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**SPEECH**

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Good afternoon.

I would like to begin by acknowledging the traditional owners of the land on which we meet and pay my respects to their elders past and present.

Thank you for the opportunity to join you here today to participate in CEDA's third Women in Leadership series.

Events such as this play a significant role in shaping public debate.

Today's theme is one that has engaged governments, industry, unions and the community sector for many years.

How do we improve the representation of women – half the population – in leadership positions?

How do we maximise the capacity of decision making bodies to much better reflect and better represent the make-up of the community?

We have made this a more complex question than it should be.

And it's been too easy to say over the years that there is no easy answer.

The answer is definitely informed and moulded by our unique social, legislative and industrial environment.

But it's taken too long for all these groups to make gender equality in the workplace and, in its leadership positions especially, a reality.

## **Gender equality – Government reforms**

Equality has been and continues to be an absolutely central objective of successive Labor Governments.

We have not shied away from regulating to ensure the fair and equal treatment of women and girls, men and boys.

We continue to believe strongly in these principles of gender equality and this is reflected in our willingness to reform our laws and our institutions to be both progressive and responsive.

In recent years we have transformed the workplace relations landscape to restore lost rights and to get the balance right in promoting fair and just workplace practices.

We have amended the Sex Discrimination Act and we are currently working on consolidating and improving a range of anti-discrimination laws.

Women in leadership is about much more than prescribing certain behaviours.

It is about creating long-term and sustainable cultural change – in both the public and private spheres.

It is about accepting and embracing the possibilities of a society that draws equally from all elements of our community.

And it is about normalising the multiple roles that both women and men have as workers, carers, leaders and active participants in our communities.

The Government has recognised the critical interplay between access to child care, flexible work arrangements and career pathway options.

We have made significant investments in these areas to drive better economic and social outcomes for women.

We are investing a record \$22.4 billion over four years in early childhood education and care.

We established Australia's first Paid Parental Leave scheme and introduced Dad and Partner Pay to commence from 1 January next year.

Since January 2011, more than 225,000 Australian families have claimed Paid Parental Leave, and of these more than 200,000 have received payments. The 2012-13 estimated

expense for the Paid Parental Leave scheme is \$1.44 billion inclusive of the Dad and Partner Pay.

We are making substantial investments in skills, education and training, enabling more women than ever to improve their skills and qualifications.

And we are creating new opportunities for women in non-traditional employment, including in the resources sector and in the Australian Defence Forces.

Within my own portfolio there are two particular and important Government commitments that go to the very heart of what we are discussing here today:

- The reforms to the Equal Opportunity for Women in the Workplace Act
- The 40 per cent target for women on Australian Government boards.

## **Equal Opportunity for Women in the Workplace Act**

The reforms to the Equal Opportunity for Women in the Workplace Act follow an extensive review.

We looked at international regulatory and non-regulatory options and their likely impact.

## Consultation process

Our goal was very clear. We wanted improved outcomes for women, but we wanted these improvements to be sustainable.

We wanted the best chance of embedding cultural and attitudinal change within organisations and across the community.

We worked with the Office of Best Practice Regulation and we took on board the views gathered by extensive consultations with all sectors – business, employee organisations and the women's sector.

One of the key findings from this process was that the activities of the Equal Opportunity for Women in the Workplace Agency need to focus on influencing change in the behaviour of organisations.

Submissions from industry, government and the community sectors preferred cultural change and education solutions above all others.

## Regulation and market forces

It became clear when we developed the Regulation Impact Statement that market forces unaided cannot ensure workplace gender equality.

The magnitude, history and extent of the issue underscored the likelihood that a voluntary regime would not work.

A fully self-regulating regime would also have been unlikely to meet international expectations – considering other comparable OECD jurisdictions all have some form of regulated reporting and monitoring in place.

At the other end of the scale, we considered mandatory quotas, targets and other more prescriptive mechanisms.

Ultimately, we think we got the balance right.

The reforms retain the existing level of regulation, while putting a very keen focus on outcomes, education and assistance with sanctions being a last resort.

They do this by balancing the potential for short term progress with maintaining strong lines of communication and persuasion essential to sustain change.

We need to see cultural changes in workplaces and in society generally and it's up to all of us to drive and support change.

### How the Act works

Under the reforms, businesses will no longer have to provide a descriptive report on their policies and programs, but on indicators that matter:

- On the actual figures of the gender composition of their organisations and boards
- On their employment conditions including remuneration
- On whether they have flexible work practices for women and men

This will allow us to see where gaps exist and where they might be emerging.

This focus on outcomes will provide organisations with the information they need to measure their performance - and their competitiveness - with their peers.

The operation of the Act and the performance of organisations will be made more transparent.

CEOs will need to sign off on reports and the reports must be accessible for employees and shareholders.

Compliance will be made fairer and more effective and a new concept of 'minimum standards' is being introduced.

The Agency's education and advisory role is being significantly enhanced, with a doubling of funding over the next four years to \$11.2 million.

The underpinning principles to the reforms are: educate, measure and disclose.



This empowers employers, employees, potential employees, shareholders and consumers to make informed choices.

This is a very significant lever for change.

The legislation has passed the House of Representatives despite the Opposition voting against it and is currently in the Senate.

I expect the Senate to deal with the Act in the next few sitting weeks.

### **Partnerships supporting women into leadership**

The Government is already working in partnership with employers and industry organisations to increase the representation of women in leadership positions in the private sector.

### **Board Diversity Scholarships**

Currently, just 15.2 per cent of board positions in ASX top 200 companies are held by women.

The Gillard Government has for the past two years been working with the Australian Institute of Company Directors to support women aspiring to become board members through the Board Diversity Scholarship Program.

The Prime Minister and I announced in June the Government's funding of \$225,000 towards the second round of 70 scholarships, with Company Directors providing a matching contribution.

Demand for these scholarships has been significant with nearly 2000 women applying in 2011. This shows there are plenty of women in Australia who have the desire and drive to become board members.

### BoardLinks

One of the most significant hurdles facing women being appointed to boards is a requirement for prior board experience.

This can be self-perpetuating because too few women hold board positions to begin with.

Last week, the Minister for Finance, Senator Penny Wong and I launched BoardLinks - a network to support more Australian women into leadership positions.

BoardLinks' focus on appointing women to their first government board role will expand the pool of women who can be appointed to board positions in the corporate sector

BoardLinks will provide more opportunities for women to launch and further their directorship careers.

Along with an associated website, BoardLinks will support women by providing a range of information on Australian Government boards.

This will include information on what boards actually do, how appointments are made and the skills needed to apply for board positions.

Business leaders are getting behind BoardLinks, with five Champions of the network announced at last week's launch – CEO of ASX, Elmer Funke Kupper; Chair of Coca-Cola Amatil and the Future Fund, David Gonski AC; Westpac CEO, Gail Kelly; Telstra Chair, Catherine Livingstone AO; and Chair of Women Leadership Institute of Australia, Carol Schwartz AM.

A number of organisations are also affiliates of the network – Company Directors, the ASX, Chief Executive Women, Women on Boards and Women Leadership Institute of Australia.

### **Women on Government Boards**

As an employer, the Australian Government is leading by example.

In 2010, we committed to achieving a 40:40:20 gender balance target on Australian Government boards by 2015.

We are implementing a range of initiatives to support Ministers and their portfolios to meet this important target.

The Office for Women has worked across Government to provide advice and assistance to portfolios.

High achieving departments have been generous in sharing their strategies with other departments.

There has been very senior engagement, including by Senator Wong and our combined efforts and our co-operative approach is working.

### **Gender Balance on Australian Government Boards Report**

Today, I am very pleased to launch the Gender Balance on Australian Government Boards Report 2011–2012.

The results this year show we are making strong progress towards reaching the 40 per cent target by 2015.

At 30 June this year, the percentage of women on Government boards was 38.4 per cent — this is an increase of 3.1 per cent on last year's result.

The report also shows that eight portfolios have achieved the Government's target of a minimum of 40 per cent women on Government boards.

This is a doubling of the four portfolios that met the target in the 2010-2011 financial year and is a reflection of the hard work and strong commitment of Ministers and their portfolios to achieving this important target.

This is a significant achievement, over a short period of time.

Through using our most effective policy levers – education, measurement and disclosure – we are confident we are well on our way to long-term cultural change in the public and private sectors.

## **Conclusion**

We will have a clearer picture of how corporate Australia is faring on the representation of women in its boardrooms and executive roles when the Agency releases its Australian Census of Women in Leadership in 12 days' time.

The biennial census has taken place since 2002 and this year its coverage extends from the ASX 200 to the ASX 500 companies.

Early indications from the Census are organisations are continuing to overlook their female pool of talent.

I applaud the employers, companies and corporations that support the principle of gender equality in their workplaces and that have the policies in place for women to be recognised for their true abilities and promoted into their leadership ranks.

There are many laudable corporate organisations and individuals and their number is growing – but not fast enough.

The Government will continue to strive to ensure all Australians receive a fair dividend and appropriate recognition for their contribution and hard work.

We will do that strategically and thoughtfully through the best mix of regulation, progressive policy, funding support and by example.

Thank you.

**ENDS**