

Chief Executive Women

Women leaders enabling women leaders

30 July 2019

The Hon Simone McGurk MLA
Minister for Women's Issues
Via women@communities.wa.gov.au

Dear Minister,

**RE: Chief Executive Women Submission to WA Government Discussion Paper –
*Women's Voices: Building a Stronger WA Together***

Chief Executive Women is pleased to submit our response to the WA Government discussion paper – *Women's voices, building a stronger WA together*.

Chief Executive Women have focused on key issues within the discussion paper most aligned to our mission – women leaders enabling women leaders – namely, women's leadership and economic security. Our broad recommendations are for measurable and reportable targets for gender equality on all government boards and committees, and for this commitment to be extended to all public sector executive teams.

The submission contains a number of recommendations for addressing some of the structural impediments to achieving gender equity and to building capacity across the public sector, though collaboration with industry. Importantly, the setting of measurable targets and the reporting of progress against these are crucial to judging outcomes.

Finally, CEW welcomes the Minister's leadership in advancing the development of a statement of commitment to advancing gender equality in Western Australia. We welcome an opportunity to discuss this submission with you. However, should you have any questions about this submission, please contact CEW's Director, Policy & Advocacy, Joanne Yates at [jyates@cew.org.au](mailto: jyates@cew.org.au) in the first instance.

Yours sincerely,

Denise McComish
WA Chapter Chair
Chief Executive Women

Women's Voices: Building a Stronger WA Together. Submission of Chief Executive Women

CEW is pleased to provide a submission to this very important initiative of the WA Government aimed at progressing gender equality in Western Australia.

About Chief Executive Women

Chief Executive Women is the pre-eminent organisation representing Australia's most senior women from the corporate, public, academic and not-for-profit sectors, with a mission to advance gender equality by *women leaders enabling women leaders*. Through research, advocacy, targeted programs and scholarships, CEW works to remove the barriers to women's progression and ensure equal opportunity for prosperity.

Western Australia chapter members of CEW are active in many ways working to address barriers to gender equity present in WA. CEW also works in collaboration with partners and like-minded organisations to elevate the voice of women in leading change. CEW has a history of working positively and collaboratively with state and commonwealth governments to develop lasting solutions to gender equality and looks forward to continuing this positive tradition with the WA Government.

Key Issues

Western Australia is home to a modern, energetic and diverse population. While there has been some improvement in the number of women in public office and in leadership across the economy in WA, more needs to be done to ensure an equal share between citizens in the prosperity of our state.

CEW notes and welcomes the Government's commitment to equal gender representation on government boards and committees. CEW also welcomes the number of women appointed to chief executive and other key executive roles by this administration.

CEW welcomes the commitment of the WA Government to develop a plan to improve gender equity and address structural gender inequalities that require significant cultural change. CEW agrees that a strategic, multi-faceted approach to developing solutions is essential to bringing about lasting change. To this end, CEW welcomes the opportunity to work closely with government to develop a truly multi-sectoral approach, as it is only through purposeful collaboration that long lasting solutions will be realised.

This submission addresses two issues highlighted in the Government's discussion paper, namely economic independence and leadership.

1. Economic Independence

Achieving economic independence for women is a central vision for all advocates of gender equity, locally and globally. Economic independence is about expanding the capacity of women to make genuine choices about their lives through full and equal participation in all spheres of life. It recognises women's paid and unpaid work as valuable, both socially and economically. Economic independence is also about having policies and systems that value and uphold women's contributions and reflect the reality of women's lives.

There are several interrelated factors that negate women's equal participation in the paid economy. These include

- the gender pay gap
- women's workforce participation
- superannuation and retirement savings
- women and leadership
- education, skills and training
- low paid work
- gender segregation of the workplace and the share of unpaid work.

While some of these areas fall within the jurisdiction of commonwealth legislation and regulation, there are others where the WA Government can have real and lasting impact.

Currently in Western Australia, there is a pay gap between men and women of 23%, compared to 14.1% nationally. The reasons for this pay gap are complex. Women are more likely to be working under minimum employment conditions and be engaged in low paid, casual and part-time work. Australian women are particularly over-represented in feminised industries and industries with high levels of casual work such as retail, hospitality and personal services. CEW recommends that the WA Government undertake a review of the reasons for the larger than average pay gap in this state and undertake to work with industry to address some of the underlying causes.

The gender pay gap has several critical flow-on effects. Pay inequity is often cited as a major factor determining how paid work and family responsibilities are shared. Consequently, women, having earned less than men and assuming the majority of unpaid and domestic work, have significantly less retirement savings compared to men. Superannuation savings for women are currently less than half of that of their male counterparts.

2. Leadership

As a women's leadership organisation, CEW advocates an equal presence of women on boards, committees, and on senior leadership teams and believes this is critical to bring about the change required to ensure all citizens' equal participation in the economy.

i. Women on Government Boards

CEW supports equal gender composition on all government boards and their delegated decision making committees, and on executive leadership teams.

CEW welcomes the opportunity to work with government on refreshing and renewing its *OnBoardWA* approach to identify women available to sit on government boards, advisory committees and other decision making bodies. While a reported 46% of government board positions are held by women, more could be done to reach parity, and to ensure women are both on boards and in 'functional' roles within senior leadership teams of government agencies, especially those with a commercial and economic growth remit.

CEW recommends that a clear equity target for women members on government boards and within leadership teams is communicated and that the government reports regularly on its progress to achieving it.

ii. Women on Leadership Teams

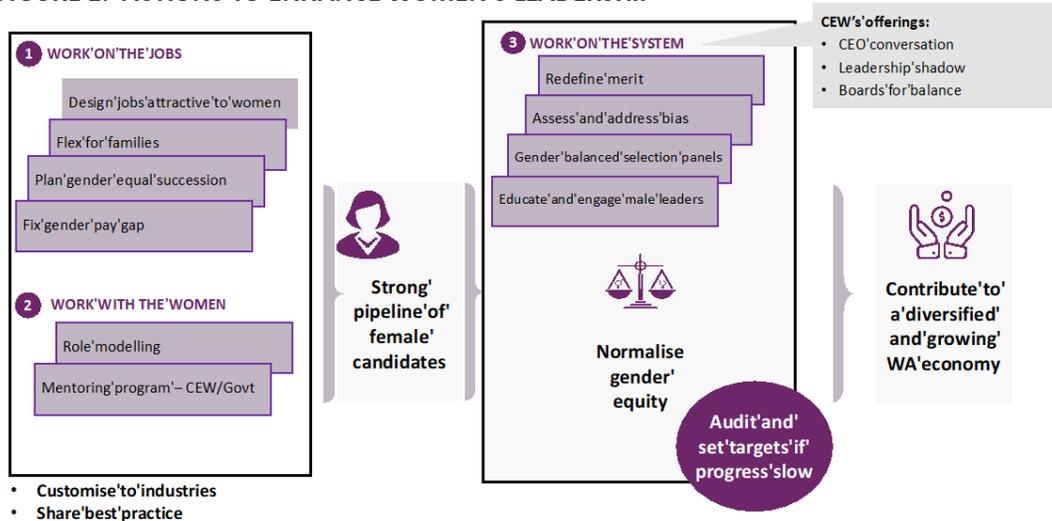
Increasing the number of women in the senior executive of the WA government, in its executive teams and in the executive classifications is CEW's second recommendation to increase gender equality. CEW's view is that increasing the participation and presence of women in the WA economy contributes to economic growth and diversification. CEW believes there are well qualified women in WA able to populate many more leadership roles than women currently enjoy. It is committed attention to the system and on the job design that will generate progress (see below).

Setting targets underpinned by government policy will normalise the number of women in senior roles and leadership positions across the public sector leading to ongoing and sustainable change.

CEW undertakes an annual survey of the ASX200 to ascertain the number of women in leadership and decision making positions across corporate Australia. The CEW Census measures the number of women in ASX200 executive leadership teams as well as the proportion of women in 'line' roles and 'functional' roles. Analysis of the gender composition of executive leadership teams is important because it indicates the progress of women into decision making roles, creates a strong pipeline of qualified women available for promotion and therefore is an important element to achieving gender equity. 'Line' roles are those that directly drive key commercial outcomes in a business and usually involve profit and loss accountability. 'Line' roles represent the most significant pipeline for the ASX200 CEOs of the future.

CEW recommends the WA government undertake its own audit or census of the number of women in senior and in 'pipeline' positions across the public sector, including an analysis of impediments. Targets can be set and measured. Where progress is slow, more formal targets, ideally with consequences for non-achievement, could be established. Reporting to Parliament on progress is also an important compliance measure. It is recommended that this important task be undertaken by the WA Public Sector Commission.

FIGURE 1: "ACTIONS TO ENHANCE WOMEN'S LEADERSHIP"

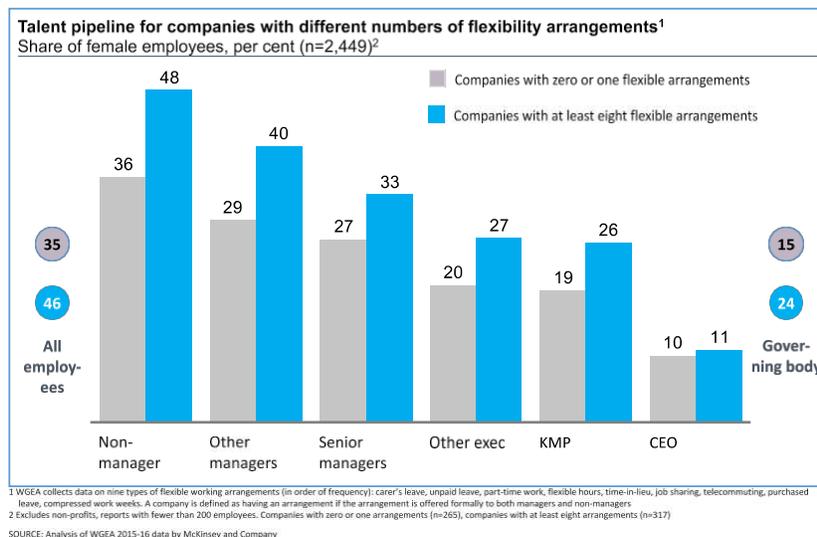


Recommendations for Reform

i. Work on the Jobs

- Design jobs attractive to all employees
 - If women are not involved in the design of jobs it is arguable jobs will not reflect elements important to attract and retain women. Amplifying women’s voices in decisions around structure, job design and conditions should be implemented to remove any biases. In particular, any restructures or reductions in the workforce should have appropriate gender balance in the decision making processes.
- All Roles Flex
 - Offering flexibility to all employees increases choice and improves the likelihood that women will be promoted – as per figure 2. The government should establish an ‘all roles flex’ policy across the entire public sector. Departments and agencies should report annually on the take up rate, by gender and position, of flexible working arrangements.

FIGURE 2: FLEXIBILITY LINKS TO BETTER REPRESENTATION



- Plan gender equal succession in government department and agencies
 - To achieve gender equity, promotion rates of women will need to be greater than 50% for a transition period. This requires careful workforce planning to smooth promotion pipelines and avoid disenfranchising and disrupting staff. Targets will need to be established, monitored and reported upon.
- Fix gender pay gap
 - Women will not have a realistic option to pursue a career if they always earn less, in PAYG earnings terms or over the course of their career. Families will make the economically rational decisions to pursue the (generally) male’s better

remunerated and acknowledged career. Change to this circumstance will require a challenge to the social norm of women as carers, and that women work a 'second', and expendable, job and are less interested in career and are less likely to harbour ambition.

- The WA Government should establish a reporting regime on the gender pay gap, similar to that for the corporate sector undertaken by the Workplace Gender Equality Agency (WGEA), with appropriate audit and transparency of the drivers of the gap, and develop strategies to be enacted to remove any gender pay gap. This should be reported by the WA Public Sector Commission and be an annual report to Parliament, delivered by the Premier.
- Government could work with the Bankwest Curtin Economics Centre to build a fact base and perspective on the reasons and specific solutions addressing any unique issues that exist in WA driving the gap between WA and the rest of the nation in removing the gender pay gap. The gap in WA increased over the last year while most other states and territories experienced some improvement. Victoria for example, experienced a three percent improvement, lowering the gap to 9.3%.

ii. Work with Women to Build Capacity

- Role modelling
 - Having exposure to strong female role models improves women's confidence and changes their view of what is possible and hence confirms both their ambition and aspiration.
 - CEW can assist the WA government in building capacity and capability across the public sector. Government agencies and members of the corporate sector have participated in CEW leadership development programs that contribute to developing leaders for the future of work. CEW would welcome the opportunity to discuss the potential for a CEW/Government collaboration to build capacity and leadership potential.
- Mentoring program
 - Members of CEW welcome the opportunity to work with identified high potential female public servants to support their progression to more senior roles.

iii. Work on the Appointment System

- Redefine merit
 - Unless 'merit' is redefined it is more difficult to put women into non- traditional and senior executive roles, especially on a flexible basis. The act of putting women in such roles creates role models and breaks down biases.
- Assess and address bias
 - The Public Sector Commission should take a role in measurement and inquiry about the barriers to gender equity including levels of representation and pay equity. A published, annual report on progress to the Minister should be made.

- Gender balanced selection panels
 - While there has been much made of gender-blind CVs, it is recommended that all selection panels should be gender balanced and include independent participants. Gender balanced selection panels should be mandated.
- Educate and engage male leaders
 - Role modelling and sharing lessons and experience by senior leaders is important. CEW conducts leadership programs and ‘CEO conversations’ as a mean of capacity building and confidence building. With experience in working with other government agencies in other jurisdictions, CEW welcomes the opportunity to work with the WA Government to advance a collaboration between DGs, agency CEOs and corporate CEOs to build capacity for women across sectors.

iv. Work on the General System

There are a number of other initiatives that the Government might consider to increase the economic participation of women and contribute to the building of a stronger WA, which include

- Skills and education

Women enter the workplace with better and higher qualifications than their male counterparts, and yet their commencement salaries are often less and their progress through promotional opportunities often lags. This starts the gender pay gap and systematically confirms women as less valued in their contributions. All awards, all classifications, and early and ongoing promotional opportunities, should acknowledge and value women and men equally. Opportunities to participate in flexible work arrangements and in parental leave should be available equally to men and to women and men ought to be actively encouraged to take up these options.

More could be done to attract women and men into non-traditional areas and industries, in non-traditional roles within those sectors, and improve the presence of women leaders in all industries and sectors. Work patterns in traditional areas – especially in law enforcement, construction and mining – should be analysed for their gender impact. For example, fly-in, fly-out and long (10 and 12 hour) shift patterns discourage women with caring responsibilities and do nothing to encourage men to assume their fair share of caring, parenting and unpaid domestic labour.

- Procurement Targets

Affirmative action and setting procurement targets for women-owned and operated businesses within government contracts should be considered. This would have a broad economic stimulus effect, elevating employment growth outcomes and encouraging innovation and entrepreneurialism.

Additionally, the Minister should require all government suppliers to drive and demonstrate year-on-year improvement on the number of women-owned businesses that are primary suppliers, within the set target, and be encouraged within tender processes. Targets and other reporting frameworks should be established in collaboration with industry. The intent is to positively influence the broader supply chain of services and products, and to advance gender equality contributing to an overall positive economic and social impact in WA.

- Roundtables with Women Leaders

The Minister for Women is encouraged to host regular roundtables with women leaders to discuss progress on the implementation of key recommendations in this document, and on the development and progress of the women's equality plan more broadly. Collaboration between government and the corporate sector will lead to the development of robust policy frameworks and successful implementation.

CEW welcomes the opportunity to provide this submission and we look forward to discussing the initiatives herein with the Government. Finally, CEW thanks Minister McGurk for her leadership in the development of the WA government plan to provide a long term coordinated approach to achieving gender equality.

Denise McComish
WA Chapter Chair

Diane Smith-Gander
CEW Past President

July 2019