.

In addition to the low representation of women in STEM fields, there are significantly fewer female leaders of Australian companies than men.

Some strategies, programs, and initiatives adopted by Ai Group Members to increase female representation across their entire workforce are listed here:

- Working with schools to promote STEM skills to young girls;
- Engaging in apprenticeships/traineeships and/or graduate programs, specifically targeting female students;
- Enabling jobs to be worked on a flexible basis (where possible) to all staff, including men – for example, allowing work outside core business hours, compressed working weeks;
- Identifying female leaders early and identifying a career plan for future female leaders, including making available training and development opportunities; and

- Keeping in touch and continuously engaging with employees while on parental leave, including making training and development opportunities available while on leave, and implementing a supportive return to work program.

Questions

- (a) Is your workplace gender segregated?
- (b) In what occupations/jobs is the segregation more prevalent? Consider both technical and managerial/leadership roles.
- (c) Where are the attraction, recruitment and retention gaps of female employees?
- (d) What strategies, programs and initiatives are being considered or undertaken to balance the gender profile of your organisation?
- (e) How is your organisation measuring performance for these strategies, programs and initiatives? What are the outcomes so far?

CROSS-GENERATIONAL DIVERSITY AND INCLUSIVENESS

Ai Group Members are experiencing an increasingly older workforce. This is a common phenomenon across Australian workplaces more generally, with the median age of an Australian worker being about 40 years old.

Cross-generational diversity means nurturing the talents and abilities of employees (and prospective employees) throughout the employment lifecycle. Understanding the perspective and needs of all employees as they journey throughout their career, from recruitment to retirement, and nurturing a workplace culture that promotes the exchange of knowledge, skill and perspective between all staff, regardless of age.

Genuine cross-generational diversity and inclusiveness is particularly important as Australia's workforce ages. It is important to understand the physical, mental and economic needs of an older workforce, particularly as people continue to work beyond traditional retirement age and as workplaces become more and more automated with the emergence of the internet of things.

Just as important are procedures and processes which promote and value information exchange between older and younger workers. This is important for knowledge and skills to be retained within the business and not lost as knowledgeable staff members retire. An example is tandem mentoring among workers of different ages. An older worker is matched with a younger worker, with the aim of mentoring each other in the different ways of working and knowledge and skill exchange.

As Australia moves to an older median worker age, the pool of prospective talent is also getting older. With this brings the opportunity to attract and recruit more workers, who can add to the cross-generational demographic of the company. The Australian Human Rights Commission has released an employer guide [Willing to Work: Good Practice Examples for Employers \(2016\)](#) which sets out recommendations for businesses and examples of existing good practice. The guide also lists resources for employing older and differently-abled workers.

Question 2

- (a)** Does your organisation have an aging demographic?
- (b)** What are the challenges that you have identified with the increasing median age among your workforce?
- (c)** What strategies, programs, and/or initiatives has your organisation considered or implemented to overcome these challenges?
- (d)** Can some 'challenges' be overcome by identifying new opportunities? For example, some employees may be experiencing a significant level of technological change regarding how their job is performed. Training and development in new skills required by the business rather than employing new staff might be a viable and cost effective consideration.
- (e)** How is your organisation measuring performing of these strategies, programs and initiatives? What are the outcomes so far?

A CULTURALLY DIVERSE AND INCLUSIVE WORKFORCE –

Indigenous Employment

Unemployment among indigenous Australians is almost double that of non-indigenous people.

Increasing the workforce participation of Australia's indigenous people has become a focus for many Australian companies. For some companies, the focus on indigenous employment can develop out of the requirement to have an indigenous employment strategy to qualify to tender for government work, but in our experience this quickly grows beyond a compliance exercise for the organisation into an important aspect of the diversity and inclusiveness of the business.

The barriers to indigenous employment are complex and very different to the Australian community more generally:

- Intergenerational unemployment;
- Inequality in economic development and population;
- Lower literacy / education rates;
- High rates of incarceration;
- Higher rates of poor health;
- Cultural differences; and
- Racial discrimination / stereotypes.

Understanding these barriers is important to attracting, recruiting and retaining employees from an indigenous background. It is common for organisations to undertake indigenous specific cultural training and consult directly with the indigenous community and stakeholders.

Understanding incentives provided by the Commonwealth Government to indigenous employees and their employers is also useful.

Questions

- (a) Do you have an indigenous employment strategy, and or a reconciliation action plan?
- (b) Can you share the experiences of your organisation's implementation of the indigenous employment strategy, and or reconciliation action plan?

A DIFFERENTLY-ABLED WORKFORCE

The Australian Human Right's Commission 2016 report *Willing to Work – National Inquiry into Employment Discrimination Against Older Australians and Australians with a Disability*, by references to ABS data, identifies that the labour force participation rate for people with disability has remained steady at 53.4%, with little change over the last 20 years. A person with a disability is more likely to be unemployed than employed.

Companies have begun identifying the benefits of a differently-abled workforce, with some companies in the information technology sector targeting workers on the autism spectrum.

Questions

- (a) Do you have a strategy or program, or have you implemented initiatives to employ differently-abled people? In what roles?
- (b) What was the process you undertook in identifying the roles that could be performed by different-abled employees? What have been the challenges?

WORKPLACE GENDER EQUALITY REPORT DUE 31 MAY

The Workplace Gender Equality Act 2012 (**WGE Act**) implements reporting requirements for employers with 100 or more employees. Employers are required to prepare a public report and lodge it with the Workplace Gender Equality Agency for each 12-month reporting period (1 April to 31 March). The reports must be lodged within two months of the end of each reporting period (31 May).

The WGE Act sets out reporting obligations for employers who for more than 6 months between 1 April and 31 March each year (**Reporting Period**) employed:

- 100 or more employees; or
- 80 or more employees where the employer did employ 100 or more during a Reporting Period.

To determine whether you are a Relevant Employer, you must treat all employees who work for a subsidiary as if they were your employees.

Employer Obligations

Under the Act, an employer must:

- Lodge reports with the Agency within the specified time period (NB. the Agency may grant an extension where there are reasonable grounds);
- Ensure that reports are signed by the Chief Executive of the company;
- As soon as practicable after a public report has been lodged with the Agency, inform the employees of the lodgement and make the report available to them (except remuneration information and personal information). The employer must advise the employees that comments on the report may be given to the employer or to the Agency;
- Within seven days of lodging a public report, take reasonable steps to inform each union that has members in the workplace that a public report has been lodged with the Agency. The employer must advise the union that comments on the report may be given to the employer or to the Agency;
- As soon as practicable after a public report has been lodged with the Agency, inform shareholders or members of the employer of the lodgement and make the report available to them (except remuneration information and personal information). “As soon as practicable” may be at the time when a company’s annual report is distributed to shareholders; and

- Give other relevant information to the Agency if the Agency requests it.

Consequences for breaching the WGE Act

The Agency is responsible for monitoring compliance with the WGE Act. The consequences of breaching the WGE Act for an employer may include:

- Naming the employer in an Agency report;
- Naming the employer by other means, such as on the Agency's website or in a newspaper;
- Deeming the employer ineligible to compete for contracts under the Commonwealth procurement framework; and
- Deeming the employer ineligible for Commonwealth grants or other financial assistance.

Reporting Requirements

Employers obliged to report must provide data and answers in respect of:

- Their organisation's workplace profile; and
- A reporting questionnaire relating to set gender equality indicators.

Useful [reporting resources](#) can be found at the Workplace Gender Equality Agency website.

Minimum standards

Employers with 500 or more employees are also required to have in place a policy or strategy in at least one of the following areas:

- Gender composition of the workforce;
- Equal remuneration between women and men;
- Flexible working arrangements;

- Sex-based harassment and discrimination.

Relevant employers may be non-compliant if they do not meet a minimum standard and do not improve against it by the end of two further reporting periods.

Workplace Gender Reporting – Findings from 2015-2016

The Workplace Gender Equality Agency released its annual [gender equality scorecard for 2015-2016](#). Overall, the gender pay gap for total remuneration paid to men and women has only marginally decreased from 24.0% to 23.1%, with the base salary gap at 17.7%.

Some interesting statistics for industry include:

- The gender pay gap is still the highest (33.5%) in the financial and insurance industry;
- The wholesale trade industry had the biggest increase in the proportion of women in management;
- Manufacturing has a gender pay gap that is steady at about 14.2%;
- A higher proportion of men are appointed and promoted to manager positions than women. However, as women currently represent 37.4% of managers; they are being appointed and promoted at a proportionately higher rate than their current representation;
- There is an overall decline in full-time permanent employment; and
- There is a growth in permanent part-time roles in female-dominated industries of health care and social assistance and retail trade.