

Response

- 1 This is a response to Notice to Give Information in Writing No. NTG-0510 dated 27 September 2019 (the **Notice**) from the Royal Commission into Aged Care Quality and Safety (the **Royal Commission**) to the Workplace Gender Equality Agency (the **Agency**). This information is produced to the Royal Commission on the basis that it will be tendered and received in evidence by the Royal Commission pursuant to the Notice and on the basis that the information be treated as evidence pursuant to section 6DD of the *Royal Commission Act 1902* (Cth).

The Workplace Gender Equality Agency

- 2 The Agency is an Australian Government statutory agency created by the *Workplace Gender Equality Act 2012* (Cth) (the **Act**). The Agency is charged with promoting and improving gender equality in Australian workplaces.
- 3 The Agency works collaboratively with employers providing advice, practical tools and education to help them improve their performance in respect of gender equality. The Agency's staff are workplace gender equality specialists and provide advice across all industries.
- 4 The Agency also works with employers to help them comply with the reporting requirements under the Act. Employers who are registered higher education providers or natural persons, bodies or associations who employ more than 100 employees in Australia are required to prepare a written public report containing information relating to the employer and to the gender equality indicators. The gender equality indicators include:
- (a) gender composition of the workforce;
 - (b) gender composition of governing bodies of relevant employers;
 - (c) equal remuneration between women and men;
 - (d) availability and utility of employment terms, conditions and practices relating to flexible working arrangements for employees and to working arrangements supporting employees with family or caring responsibilities; and
 - (e) consultation with employees on issues concerning gender equality in the workplace.
- 5 The Agency uses the reporting data to develop educational Competitor Analysis Benchmark Reports. The reports can be customised by industry and organisation size and enable employers to identify areas for focus, develop informed strategies and measure performance against peers over time. An example Competitor Analysis Benchmark Report is at **Exhibit NTG-510-1 [CTH.0001.7300.0118]**.
- 6 The Agency is committed to promoting and contributing to understanding, acceptance and public debate of gender equality issues in the workplace. The Agency works collaboratively with employers, business, industry and professional associations, academics and researchers, equal opportunity networks and women's groups and regularly speak at private and public events on workplace gender issues.

Question 4

- (a) to what extent is there industrial and occupational segregation relating to the aged care workforce?

Industrial segregation

- 7 The Agency's data¹ indicates that 83.3% of the 'aged care residential services' workforce is female. The aged care residential workforce includes aged care workers in residential care. The Agency's data does not capture the home and community care workforce in the context of aged care.
- 8 Aged care residential services are a sub-category of 'health care and social assistance'. The Agency's data indicates that 80% of the health care and social assistance workforce is female.

Occupational segregation

- 9 In Australia, labour markets are highly segregated in terms of the types of work that women and men do. For example, women are more likely to work as clerical and administrative workers or as community and personal service workers while men are more likely to work as trade workers or technicians.
- 10 The Agency collects data using the Australian and New Zealand Standard Classification of Occupations (the **ANZSCO**) skill level 1 categories.² Occupations at skill level 1 have a level of skill commensurate with a bachelor's degree or higher qualification. Set out in Table 1 are the percentages of male and female workers in aged care residential services across skill level 1 categories.

Table 1: Gender segregation in occupations in aged care residential services

Occupation	Female (%)	Male (%)
Clerical and administrative	90.8	9.2
Community and personal service	85.1	14.9
Professionals	84.7	15.3
Sales	71.3	28.7

¹ The Agency's most recent data on the aged care residential services class covers 199,367 employees and 178 organisations.

² There are five skill level occupational categories devised jointly by the Australian Bureau of Statistics, Statistics New Zealand and the Department of Education and Training for data collection purposes.

Labourers	67.4	32.6
Technicians and trade	25.6	74.4
Machinery operators and drivers	21.4	78.6
Non-managers overall	83.8	16.2

Seniority

- 11 The Agency's data indicates that the representation of women declines steadily with seniority across female-dominated organisations and across all categories of management.³
- 12 As with most other industries and industry sub-categories, within aged care residential services there is a relatively high representation of men at senior levels of management in proportion to the number of men employed. Set out in Table 2 are the percentages of male and female chief executive officers and key management personnel in aged care residential services.

Table 2: Gender segregation in leadership in aged care residential services

Occupation	Female (%)	Male (%)
CEO/Head of business in Australia	35.6	64.4
Key management personnel	53.7	46.3
Other executives/general managers	64.2	35.8
Other managers	74.1	25.9
Senior managers	70.7	29.3
Managers overall	70.0	30.0

- 13 Relative to the proportion of men in the aged care residential services workforce:

³ Relevant interactive data on the Agency's data explorer is available at the following website address: https://data.wgea.gov.au/industries/6#gender_comp_content? The Agency is unable to provide PDF copies of the relevant data, as the data explorer is an interactive data visualisation tool.

- (a) senior management categories have a relatively high proportion of men; and
- (b) men are likely to hold chief executive officer and key management personnel roles in the female-dominated aged care residential services workforce.

Question 4

- (b) what can be done to achieve a better gender balance within the aged care workforce?

- 14 The Agency works with organisations across all industries to improve gender equality outcomes in Australia and to identify the challenges and barriers to improving women's workforce participation.
- 15 Evidence, as well as the Agency's institutional experience, suggests that acting in the following areas has positive outcomes for gender equality and gender desegregation in the workforce more broadly:
 - (a) implementing a strategic approach to gender equality;
 - (b) promoting and normalising access to flexible working arrangements;
 - (c) providing employees with access to parental leave;
 - (d) performing remuneration analysis and acting on gender pay gaps;
 - (e) setting targets for gender composition, where representation is less than 40%;
 - (f) establishing mentoring and sponsorship programs;
 - (g) challenging stereotypes and traditional views of merit in recruitment and promotion; and
 - (h) providing managers and employees with gender equality training.
- 16 The Agency's data indicates that there has been little change in the gender balance within aged care residential services over the last five years.⁴

⁴ *Ibid.*

Question 4

- (c) what is a Gender Equality Strategy? What is a Gender Equality Plan?
 - (i) are you aware of aged care employers that have implemented such strategies and plans? If so, please provide examples

Gender equality strategies and actions plans

- 17 A gender equality strategy provides a foundation for a plan of action to achieve a range of objectives, integrated at all levels of an organisation, with a view to achieving gender equality. It provides a blueprint for accountability against measurable objectives. A gender equality strategy helps to create specific plans for discrete initiatives and can provide detail about how to prioritise actions. Typically, a gender equality strategy will:
- (a) outline a gender equality vision for an organisation;
 - (b) link to a business or organisational strategy;
 - (c) identify practical goals; include measurable objectives linked to goals; and
 - (d) promote active and inclusive leadership.
- 18 An effective gender equality strategy will be communicated widely within, and often external to, an organisation and hold an organisation accountable for its gender equality progress. It may go beyond gender equality to consider other elements of inclusion, including diversity and intersectionality.
- 19 A gender equality action plan supports the over-arching strategic objectives outlined in a gender equality strategy. A gender equality action plan provides the essential detail of how to achieve strategic objectives including roles and responsibilities, resources, risks and measures. An organisation may design and implement one or more gender equality action plans to achieve the strategic objectives outlined in their gender equality strategy.

The Agency's resources

- 20 The Agency has developed a gender equality strategy toolkit which assists organisations to develop gender equality strategies and gender equality action plans. A copy of the gender equality strategy toolkit is at **Exhibit NTG-510-2 [CTH.0001.7300.0172]**.
- 21 One aspect of a gender equality strategy may be the development of a gender equality policy. This is typically a formal policy which states the equity and diversity principles and practices applied across the employment lifecycle to support and improve gender equality outcomes in the workplace. A copy of the Agency's factsheet on gender equality policies is at **Exhibit NTG-510-3 [CTH.0001.7300.0015]**.

Examples of gender equality strategies and plans in the aged care sector

- 22 Within aged care residential services, 21.9% of the 184 reporting organisations stated that they had a gender equality strategy in place in 2018. The average across all-industries is 32.9%, which indicates that the number of organisations taking strategic action on gender equality within aged care is still quite low.
- 23 By way of example, Mercy Aged and Community Care has recently developed a gender equality action plan for the 2019-22 period. The plan outlines their gender equality priorities for the next three years. Some of these priorities include:
- (a) focus groups to identify and address barriers for men;
 - (b) the challenging of stereotypes about the types of work women and men 'should' do;
 - (c) ensuring job advertisements are gender neutral;
 - (d) actively targeting men when recruiting for carer roles;
 - (e) target setting where male employee representation is less than 40%;
 - (f) the promotion of nursing as a career for men at universities and career fairs; and
 - (g) providing unconscious bias training to managers.
- 24 It is too early to assess the outcomes of Mercy Aged and Community Care's gender equality action plan, however, their priorities align with initiatives that have been successful in other industries in achieving gender equality in the workplace.
- 25 Other organisations that have acted on gender equality, including implementing a gender equality strategy and/or action plan include Lyndoch Living Incorporated, Enterprise Management Group Pty Ltd, Little Company of Mary Health Care Limited and Merri Community Health Services Limited.

Question 4

- (d) what are some examples of any initiatives led by government or industry to improve gender balance in the aged care workforce (or other related industries)?
 - (i) how successful have these initiatives been?

- 26 The Agency is not aware of any initiatives led by Government to improve gender balance in the aged care workforce (or other related industries).

Government initiatives to improve gender balance generally

- 27 The most significant initiative led by Government to improve gender balance generally, is the establishment of the Agency and the mandatory reporting described above at paragraph 4. Since 2010, several countries have introduced reporting schemes – in the main focussing on the gender pay

- gap – that aim to address gender inequality in workplaces and improve gender equality outcomes in workplaces and more generally in society.
- 28 that aim to address gender inequality, and in particular, the gender pay gap in workplaces and improve gender equality outcomes in society. As far as the Agency knows, Australia is the only country in the world to be collecting the breadth and depth of gender equality data from the private sector. After six years of data collection and reporting, the Agency's dataset now provides a comprehensive picture of the state of gender equality in Australian workplaces.
- 29 By measuring what Australian employers are doing, the Agency can gauge areas of improvement and growth and identify where progress has stalled. The data shows measurement is driving change. Workplace gender equality in Australia has made the most rapid progress in those areas where employers have a direct influence on the outcome. There is no uniform national public-sector dataset comparable to the Agency's dataset. The Agency's data shows that larger private sector companies are now leading the way in recognising and addressing gender equality issues in their workplaces.
- 30 There is a growing recognition by Australian governments and public-sector organisations that they need to improve gender equality outcomes. The Agency has been advising and assisting several state governments and other public-sector organisations in developing their gender equality strategies and policies.

Industry initiatives to improve gender balance in the aged care workforce

- 31 The Agency is aware of several organisations that are acting on gender equality within the aged care sector. For example, Mercy Health introduced a volunteer program whereby secondary school students volunteer at residential aged care homes across Australia. Students spend time with residents, some playing musical instruments, others helping residents send emails and navigate devices such as iPads or use virtual reality goggles. Having males experience the aged care environment helps highlight the diversity of roles and potential for career progression in caring of which men may not be aware. The message is that the industry is more than just personal care, but offers a range of jobs including nursing, community and lifestyle co-ordinators, administration and management including marketing, human resources, information technology and property management. A copy of a fact sheet on the Mercy Health case study is at **Exhibit NTG-510-4 [CTH.0001.7300.0001]**.
- 32 As a result of the company acquiring a number of aged care homes and a recruitment strategy to attract more males, there has been an increase from 254 to 304 male carers in the organisation from 2015 to 2017. In the same period, the number of males in nursing and midwifery in Mercy Health hospitals and clinics jumped from 174 to 280.
- 33 Mercy Health is also in the process of putting together a recruitment campaign for the expansion of Werribee Mercy Hospital to attract more males to the caring industry. The campaign will use images of males in job advertisements and the communications and social media strategy will feature stories from male staff members to promote the care industry.

- 34 Next week, the Agency will launch an updated version of its gender equality strategy toolkit. To support the soft launch the Agency has made a video with the chief executive officers of two leading employers on the reason gender equality is important for their organisations one of which is Mercy Health. The transcript of the relevant extract of the video is at Annexure A.

Success of initiatives in other industries

- 35 Initiatives taken in other industries have been successful at addressing industrial and occupational segregation, particularly within male-dominated industries such as the mining industry. BHP's initiatives are one example. Following the collection and analyses of their workplace data, BHP discovered that their most inclusive and diverse sites outperformed other areas of the business on a range of measures, including lower injury rates. In 2016, BHP announced that it would increase the gender balance in its workforce through a series of gender equality initiatives and set a target to reach a 50/50 gender balance globally by 2025.
- 36 At the time, women only made up 17% of their workforce. To reach this target, BHP's Global Inclusion and Diversity Council recommended four priorities:
- (a) embedding flexible working;
 - (b) enabling supply chain partners to support BHP's commitment to inclusion and diversity;
 - (c) uncovering and taking steps to mitigate potential bias in systems, behaviours, policies and processes; and
 - (d) ensuring BHP's brand and industry are attractive to a diverse range of people.
- 37 As at 30 June 2019, BHP's overall female representation had increased to 24.5%, and the number of women in the business globally had increased by over 2,000, or 40%. A copy of BHP's sustainability report 2019 which details this information is at **Exhibit NTG-510-5 [CTH.0001.7300.0019]**.
- 38 Action to address gender equality within female-dominated sectors is still in its infancy and the Agency does not have data that confirms that specific initiatives within the aged care sector that have been successful in achieving or working towards gender equality.

Question 4

- (e) what are the benefits of a gender balanced team to an aged care organisation?

- 39 Achieving gender equality is important for workplaces not only because it is 'fair' and 'the right thing to do' but also because it is linked to improved productivity and economic growth. Benefits also include:
- (a) **increased organisational performance:** a diverse and inclusive workforce, regardless of size and industry, generates tangible benefits, such as increased efficiency, productivity, innovation,

creativity and improved employee engagement. Diverse teams are associated with greater innovative capacity for an organisation;

(b) **enhanced ability of companies to attract talent and retain employees:**

- (i) when workplaces are equally appealing to women and men, organisations understandably have access to a larger talent pool. Employees value positive workplace cultures and environments that offer gender equality policies and practices, flexible working arrangements and support for employees with family and caring responsibilities. Flexible working conditions can be a critical factor in attracting top talent in all industries;
- (ii) workplace policies that support gender equality are an important tool to retain talented employees. Research by Kaplan, Wiley and Maertz (2011) shows that employees are more likely to remain with an organisation in which there is a proactive diversity 'climate' as they perceive a concrete payoff to themselves by staying in an organisation they view as fair; and

(c) **enhanced organisational reputation:** the benefits of inclusive workplaces to organisational reputation are evident in the strong interest in the Agency's Employer of Choice for Gender Equality citation. Citation holders recognise that gender equality is critical to an organisation's success and is viewed as a baseline feature of leading organisations. High performing employees are attracted to companies that have a positive reputation for promoting gender equality.

A copy of the Agency's publication 'The Business Case for Gender Equality' is at **Exhibit NTG-510-6 [CTH.0001.7300.0007]**.

- 40 The Agency was established to address the historical disadvantage of women in the workplace. Of the eighteen industry classifications within Australia, two are female dominated, whereas seven are male-dominated. As such, the business case for gender equality has focused on providing equal opportunities for women in the workforce. However, in female-dominated industries, such as aged care, the benefits of a gender balanced team are equally applicable.
- 41 Research by the sociologists Asaf Levanon and Paula England, which examined U.S. Census data from 1950 to 2000, found that, when women enter an occupation in large numbers, that job begins to pay less, even after controlling for a range of factors like skill, race, and geography. Their analysis found evidence of "devaluation" that a higher proportion of women in an occupation leads to lower pay because of the discounting of work performed by women. This suggests that the desegregation of industries may have the inverse affect for female-dominated industries if more men begin to enter these sections of the workforce. A copy of the study is at **Exhibit NTG-510-7 [CTH.0001.7300.0286]**.

Annexure A

We're an organisation built on a rich history of women achieving and battling the odds. And I think that it's really only fitting that as an organisation built by women to serve predominantly women and then others that we have a gender equity strategy.

We also work in the health field where we know about 85% of our staff are women. So if we are going to be serving people and also a workforce predominantly from women we had to have a gender equity strategy. We all have to take a leadership in equality and inclusion and whilst gender equality is one part of it I think one of the benefits we've seen in having a gender equality strategy is that we actually have more of a focus on true inclusion and equity. And whilst it's a by-product, it actually lets us look at all people as being in a position of equality and how we can actually both serve those people but employ those people and represent them well. Being an organisation owned by women with 180 years of history of women leading, our Board were behind it, the executive were behind it, our chief of HR was behind it.

So the issue of gender equity was never one I think of any challenge. I think without the top leadership's support these strategies don't flow through the organisation. Unless you have that 100% commitment I would worry that they will flounder. We have had that commitment, our Board is selected with women in mind, we make sure we have at least 50% on there, we have a very affirmative statement in women being represented across all levels of executive, and I myself chair the Equity and Inclusion committee.

So one of the challenges - not so much a challenge, but a by-product of this - was I think we went into this exercise very much on a gender equity thought about a predominantly women workforce. And what came up through those discussions was that men felt also as a minority in many cases where you know they're 15% of our workforce and in some cases 1 and 2%. And they felt where were their needs being represented.

So I think gender equity - whilst we look at pay parity, and whilst we look at a range of issues - we need to also think that we are looking at equity for all. And gender equity for some of our males is a big issue. So we have moved to things like paid parental leave for either parent - primary caregiver or not primary caregiver, at the time of applying for leave. So making those sort of real policy decisions that also say men are equally welcome here and we actually need to attract them to feel comfortable in the workplace.