



# Commonwealth Public Sector Gender Equality Scorecard

**Key Employer Results From 2022** 

**JUNE 2024** 

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#### **Acknowledgement of Country**

The Workplace Gender Equality Agency acknowledges the Traditional Custodians of Country throughout Australia and recognises the continuing connection to lands, waters and communities. We pay our respect to Aboriginal and Torres Strait Islander cultures and to Elders both past and present.



The publication of the *Commonwealth Public* Sector Gender Equality Scorecard: Key Employer Results From 2022 marks a significant moment in Australia's progress towards workplace gender equality.

The report is one of many positive actions to flow from the Respect@Work Report and the Anti-Discrimination and Human Rights Legislation Amendment (Respect at Work) Bill 2022. Under this Bill, Commonwealth public sector employers with 100 or more employees were aligned with their private sector counterparts in reporting gender equality data to WGEA annually. This deliberate shift signalled to employers that action on gender equality is a priority, no matter where you work.

In 2023, 116 Commonwealth public sector employers reported gender equality data to WGEA, adding 338,951 employees into WGEA's world-leading dataset. This report, based on that information, provides the most comprehensive analysis of gender equality in the Commonwealth public sector to date and serves as a baseline for future improvement.

The Commonwealth public sector can be immensely proud of the fact the sector has gender-balance in every level of management. The sector also has a higher rate of employers with a gender-balanced workforce compared to the private sector. This is partly the result of setting targets and applying sustained focus and effort to achieve them.

The acceptance and promotion of flexible ways of working may also be playing a role as the Commonwealth public sector has significantly higher rates of full-time work compared to the private sector. When employees can, for example, have some flexibility in their hours, they may not feel the need to reduce their hours to part-time to balance caring and other responsibilities. Employers who struggle to find a way to enable management roles to be done part-time could look towards flexibility as a pathway to enable more women to enter leadership positions.

While WGEA is not authorised to publish individual employer gender pay gaps from this report, we can reveal the overall Commonwealth public sector total remuneration average gender pay gap is 13.5%. This is lower than the private sector gender pay gap of 21.7% but it still equates to women, on average, earning \$19,007 less every year. 50% of Commonwealth public sector employers have a median gender pay gap greater than 6.9%.

While these results are encouraging, there is still more work to do and the employer data often shows a disconnect between strategy and action, which is not dissimilar to the private sector. Too many employers are not conducting a gender pay gap analysis and, when they do, they are not looking for the broader context and drivers of the inequality that manifest in pay differentials.

Further, in non-manager roles higher paid occupations are largely men-dominated and have significant gender pay gaps in their favour.



Breaking down gender stereotypes across these occupations will enhance gender equality and reduce the public sector gender pay gap.

Employers also need to challenge gender stereotypes around parental leave. We know from the private sector, that men's uptake of parental leave only increases when men are actively encouraged and supported to take the leave they are entitled to. Policies and targets are not enough on their own.

The sector needs to consider that merit selection does not negate the need for thoughtful policies and processes that support gender representation and diversity. Although merit sounds fair, it can reinforce the notion of the 'ideal worker', and all too often it is women and marginalised groups who do not fit.

A key message from this first *Commonwealth Public Sector Gender Equality Scorecard*, is that good policies alone do not necessarily translate into outcomes. Positive change takes thought and action. Commonwealth public sector employers are leading the way in some areas such as flexibility and women in leadership roles, but need to do more to break down stereotypes around parental leave and women in non-manager occupations to continue to reduce the gender pay gap.

The benchmark has now been set. We look forward to the results of future reporting, including the publishing of Commonwealth public sector employer gender pay gaps in 2025, and working with the sector to continue to remove gendered barriers for both women and men at work.

Chief Executive Officer

Many Woolderdy

Workplace Gender Equality Agency



#### **About the Workplace Gender Equality Agency**

The Workplace Gender Equality Agency (WGEA) is an Australian Government agency established by the Workplace Gender Equality Act 2012 (the Act).

Under the Act, WGEA is charged with promoting and improving gender equality in Australian workplaces.

The Act requires employers with 100 or more employees to report to WGEA annually against 6 gender equality indicators (GEIs).

The 6 GEIs are:

THE O OLIS GIE.		
	GEI 1	Gender composition of the workforce
	GEI 2	Gender composition of governing bodies of relevant employers
	GEI 3	Equal remuneration between women and men
(503)	GEI 4	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
	GEI 5	Consultation with employees on issues concerning gender equality in the workplace
	GEI 6	Sexual harassment, harassment on the ground of sex or discrimination



# Commonwealth Public Sector Gender Equality Reporting

The original Workplace Gender Equality Act 2012 required non-public sector employers to report to WGEA annually. The Anti-Discrimination and Human Rights Legislation Amendment (Respect at Work) Act 2022, expanded the definition of an employer in this Act to include Commonwealth public sector employers with 100 or more employees, commencing from 2023.

In preparation for Commonwealth public sector reporting in 2023, WGEA invited relevant Commonwealth public sector employers to participate in a voluntary reporting program in 2022. 52 public sector employers participated in this program, with the data presented in WGEA's 2022 Commonwealth Public Sector Gender Equality Snapshot.

In late 2023, Commonwealth public sector employers were required to report to WGEA for the first time. WGEA received reports covering the period 1 January to 31 December 2022 from a total of 116 employers, covering 338,951 employees.<sup>1</sup>

Employers in WGEA's Public Sector Gender Equality Reporting are categorised by primary Australian Government bodies type, as set out in the PGPA Flipchart. This consists of Non-corporate Commonwealth entities, Corporate Commonwealth entities and Commonwealth companies. Of the 116 employers, 67 are Non-corporate Commonwealth entities, 44 are Corporate Commonwealth entities and 5 are Commonwealth companies.<sup>2</sup> The list of each of these employers by type can be found in the appendix of this report.

# The Commonwealth **Public Sector Scorecard**

Commonwealth Public Sector Gender Equality Scorecard: Key Employer Results From 2022 is the first public analysis of Commonwealth public sector performance against each of the 6 GEIs.

This Australian-first report examines the composition, pay and actions Commonwealth public sector employers are taking to drive gender equality and the areas where improvements can be achieved.

It is based on employer reports for the period of 1 January to 31 December 2022, the first period of reporting it. As such, it forms the baseline for future improvement in the sector.

The GEIs are the same for Commonwealth public sector and the private sector, enabling comparison between the two. The private sector comparisons in this Scorecard are from <u>Australia's Gender</u> <u>Equality Scorecard 2022–23</u>.

Gender equality performance across the 6 GEIs for individual employers are available on the Data Explorer on WGEA's website.

<sup>2</sup> Two Commonwealth companies reported to WGEA in the 2022-23 Private Sector Gender Equality Reporting. These two companies have been excluded from this data release. The Department of Climate change, Energy, Environment and Water had the status of relevant employer for less than 6 months in 2022, so were not required to report for this year.



<sup>1</sup> Of the 116 employers, 3 did not supply data on workforce composition and remuneration as they are exempt due to the operationally sensitive nature of their work. This exemption falls under section 13, subsections 3A and 3B of the *Workplace Gender Equality Act 2012*. Data has been provided on their actions to improve workplace gender equality, and is included in this report.

# How does this report differ to the APSC Remuneration Report?

The Australian Public Service Commission (APSC) releases an annual *APS Remuneration Report* which includes insights into the workforce composition, base salary gender pay gaps and senior executive remuneration.

While the APSC collaborates with WGEA, there are several differences between the APS Remuneration Report and the WGEA Commonwealth Public Sector Gender Equality Scorecard that should be noted.

The APSC collects information on employees covered under the *Public Service Act 1999* (PS Act). WGEA's definition of an employer under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) is broader. It includes employers with 100 or more employees in Corporate and Non-corporate entities as well as Commonwealth companies.

77 employers report data to both the APSC and to WGEA. Of the 77 common employers, 10 employers may also employ staff under arrangements other than the PS Act. Workforce composition and remuneration data for these employees has been included in this report. An additional 39 employers are covered under the PGPA Act and do not employ staff under the PS Act.

The WGEA the Scorecard uses different classifications for manager categories compared to the APSC report. A list of these is on the <u>WGEA</u> website.

Commonwealth public sector employers report to WGEA on 6 GEIs. This means the WGEA Scorecard has broader information on employer policies, strategies, and actions to address workplace gender equality. WGEA also compares public sector employers to the private sector using these same GEIs.

While the methodology for calculating the gender pay gap is the same, the data each agency includes or excludes in the calculation does differ. More details on these differences can be found in Chapter 3: The Gender Pay Gap.

#### **Additional information**

For further information, please contact:

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#### **Executive Summary**

The Commonwealth Public Sector Gender Equality Scorecard: Key Employer Results From 2022 provides a unique record of workplace gender equality in the Commonwealth public sector. It highlights what employers have achieved, draws attention to areas requiring improvement and action, and, creates a baseline for progress.

Gender equality has been an ongoing focus in the Commonwealth public sector for several decades. Government and sector leaders have supported progress through the implementation of policies, strategies and targets that have helped to drive change. These include:

- the first and second Australian Public Service Gender Equality Strategies, which seek to drive practical and impactful action for lasting change
- successive Australian Government targets to reach gender-balance on government boards, first set in 2016
- the 2022–23 APS-wide centralised enterprise bargaining process, which included bargaining on workplace flexibility and parental leave and led to the <u>Statement of Common Conditions</u> and the <u>Public Sector Workplace Relations</u> <u>Policy.</u>

Negotiations in this process touched on several gender equality initiatives related to the 6 GEIs. Most notably, these included pay increases, actions to support women's and men's access to parental leave, and consistency in flexible

working rights across the Commonwealth public service. Given these results cover a timeframe prior to the centralised bargaining process, this Scorecard captures a baseline from which we can measure improvement.

# Action on gender-balance yields positive results

Across the Commonwealth public sector, 48% of employers have a gender-balanced workforce.<sup>1</sup> This is substantially higher than the private sector result of 27%. Further, 42% of employers have a women-dominated workforce and 10% have a men-dominated workforce. However, men-dominated employers are among the largest employers, employing 50% of employees in the sector.

As a whole, the workforce is gender-balanced with 43.5% women and 56.3% men. This differs from the picture provided by APSC data on PS Act employees which shows women make up 60.3% of the workforce.<sup>2</sup> The difference between the APSC and WGEA's data highlights that more men are employed in the non-PS Act workforce.

Every level of management, including the most senior Key Management Personnel (KMP) or Senior Executive Service (SES) 2 and 3 is gender-balanced (46% women and 54% men). This partly reflects the effort and attention the sector has placed on advocating for gender-

<sup>2</sup> Australian Public Service Commission (2023) <u>State of Service Report 2022-23</u>, APSC



<sup>1</sup> Gender-balanced refers to a workforce gender split of between 60% and 40% of women and men

balance, particularly at management level. For example, Balancing the Future: Australian Public Service Gender Equality Strategy 2016-2919 – the predecessor to the current Australian Public Service Gender Equality Strategy 2021-26 – outlined 'achieving gender equality in APS leadership' as one of 5 action areas. Agencies were instructed to 'set tailored, but ambitious, gender equality stretch targets across all leadership levels'.

The gender-balance achieved in management levels demonstrates that setting targets and taking action to achieve them can yield positive results in workplace gender equality.

Gender-imbalance is more evident at the non-manager level, particularly in relation to higher-paid occupations such as Professionals, Technicians and Trades Workers, and Community and Personal Service Workers, which are comprised predominantly of men. For example, in contrast to the private sector, 79% of employees in Community and Personal Service roles in the Commonwealth public sector are men. These roles include policing, protective services and defence force personnel.

Employers should focus on addressing these imbalances, however, few employers set targets to increase the number of women in men-dominated roles (25%) or the number of men in women-dominated roles (7%).

# The gender pay gap is 13.5% and smaller than the private sector

The Commonwealth public sector average total remuneration gender pay gap is 13.5%. This figure includes base salaries, superannuation, bonuses and overtime. The remuneration of part-time and casual workers is annualised. It is 8.2 percentage points lower than the private sector gender pay gap (21.7% in 2022-23).

This achievement is largely the result of the sector's success in achieving gender-balance in management. Compared to the private sector, the Commonwealth public sector has lower gender pay gaps in the most senior levels. At the KMP level, the Commonwealth public sector gender pay gap is neutral at -0.3%, while in the private sector, the gap is 22.1%. Private sector employers could look to the actions Commonwealth public sector employers are taking to attract and retain women in leadership roles as a path for sustained change.

Still, men are 2.5 times more likely than women to be in the upper pay quartile in the Commonwealth public sector.

Imbalance in non-management occupations is a key driver of the gender pay gap, and an area for focus for future improvement. Highly-paid non-manager roles are dominated by men and lower-paid non-manager roles are dominated by women. Professionals (59% men) has the highest concentration of employees in the upper pay quartile. At the other end of the scale, Clerical and Administrative Workers (60% women) has the highest concentration of employees in the lower pay quartile. Dedicated action to improve gender balance across non-manager occupations will help reduce the sector's gender pay gap in future years.

At an individual agency level, 50% of employers have a median gender pay gap larger than 6.9%. This is lower than the mid-point of employer gender pay gaps in the private sector, which is 9.1%. But still, too many employers sit above the target range of within or including +/-5%. 59% of employers have a gender pay gap in favour of men (greater than 5%) and 4% of employers have a gender pay gap in favour of women (less than -5%).

Conducting a gender pay gap analysis and acting on the findings is a critical first step to improving an organisation's gender pay gap. 64% of Commonwealth public sector employers conducted a gender pay gap analysis. Of those, 64% took action. Key actions focussed on communicating pay equity metrics, including the gender pay gap to the executive (64%) and the governing body (43%). 57% of employers reported they had identified the cause of their gap. Only 9% of employers created an action plan.

Of the employers who did not conduct a pay gap analysis, 69% reported that it wasn't needed due to salaries being set by workplace agreements. However, gender pay gaps can persist even when salaries are set by workplace agreements. This could be due to a greater concentration of men in higher-paying roles, or a concentration of women in lower-paying roles. The enterprise negotiation process can also have gendered implications, leading to trade-offs between salary scales and other work conditions that enable employees to better balance work and caring responsibilities.



# Many women and men are working full-time – flexibly

75% of employees in the Commonwealth public sector are working full-time. This is a marked difference to the private sector, where slightly more than half (54%) of employees work full-time. While rates of full-time employment for women and men in the Commonwealth public sector are similar (73% and 76% respectively), patterns of employment for women and men who are not employed full-time reflect inverted trends. Women who are not employed full-time are more likely to be employed part-time (79%) than casually (27%). Men who are not employed full-time are more likely to be employed casually (73%) than part-time (20%).

While women are more likely to work in part-time roles than men, employees in the Commonwealth public sector overall work in part-time roles at less than half the rate of private sector employees (9% vs. 21%). Women in the Commonwealth public sector are also far more likely to work full-time than those in the private sector, where 59% of women are employed part-time or casually.

The higher rates of women working full-time in the Commonwealth public sector compared to the private sector – and the similar proportions of Commonwealth public sector women and men working in these roles - could reflect an accelerated uptake and normalisation of flexible working arrangements. Almost all (97%) of employers have a policy or strategy in place for flexible working arrangements and, for 94% of these employers flexible working arrangements are promoted across the organisation. Further, results from the 2022 APS Census (of employees covered by the PS Act) indicate that 55% of employees work from home or are employed to hybrid work arrangements and 26% access flexible hours of work. These setting can enable employees to work in ways that allow them to manage their work and personal (including caring) responsibilities. Indeed, research indicates that women who access flexible hours of work and who can work remotely following the birth of their first child are less likely to reduce their hours of work.3 A 2020 survey of workers with family responsibilities found that they did not want to reduce their hours of work to fulfil these responsibilities but instead wanted to access flexible working arrangements.4

While the current state of employees' access to flexible working arrangements in the Commonwealth public sector is advanced, further action is still possible across various employer practices. For example, even though 97% of employers have a policy or strategy in place for flexible work, only 7% of this group reported that the policy or strategy included targets for flexible work, and this number drops to 3% for targets related to men's uptake of flexible work. In open-ended responses, a number of employers indicated no need to set targets for employees' engagement in flexible work. Employers indicated these arrangements are embedded in ways of working and that there was no need to set targets for men, in particular, because it is equally available to all genders. However, taking action to encourage both women and men to access flexible working arrangements helps to normalise use of these arrangements and may make it easier for families to share caring responsibilities more equitably.

In addition, despite high rates of full-time work in the Commonwealth public sector, it is important to ensure that people who do work part-time aren't disadvantaged by their part-time employment status. In 2022, only 8% of manager roles are part-time and only 4% of promotions went to part-time employees. There is an opportunity for the Commonwealth public sector to challenge existing norms and proactively redesign management roles to enable them to be undertaken part-time.

# Policies and strategies need to be supported by action

Commonwealth public sector employers have high rates of putting policies and strategies in place to support gender equality. However, this is only the first step to moving towards a gender-equal workplace, and employers need to be alert to the need for both guidance and action in making progress.

Almost 4 in 5 (78%) Commonwealth public sector employers have a policy or strategy in place for gender equality overall. Encouragingly, men-dominated employers are most likely to report this is the case (91%) closely followed by women-dominated employers (83%), suggesting an awareness of the need to take action.

<sup>4</sup> Allen, D & Orifici, A (2022) 'What did the COVID-19 pandemic reveal about workplace flexibility' UNSW Law Journal Forum, 1:1-16.



<sup>3</sup> Chung, H & van der Horst, M (2018) 'Women's employment patterns after childbirth and the perceived access to and use of flexitime and teleworking' *Human Relations*, 71(1), 47–72.

Additionally, almost all employers have a policy or strategy preventing and responding to workplace sexual harassment (97% each). More than 4 in 5 (85%) have a policy or strategy to address gender equality in recruitment. While only 30% have one for employee consultation on gender equality, more than three quarters (78%) of employers reported consulting with their employees.

While it is promising that employers have policies and strategies in place across the GEIs, there is a risk that opportunities for further action are still being missed. Realising the benefits of gender equality requires employers to be proactive and committed to long-term action. For example, looking at actions related to setting achievable targets, WGEA's results show few employers are setting targets in areas where there is progress to be made. This includes in encouraging men's uptake of universally-available or primary carer's leave and for flexible working arrangements.

Employers can also take action to support gender equal composition of the workforce and governing bodies. While 85% of employers have a policy or strategy on recruitment, fewer employers have policies or strategies on gender equality in retention (65%), talent identification (47%) and succession planning (41%). Several employers reported that these kinds of policies or strategies were unnecessary because decisions are made based on merit.

If not carefully considered, the concept of merit can be subjective. It can be determined by a pre-existing notion of the 'ideal worker' who adheres to the stereotypical gender and career trajectories of the role. Merit-based recruitment and appointments can also fail to take into account other systemic barriers that prevent some people from gaining the necessary experience and networks to acquire 'merit'. For example, those who are taking advantage of flexible working arrangements (including to fulfil caring responsibilities) may have less access to participate in collective processes, such as informal networking, that could contribute to them being seen as an 'ideal worker'.

Developing policies and strategies to support gender equality in recruitment and career progression activities can help to ensure that unconscious or structural bias isn't creeping into merit-based decisions. Employers can build processes into policies or strategies to avoid gender stereotyping when recruiting or making promotion decisions for particular roles, or to ensure that all employees – even those who work part-time or are on parental leave – have access to career progression opportunities.

# Expect to see change for men's access to parental leave

Most Commonwealth public sector employers offer paid parental leave to employees. However, there are gendered differences in the access to, and uptake of, this leave. In 2022, only 11% of primary carer's and universally available parental leave was taken by men. The length of primary and universally available parental leave was on average 14.5 weeks. In contrast, 97% of secondary carer's leave was taken by men, lasting an average of 3.5 weeks. As a result, men working in the Commonwealth public sector have not had the same time and opportunity as women to bond and care for newly arrived children in the family.

Parental leave was a key focus of the recent APS-wide bargaining process, with changes introduced to the standard length of both primary and secondary carer's leave, along with a commitment to close the gap between the length of leave primary and secondary carers can access - with the intent to reach universal leave entitlements by 2026-27. Not all employees covered in WGEA's Commonwealth Public Sector Gender Equality Reporting are included in the Statement of Common Conditions, which is specific to employees who are employed under the PS Act. However, Corporate Commonwealth entities were encouraged to follow the Common Conditions. This means that some employers who do not employ staff under the PS Act will still need to take specific and targeted action to make parental leave equally accessible for all employees.

The findings outlined in this Scorecard are both cause for celebration and a reminder that there's more work to do. We encourage Commonwealth public sector employers to use this Scorecard to compare their own organisation's performance with the broader sector. In doing so, they can understand how their progress aligns with, or differs from, the overall sector and determine focus areas to address next.

<sup>7</sup> Universal parental leave refers to parental leave that is the same type, length and conditions available to all employees, with no distinction between primary or secondary carers.

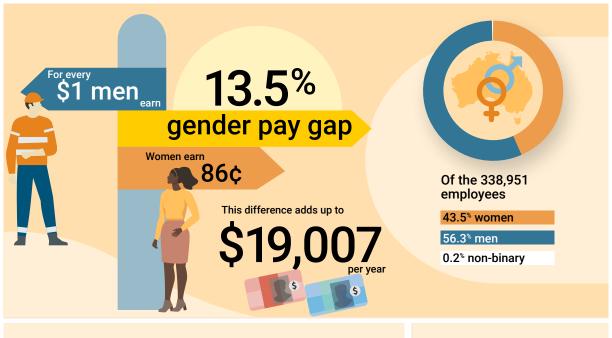


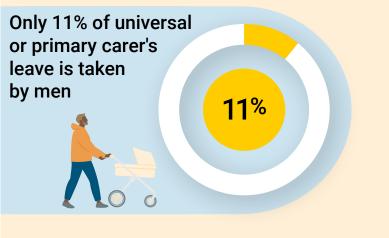
<sup>5</sup> Foley, M., Cooper, R., Colley, L., & Williamson, S. (2021). Best person or best mix? How public sector managers understand the merit principle. *Australian Journal of Public Administration* 

<sup>6</sup> ibia

#### Commonwealth public sector data snapshot

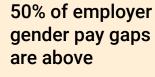
# The big picture







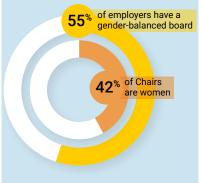








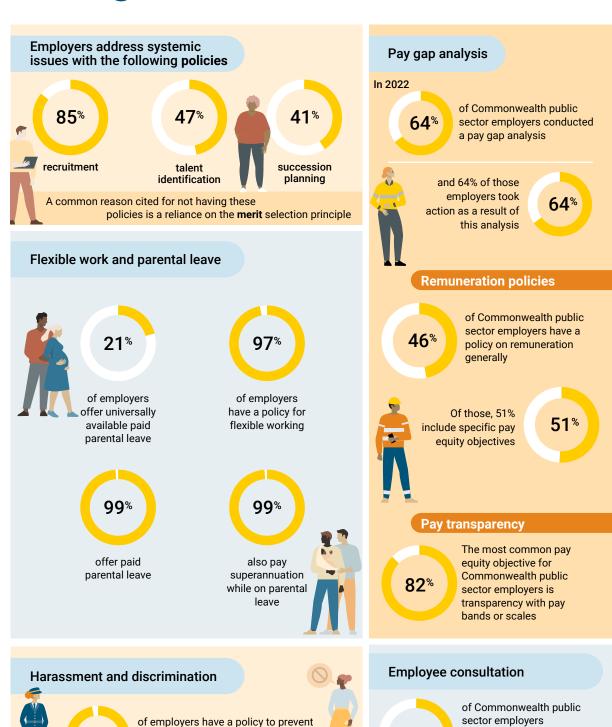






#### Commonwealth public sector data snapshot

# What are employers doing about it?





provide training

for managers

sexual harassment, harassment on the

ground of sex or discrimination

78%

have a grievance

policy or strategy

process in the

83%

30%

consulted employees on

workplace gender

equality issues

78%

However, few have a formal

policy or strategy to do so

Chapter 1

**GEI 1: Australia's workforce composition** 

#### What is GEI 1?

Workforce composition measures the participation rates of women, men and non-binary employees in the workforce. This includes rates of full-time, part-time and casual work; gender composition by Commonwealth public sector employer type (e.g. Non-corporate and Corporate Commonwealth entities and Commonwealth companies) and the proportion of each gender in leadership; and the rates of resignations, promotions and appointments by gender.

#### Why is it important?

A gender-imbalanced workforce contributes to a national gender pay gap, as well as pay gaps within organisations. Gender balance across roles and business units indicates that people are able to access and enjoy equal rewards, resources and opportunities, regardless of their gender.

WGEA's research with Bankwest Curtin Economics Centre (BCEC) shows that greater gender diversity in leadership delivers better employer performance and productivity. Further, increasing the representation of women in executive leadership roles is associated with declining employer gender pay gaps.<sup>1</sup>



<sup>1</sup> Cassells, R & Duncan, A (2020) <u>Gender Equity Insights 2020: Delivering the Business Outcomes</u>, Bankwest Curtin Economics Centre (BCEC) & Workplace Gender Equality Agency (WGEA).



# More men work in the Commonwealth public sector workforce

Of the 338,951 employees included in WGEA's Commonwealth public sector Gender Equality Reporting of 2022 data, 147,364 (43.5%) are women, 190,979 (56.3%)<sup>2</sup> are men, and 608 (0.2%) identify as non-binary.

The majority of employees work for Non-corporate Commonwealth entities (76%), with fewer employees working in Corporate Commonwealth entities (22%) and Commonwealth companies (2%).

#### **Non-binary employees**

The Act requires WGEA to capture information about women and men. Recognising that gender is a social and cultural concept, WGEA has created the option for employers to report employee gender as non-binary as a voluntary data category.

In 2022 reporting, non-binary employees made up 0.2% of the workforce. Due to the voluntary nature of this reporting, in-depth analysis has not been conducted for the purposes of this Scorecard.

Recommendation 7.2 of the Review of the *Workplace Gender Equality Act* (the Review) recommends legislative changes to enable WGEA to collect data about non-binary employees. WGEA has recently conducted consultations on this recommendation.

#### Size of the workforce

Employers in WGEA's 2022 Commonwealth public sector Gender Equality Reporting are disaggregated by <u>Primary Australian Government bodies</u> type, as set out in the <u>PGPA Flipchart</u> and in the Appendix of this report. This consists of Non-corporate Commonwealth entities, Corporate Commonwealth entities and Commonwealth companies.

#### 01|Table: Number of employees by Commonwealth public sector employer type

Commonwealth public sector employer type	Number of employers	Number of employees	Proportion of employees (%)
Non-corporate Commonwealth entities	64	256,721	76
Corporate Commonwealth entities	44	74,988	22
Commonwealth companies	5	7,242	2
All Commonwealth public sector workforce	113*	338,951	100

**Note:** Certain security agencies were granted exemptions from submitting Workplace Profile data to WGEA for privacy reasons. As a result, the information in this chapter relates to 113 of the total 116 Commonwealth public sector employers.

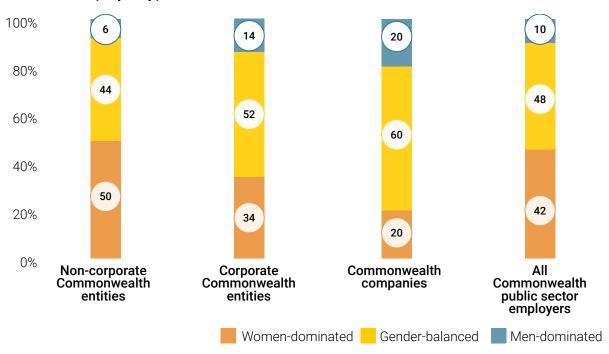
<sup>2</sup> The number of men in the Commonwealth Public Sector is heavily influenced by over 88,00 men in the Department of Defence and Australian Defence force.



#### Nearly half of employers are gender-balanced

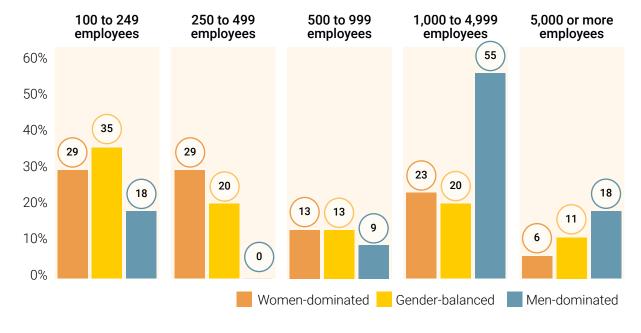
Across the Commonwealth public sector, 48% of employers are gender-balanced (employing between 40% and 60% women), 42% are women-dominated and 10% are men-dominated.

01|Chart: Gender-balance of employers by Commonwealth public sector employer type



Although there are few men-dominated employers in the Commonwealth public sector, most of these employers have large workforces. 55% of men-dominated employers have between 1,000 and 4,999 employees, and a further 18% have over 5,000 employees.

02|Chart: Distribution of women-dominated, gender-balanced and men-dominated employers, by employer size





Larger employers have a bigger impact than smaller employers on whole of sector workforce composition trends and the gender pay gap. Among the largest employers in the dataset (those with 5,000 or more employees), there are two employers that employ a greater proportion of men than women. These employers comprise approximately 45% of the whole Commonwealth public sector workforce. These employers are the Department of Defence (which includes the Australian Defence Force) and Australia Post. This contributes to the gender composition of the overall Commonwealth public sector workforce, which is in favour of men.

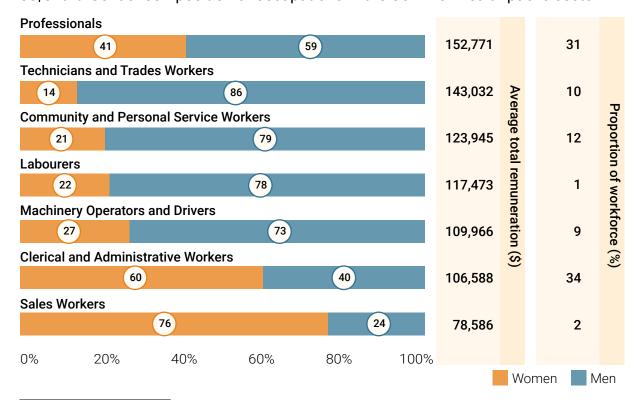
#### 02|Table: Number of employees by employer size category

Size range	Number of employers	Number of employees	Proportion of employees (%)
100 – 249 employees	35	5,645	2
250 – 499 employees	25	9,212	3
500 – 999 employees	14	10,305	3
1,000 – 4,999 employees	28	61,753	18
5,000 or more employees	11	252,035	74

#### Women are under-represented in most non-manager occupations

WGEA collects data from employers on occupation of employees using the Australian and New Zealand Standard Classification of Occupations (ANZSCO) codes.<sup>3</sup> In the Commonwealth public sector, most non-manager occupations are men-dominated. Women are more likely to be represented in occupations that are lower paid and are under-represented in occupations considered more technical or manual.

#### 03|Chart: Gender composition of occupations in the Commonwealth public sector



<sup>3</sup> For employers who used the APSC's data sharing, the occupations are based on categorisation of employees in the Job Family Framework, which is mapped to the ANZSCO codes.



Community and Personal Service Workers are mostly men in the Commonwealth public sector (79% men); however, they are mostly women (71% women) in the private sector. The difference between the sectors may be due to the broad definition of this occupation code, to include health and welfare support workers, carers, hospitality workers and protective service workers. In the Commonwealth public sector, there are more protective services workers, in policing and defence roles, which likely contributes to the different gender composition of this occupation.

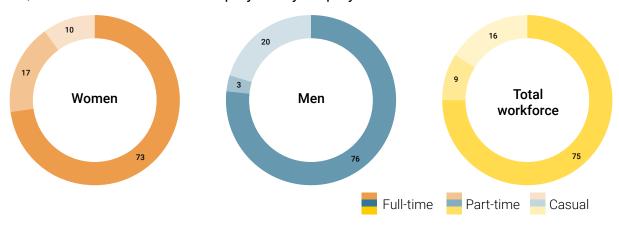
#### Women are more likely to work part-time

Of the 338,951 employees in the Commonwealth public sector, 75% work full-time, 9% part-time and 16% casually. A similar proportion of women (73%) and men (76%) are employed full-time.

Women are more likely to work part-time if they are not employed full-time and men are more likely to work casually.

Of the employees who work part-time, 79% are women and 20% are men. Of the employees who work casually, 27% are women and 73% are men.

#### 04|Chart: Women and men employees by employment status



When the larger employers (those with 5,000 or more employees) are excluded from the calculation, this trend changes slightly. The proportion of women and men who work full-time increases to 77% for full-time women and 90% for full-time men. This increase comes with a decrease in the proportion of women and men who work casually.

Work patterns for women and men in the Commonwealth public sector are different from the private sector. More than half of all women are employed part-time (30%) or casually (28%) in the private sector.



#### Few managers work in part-time roles

Only 8% of manager roles in the Commonwealth public sector are part-time. This is proportional to the part-time workforce for the whole of Commonwealth public sector (9%).

13% of women who are managers work part-time. This is slightly lower than the rate of women who are non-managers working part-time (18%). More women work as part-time managers than men.

## 03|Table: Proportion of managers who work part-time by Commonwealth public sector employer type

	Non-corporate Commonwealth entities (%)	Corporate Commonwealth entities (%)	Commonwealth companies (%)	All Commonwealth public sector employers (%)
Women	14	11	6	13
Men	3	2	1	2
All managers who work part-time	8	6	2	8

The rate of managers who work part-time in the private sector is similar to in the public sector (8%), with 13% of women managers in the private sector working part-time, compared to 2% of men.

Trends in the private sector highlight that women are more likely to work part-time and casually than full-time. However, few management positions are part-time. In contrast, non-managers and managers in the Commonwealth public sector work part-time at similar rates.

#### Non-corporate Commonwealth entities have more men casual workers

Non-corporate Commonwealth entities employ more casual employees, when compared to Corporate Commonwealth entities and Commonwealth companies.

Women are more likely than men to work part-time across all Commonwealth public sector employer types. Men are more likely than women to work casually in Non-corporate Commonwealth entities only.

#### 04|Table: Proportion of women and men who work part-time, by employer type

	Non-corporate Commonwealth entities (%)	Corporate Commonwealth entities (%)	Commonwealth companies (%)	All Commonwealth public sector employers (%)
Women	15	23	9	17
Men	2	8	2	3
Total part-time workforce	8	15	4	9

#### 05|Table: Proportion of women and men who work casually, by employer type

	Non-corporate Commonwealth entities (%)	Corporate Commonwealth entities (%)	Commonwealth companies (%)	All Commonwealth public sector employers (%)
Women	10	8	5	10
Men	25	8	1	20
Total casual workforce	18	8	3	16



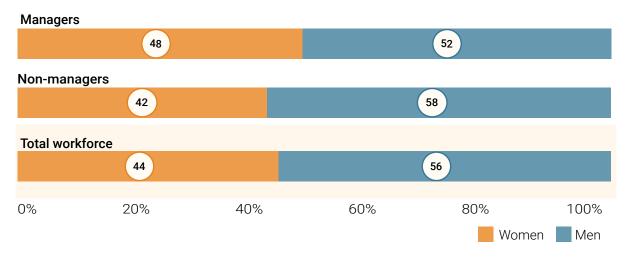
#### Women in management and leadership

#### Management positions are gender-balanced overall

48% of managers in the Commonwealth public sector are women.4

Close to half (48%) of all Commonwealth public sector employers have a gender-balanced management team, 21% have a men-dominated management team, and 31% have a women-dominated management team. $^5$ 

#### 05|Chart: Proportion of women and men by leadership status



<sup>•</sup> Other Managers as Executive Level 1



<sup>4</sup> Descriptions of manager categories can be found <u>here</u>. Please note that a manager does not need to have people reporting to them to be defined as a manager.

<sup>5</sup> For APS employers, manager categories have been mapped to APS employment levels. This mapping defines:

<sup>·</sup> Key Management Personnel as SES Band 2 and Band 3 or equivalent

General Managers as SES Band 1 or equivalent

Senior Managers as Executive Level 2

All levels of management have a gender-balanced composition (between 40% and 60% women) but women comprise less than 50% of positions in all management categories. Evidence shows that more women in executive leadership roles contributes to gender pay equity.<sup>6</sup>

#### 06|Chart: Gender composition of each management level<sup>7</sup>

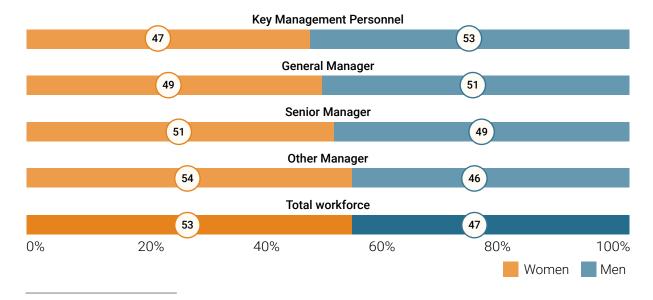


#### Smaller employers have more women in management

Several of the largest employers have more men managers than women managers, which contributes to the slightly higher proportion of men managers across the whole workforce. When employers with over 5,000 employees are excluded, the gender composition is in favour of women for both managers (53%) and non-managers (54%).

Exclusion of the largest employers also highlights that the proportion of women in management roles decreases with seniority, although they still remain gender-balanced.

07|Chart: Proportion of women and men in management roles, by management level, for employers with fewer than 5,000 employees



<sup>6</sup> BCEC (Bankwest Curtin Economics Centre) & WGEA (Workplace Gender Equality Agency) (2017) 'Gender Equity Insights 2017: Inside Australia's gender pay gap' BCEC & WGEA.

<sup>7</sup> The CEOs or equivalent of public sector employers have been excluded from this workforce composition analysis as they are not yet required to be reported.



#### Women have proportional representation in key management positions

The proportion of women employed in key management positions is proportional to the representation of women in the workforce across all employer types.

Fewer women are employed as managers in comparison to men in Commonwealth companies than in Corporate Commonwealth entities and Non-corporate Commonwealth entities.

## 06|Table: Proportion of women in each Commonwealth public sector employer type and the proportion of women in management roles

Commonwealth public sector employer type	Women (%)	Women managers (%)	Women KMPs (%)
Non-corporate Commonwealth entities	44	48	46
Corporate Commonwealth entities	44	47	43
Commonwealth companies	37	33	36
All Commonwealth public sector employers	44	48	46

#### Recruitment, promotions and resignations

Employers report to WGEA on the number of employees who were promoted, who were internally and externally appointed, and who voluntarily resigned in the 12-month reporting period.

- A promotion is a permanent change when an employee advances or rises to a higher rank. It is not a temporary change in duty, transfer to a position of equal rank or a raise in salary.
- An internal appointment is where an organisation fills a position from within its existing workforce, such as a movement at-level. It does not include promotions or employees who changed employment status (for example, from part-time to full-time).
- An external appointment is for positions filled by suitable applicants outside of the organisation.
- Voluntary resignations are when an employee gives up their employment voluntarily or ends
  their contract earlier than a contracted date. It does not include employer-initiated terminations,
  redundancies or retirement.

#### More promotions go to men

The ratio of women and men who are appointed and voluntarily resign is close to 50:50 in the Commonwealth public sector. However, the proportion of appointments and voluntary resignations is slightly higher for women compared to their representation in the workforce. Promotions are more likely to go to men and women are more likely than men to be appointed from external recruitment processes.

# 07|Table: Number and proportion of employees who have been appointed, promoted or resigned, by gender

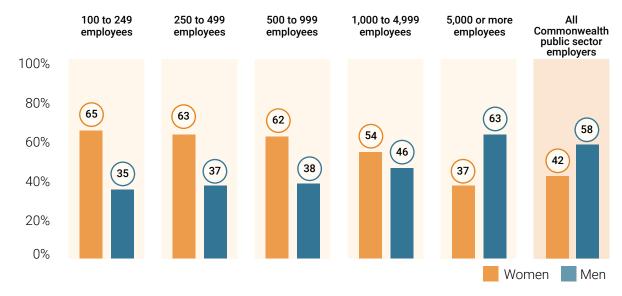
	Women	Women (%)	Men	Men (%)
External appointments	38,292	52	35,326	48
Internal appointments	8,510	46	9,998	54



	Women	Women (%)	Men	Men (%)
Promotions	17,555	42	24,722	58
Resignations	18,808	49	19,492	51
Total workforce	147,364	44	190,979	56

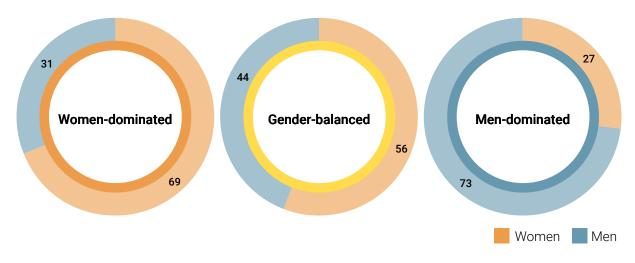
A higher proportion of promotions go to women in smaller employers compared to larger employers. Women received two-thirds of promotions in the smallest employers (with between 100 and 249 employees). This compares to just over a third of promotions that went to women in the largest employers (with over 5,000 employees).

08|Chart: Proportion of promotions earned by women and men, by employer size



Trends in promotions also align with the gender balance of the employer. Men-dominated employers promoted more men than women (27%), women-dominated employers promoted more women (69%) than men and gender-balanced employers promoted marginally more women (56%) than men.

09|Chart: Proportion of promotions earned by women and men, by employer gender balance





#### Full-time employees are more likely to be promoted

Employees who are full-time are more likely than part-time employees to be promoted, while employees working part-time or casually are more likely to resign.

# 08|Table: Proportion of employees who have been appointed, promoted or resigned, by employment status

Employment status	Promotions (%)	Appointments (%)	Resignations (%)	Representation in total workforce (%)
Full-time	96	71	63	75
Part-time	4	8	10	9
Casual	0	21	27	16

#### There is gender-balance in management movements

The proportion of women and men who are appointed, promoted into, and resign from management positions is close to even. Women are slightly more likely to be externally appointed and men are slightly more likely to be internally appointed and promoted. Women and men managers resigned at the same rate.

## 09|Table: Number and proportion of appointments, promotions and resignations for managers by gender

	Women managers	Women managers (%)	Men managers	Men managers (%)
External appointments	6,149	52	5,650	48
Internal appointments	1,521	48	1,641	52
Promotions	4,747	45	5,691	55
Resignations	4,856	50	4,849	50
Total managers	33,872	48	37,354	52

#### Policies and strategies to improve gender composition

# Larger employers are most likely to have policies or strategies on gender equality overall

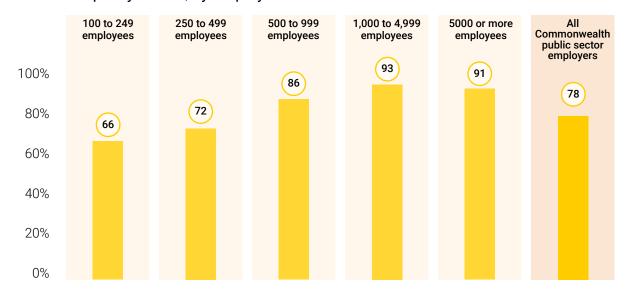
78% of Commonwealth public sector employers have a policy or strategy to support gender equality. Non-corporate Commonwealth entities are more likely to have a policy or strategy on gender equality (85%) than Corporate Commonwealth entities (66%) and Commonwealth companies (80%).

This high proportion is likely supported by the <u>Australian Public Service Gender Equality Strategy 2021-26</u>, which seeks to drive practical and impactful action to promote gender equality in the APS.<sup>8</sup> As part of the APS-wide strategy, many agencies develop strategies or action plans that are tailored to their specific context.

Larger Commonwealth public sector employers are most likely to have a policy or strategy for gender equality overall, while small employers with between 100 and 249 employees are the least likely.



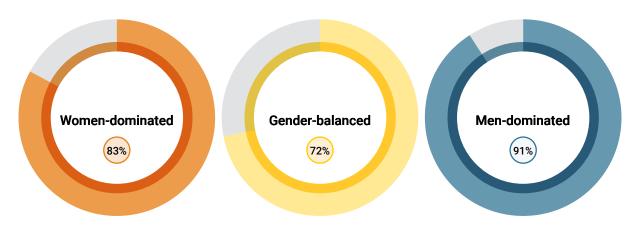
10|Chart: Commonwealth public sector employers with a policy or strategy on gender equality overall, by employer size



# Men-dominated employers are more likely to have a policy or strategy on gender equality

Most men-dominated employers have a policy or strategy overall and gender-balanced employers are least likely to have one.

11|Chart: Employers with a policy or strategy on gender equality overall, by gender balance of their workforce



# Many employers have specific policies or strategies on workforce composition

In addition to an overall gender equality policy or strategy, many employers also have policies addressing specific focus areas.

The proportion of Commonwealth public sector employers with policies or strategies to support gender equality in recruitment is high. However, few employers have key performance indicators (KPIs) for gender equality or policies or strategies for succession planning and talent identification. These present areas for growth which can also support and sustain commitments to improve gender equality in recruitment.



Further, BCEC and WGEA research shows that employers that set KPIs for gender equality do better in terms of gender equity outcomes over time,<sup>9</sup> while the <u>APS Gender Equality Strategy</u> emphasises the role of leaders in being accountable for progress on gender equality.

10|Table: Proportion of employers with a policy or strategy on gender equality, by employer type

Policy or strategy	Non-corporate Commonwealth entities (%)	Corporate Commonwealth entities (%)	Commonwealth companies (%)*	All Commonwealth public sector employers (%)
Recruitment	90	80	80	85
Gender equality overall	85	66	80	78
Training and development	81	68	80	76
Performance management	79	66	80	74
Promotions	76	59	80	70
Retention	69	57	80	65
Talent identification of high potentials	45	45	80	47
Succession planning	37	41	80	41
Key performance indicators relating to gender equality	42	32	20	37

Note: Commonwealth companies information should be interpreted with caution due to the small sample size.

The proportion of employers with a policy or strategy for gender equality in the Commonwealth public sector (78%) is similar to the proportion in the private sector (79%).

Few Commonwealth public sector and private sector employers have key performance indicators (KPIs) for gender equality. However, unlike Commonwealth public sector employers, most private sector employers are more likely to have other policies and strategies in place to support GEI 1, including those related to KPIs, talent identification and succession planning.

<sup>9</sup> Bankwest Curtin Economics Centre (BCEC) & Workplace Gender Equality Agency (WGEA) (2023) <u>Gender Equity Insights 2023:</u> Accelerating the pace of change, BCEC & WGEA.



#### **Employers are setting targets to address workforce composition**

WGEA asked Commonwealth public sector employers to answer a voluntary question on whether they set targets to address gender equality in their workplace.

52% of employers responded. The most common targets they reported focus on the gender composition of the workforce. For example, they have set targets to increase the number of women in management positions and the number of women in men-dominated roles.

Men-dominated employers are most likely to set these targets, compared to gender-balanced or women-dominated employers. By focusing on increasing women's representation in management and in positions that are traditionally men-dominated, these employers can support women to progress into higher-paid roles, which will help to reduce the gender pay gap.

However, fewer employers are setting targets related to men in the workforce, such as increasing the number of men in women-dominated roles or increasing the number of men taking paid parental leave.

Targets provide a mechanism for accountability. However, targets are only effective if combined with dedicated actions to help achieve them.

# 11|Table: Targets set by Commonwealth public sector employers in the voluntary sample and the percentage of employers with that target

Target set	Proportion of Commonwealth public sector employers who responded (%)
Increase the number of women in management positions	37
Increase the number of women in men-dominated roles	25
Reduce the gender pay gap	23
To have a gender-balanced governing body	15
Increase the number of men using flexible working arrangements	13
Increase the number of men taking parental leave	12
Increase the number of men in women-dominated roles	7



# Chapter 2

#### What is GEI 2?

GEI 2 measures the gender composition of boards or governing bodies of relevant employers. It looks at the gender make-up of Chairs and other members, whether employers consider gender in the selection of governing body members, and actions taken to drive change such as time limits, targets and policies.

**GEI 2: Boards and governing bodies** 

#### Why is it important?

The governing body has a responsibility to understand the drivers and state of gender equality in their organisation and to promote and monitor progress to achieve workplace gender equality. Governing bodies can play a powerful role in driving gender equality outcomes in the workplace.





#### Types of Commonwealth public sector governing bodies

In WGEA's reporting, a governing body is defined as the body, or group of members, that formulates policy and directs the affairs of an organisation.<sup>1</sup>

Almost half (43%) of Commonwealth public sector employers have a management committee as their governing body. 28% have a Board of Directors and 20% have an 'other governing body/ authority'.

These 'other' responses describe a governing body comprising employees in key leadership positions within the organisation who make up an executive team or committee, similar to a management committee. Another characteristic of Commonwealth public sector governing bodies is that membership can be based on appointment by Government or relevant Ministers. This typically means the employer does not have control over membership of their governing body.

Types of governing bodies vary based on the employer entity type. All Commonwealth companies reported having a Board of Directors as their governing body. More than half of the Corporate Commonwealth entities also had a Board of Directors (61%), followed by a Council (18%) or an 'other' governing body (14%) – primarily governing bodies who are appointed by government or under relevant legislation.

Non-corporate Commonwealth entities were far more likely to have a management committee as their governing body (71%), with a further 8% similarly describing an executive committee in an 'other' response. This highlights that for many Non-corporate Commonwealth entities, there is overlap between their leadership teams and their governing bodies, which means actions to improve gender equality in leadership will feed into governing body composition.

#### 11|Table: Employer governing body type, by employer type

	Non-corporate Commonwealth entities (%)	Corporate Commonwealth entities (%)	Commonwealth companies (%)	All Commonwealth public sector employers (%)
Management committee	71	7	0	43
Board of Directors	0	61	100	28
Other governing body/authority	26	14	0	20
Council	0	18	0	7
Board/committee of partners	3	0	0	2

Commonwealth public sector governing bodies are very different to those in the private sector. While private sector employers may have a Board of Directors or Council, it is far more likely that Commonwealth public sector governing bodies are comprised of executive employees or statutory appointments.

<sup>1</sup> Note this differs slightly from the <u>Gender balance on Australian Government boards</u> data, which includes certain Australian Government boards (including Ministerial Advisory committees, review committees appointed by a Minister or Cabinet, and statutory authorities) that meet a certain criteria.



#### Composition of governing bodies

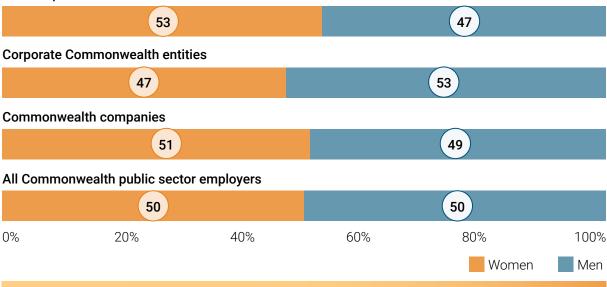
#### Women hold half of governing body positions

When looking at all board positions in the Commonwealth public sector, women and men hold 50% of governing body seats each.

Since 2016, successive Australian governments have had a target to achieve gender-balance on Commonwealth public sector governing bodies. The Office for Women releases an annual report on gender-balance on government boards.<sup>2</sup> The latest report found gender parity has been reached across the governing bodies monitored.

#### 12|Chart: Proportion of women and men on governing bodies, by employer type



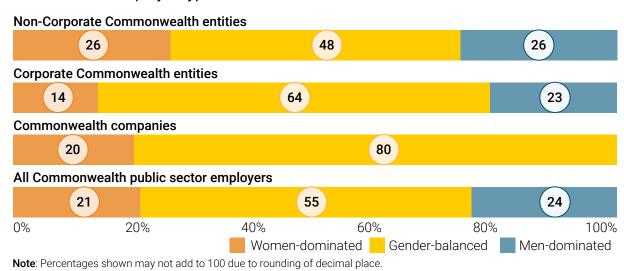


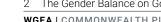
Progress on gender equality on governing bodies in the private sector has been slow, with women holding only 31% of board positions. This has not changed since 2020-21.

#### More than half the governing bodies are gender-balanced

55% of employers have a gender-balanced composition of their governing body. This means they have a gender composition of between 40% and 60% of both women and men.

#### 13|Chart: Proportion of employer governing bodies, by gender-balance and employer type





Private sector governing bodies are more likely to be men-dominated (68%) than gender-balanced (25%) or women-dominated (7%). The higher frequency of gender-balance in Commonwealth public sector employers may be supported by government targets for women on boards, coupled with employer initiatives to improve gender composition in executive leadership teams.

#### Men are slightly more likely to lead governing bodies

Despite equal representation of women and men members on governing bodies, women are slightly less likely than men to chair governing bodies (42%). Non-corporate Commonwealth entities have the highest proportion of women Chairs (44%), broadly in line with women's representation in the workforce (43%). Corporate Commonwealth entities and Commonwealth companies have a smaller proportion of women Chairs, lower than both women's representation on governing bodies and women's representation in the workforce. In March 2024, the Government committed in the *Working for Women: A Strategy for Gender Equality* to set new targets for gender balance for Chairs and co-Chairs on Government Boards.

# 12|Table: Proportion of women and men Chairs on governing bodies, by employer type

Employer type	Women Chairs (%)	Women members (%)	Men Chairs (%)	Men members (%)
Non-corporate Commonwealth entities	44	54	56	46
Corporate Commonwealth entities	39	48	61	52
Commonwealth companies	33	54	67	46
All Commonwealth public sector employers	42	51	58	49

In the private sector, women hold Chair positions at a lower proportion than their representation on Boards. Only 19% of Chair positions are held by women.

# Employer action to improve gender equality in governing bodies

# Many employers do not have policies on gender equality in their governing body

Only 37% of Commonwealth public sector employers have a formal policy or strategy for governing body selection (meaning a policy or strategy on how people are chosen to sit on the governing body).

Of the 63% of employers that don't, 35% indicate they do not have control over their governing body and 65% provide an 'other' explanation.

The majority of 'other' responses describe not having control over their governing body or suggest that a selection policy was not necessary as positions are based on executive or management roles and should be covered under workforce composition.

When looking specifically at policies to support gender equality, only 12% of Commonwealth public sector employers have a policy or strategy to support gender equality in the composition of their governing body. Most of the employers who do not have a policy or strategy on gender equality provide an 'other' reason, which reflects similar reasons to those for not having a policy or strategy on board selection.



# 13|Table: Proportion of employers with a policy or strategy relating to governing body selection and gender composition by Commonwealth public sector employer type

Employer type	Formal selection strategy (%)	Formal policy or strategy on gender composition (%)
Non-corporate Commonwealth entities	41	13
Corporate Commonwealth entities	32	11
Commonwealth companies	40	20
All Commonwealth public sector employers	37	12

#### Few employers are setting targets for their governing body

Only 5 employers have a target in place to increase the representation of under-represented genders on their governing bodies. These employers set a target for between 40% and 50% women.

The low rate of targets may be due to the pre-existing target set by government for 50% representation of women on government boards. It may also be due to the high number of governing bodies that are already gender-balanced.





## Chapter 3

GEI 3: Equal remuneration between women and men – The gender pay gap

#### What is GEI 3?

This GEI looks at the difference between the average and median remuneration of women and men and the actions employers are taking to reduce the gender pay gap.

#### Why is it important?

Closing the gender pay gap is important for Australia's economic future and reflects our aspiration to be an equal and fair society for all.







#### What is the gender pay gap?

The gender pay gap is the difference in the average or median earnings between women and men across organisations, industries and the workforce as a whole. Where one gender earns more, on average, than another, this can point to issues with structural inequality.

It's important to note the gender pay gap is not the same as equal pay. Equal Pay is where employees are paid the same for performing the same work or different work of equal or comparable value. In Australia, this has been a legal requirement since 1969. Unequal pay can be one of the drivers of the gender pay gap, but there are many others that should be thoughtfully considered.

The 2022 Commonwealth public sector gender pay gap:

- covers remuneration for Commonwealth public sector employers with 100 or more employees
- uses total remuneration, including salaries, superannuation, overtime, bonuses and other additional payments
- includes full-time, part-time and some casual employee remuneration (non-full-time roles are converted into annualised full-time equivalent earnings)
- excludes remuneration of CEOs, Heads of Business, Casual Managers and employees who are furloughed, as well as casual employee salary for staff employed under the PS Act due to how remuneration data is currently reported to the APSC
- excludes employees from 3 Commonwealth public sector security agencies exempted from reporting Workplace Profile data to WGEA for security reasons
- excludes employees reported as non-binary as the comparison is between women and men.

#### WGEA's gender pay gap

The total remuneration average gender pay gap for the Commonwealth public sector is 13.5%. This means, on average, women earn 86 cents for every dollar men earn. This difference adds up to \$19,007 per year.

The gender pay gap differs between types of Commonwealth public sector employers. Non-corporate Commonwealth entities have a similar gender pay gap to Commonwealth companies (14.4% and 13.3% respectively). However, Corporate Commonwealth entities have the lowest gender pay gap of all Commonwealth public sector employer types (8.3%).

14|Table: Average gender pay gap for the Commonwealth public sector compared to the private sector

Commonwealth public sector employer type	Women's average total remuneration	Men's average total remuneration	Difference	Gender pay gap (%)
Non-corporate Commonwealth entities	\$126,118	\$147,411	\$21,293	14.4
Corporate Commonwealth entities	\$104,867	\$114,414	\$9,547	8.3
Commonwealth companies	\$145,360	\$167,612	\$22,251	13.3
All Commonwealth public sector employers	\$121,435	\$140,442	\$19,007	13.5
All private sector employers (2022-23)	\$95,165	\$121,558	\$26,393	21.7

The total remuneration gender pay gap includes additional payments such as superannuation, bonuses, performance payments and overtime. As such it is a more comprehensive measurement of the gender pay gap. When these payments are removed, the Commonwealth public sector base salary gender pay gap is 7.1%.



#### WGEA gender pay gap versus APSC gender pay gap

The APSC calculates a base salary gender pay gap for employees covered under the PS Act. As of December 2022, this was 5.2%.<sup>1</sup>

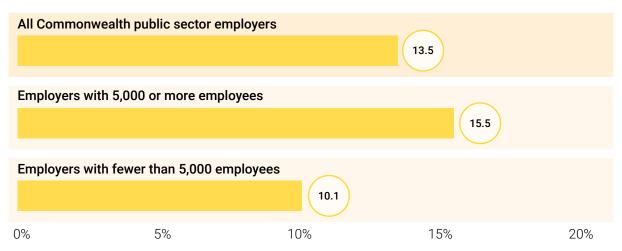
The difference between the WGEA base salary gender pay gap and that calculated by the APSC can be partly attributed to the inclusion of employees covered under the PGPA Act in WGEA's data. The APSC data only includes those covered by the PS Act. Additionally, WGEA's data only includes employers with 100 or more employees, while the APSC data includes all PS Act employers.

Importantly, both the WGEA and the APSC datasets show a gender pay gap in favour of men in the Commonwealth public sector.

#### Larger employers have a bigger impact on the gender pay gap

As was the case with workforce composition (see Chapter 1), larger employers (those with 5,000 or more employees) have a bigger influence on the sector-wide gender pay gap than smaller employers. With these larger employers excluded, the gender pay gap for the Commonwealth public sector is 10.1% in favour of men.

#### 14|Chart: Employer gender pay gaps, disaggregated by employer size



#### The median gender pay gap

The median total remuneration gender pay gap is 10.8%. This means the median woman earns \$13,437 less than the median man each year.

As averages are more impacted by outlier data, such as the highest salaries, the difference between the average and median gender pay gaps can reveal important information about income distribution and potential drivers of the gender pay gap.

An average *higher* than the median means a disproportionate number of men in high-income roles has a greater impact on the gender pay gap. As opposed to a disproportionate number of women in lower-paying roles having the greater impact. An average *lower* than the median means a disproportionate number of women in lower-paying roles has the greater impact. The scale of the remuneration difference between the highest-paid and lowest-paid roles is also a factor.

<sup>•</sup> excludes remuneration of CEO and casual employees



<sup>1</sup> The APSC gender pay gap:

<sup>·</sup> includes remuneration for Commonwealth public sector employees covered under the PS Act

<sup>•</sup> is base salary remuneration only

<sup>•</sup> includes full-time and part-time earnings annualised to full-time equivalent earnings

15|Table: Median total remuneration and gender pay gap for the Commonwealth public sector, compared to the private sector

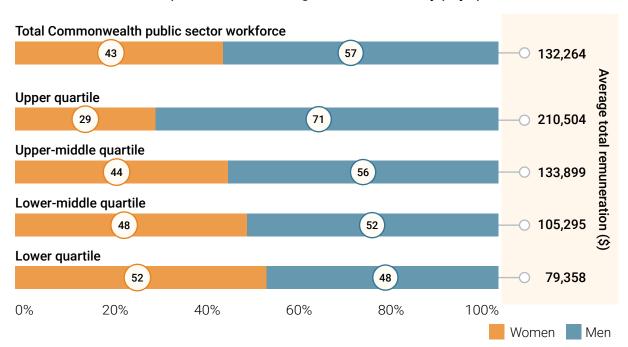
Commonwealth public sector employer type	Median woman	Median man	Difference	Median gender pay gap (%)
Non-corporate Commonwealth entities	\$114,439	\$131,250	\$16,811	12.8
Corporate Commonwealth entities	\$94,804	\$98,558	\$3,754	3.8
Commonwealth companies	\$122,852	\$154,132	\$31,279	20.3
All Commonwealth public sector employers	\$110,485	\$123,922	\$13,437	10.8
All private sector employers (2022-23)	\$78,484	\$96,945	\$18,461	19.0

The Commonwealth public sector gender pay gap is 8.2 percentage points lower than the private sector gender pay gap, for both the average (13.5% vs. 21.7%) and the median (10.8% vs. 19%).

#### Men are more likely to be higher paid than women

Men are 2.5 times more likely to be in the highest earning quartile than women. In contrast, the proportion of women and men in the lowest earning quartile is gender-balanced.

#### 15|Chart: Gender composition and average remuneration by pay quartile



In the private sector, men are 1.9 times more likely to be in the upper quartile than women. This figure is higher in the public sector, at 2.5 times more likely than women to be in the upper quartile.

When comparing across Commonwealth public sector employer types, Corporate Commonwealth entities have the highest percentage of women in upper-quartile earners, as well as the lowest percentage of women in the lower pay quartile.



Corporate Commonwealth entities also have the lowest average total remuneration gender pay gap of all employer types.

#### 16|Table: Proportion of women in each earning quartile, by employer type

Commonwealth public sector employer type	Women in upper quartile (%)	Women in upper middle quartile (%)	Women in lower middle quartile (%)	Women in lower quartile (%)	Average total remuneration gender pay gap (%)
Non-corporate Commonwealth entities	28	44	48	56	14.4
Corporate Commonwealth entities	33	42	50	46	8.3
Commonwealth companies	29	30	46	54	13.3
All Commonwealth public sector employers	29	44	48	52	13.5

#### A closer look at the upper quartile

Non-corporate Commonwealth entities dominate the upper quartile.

It should be noted that men outnumber women in the upper quartile across all 3 Commonwealth public sector employer types. The difference is lowest for Corporate Commonwealth entities, which may be a driver of the lower gender pay gap observed for this group of employers.

# 17|Table: Proportion of women and men in the upper pay quartile, by employer type and gender

Commonwealth public sector employer type	Women (%)	Men (%)	Total in upper quartile (%)	Representation in Commonwealth public sector workforce (%)
Non-corporate Commonwealth entities	23	59	82	75
Corporate Commonwealth entities	5	9	14	23
Commonwealth companies	1	3	4	2
Total	29	71	100	100

#### ... and the lower quartile

The APSC identifies the disproportionate representation of women in lower paying roles as a key driver of the APS gender pay gap.<sup>2</sup>

While the overall composition of the lower pay quartile is approximately gender-balanced, Corporate Commonwealth entities have more men than women employees in the lower pay quartile. The higher proportion of men in the lowest pay quartile for Corporate Commonwealth entities may also be a key driver of the lower gender pay gap for this group of employers.



2 APSC (2023), Drivers of the 2021 APS Gender Pay Gap, Research Note 03-23.

# 18|Table: Proportion of women and men in the lower pay quartile, by employer type and gender

Commonwealth public sector employer type	Women (%)	Men (%)	Total in lower quartile (%)	Representation in Commonwealth public sector workforce (%)
Non-corporate Commonwealth entities	31	2	55	75
Corporate Commonwealth entities	20	24	44	23
Commonwealth companies	1	1	2	2
Total	52	49	101	100

Note: Percentages may add up to over 100 due to rounding of decimal places.

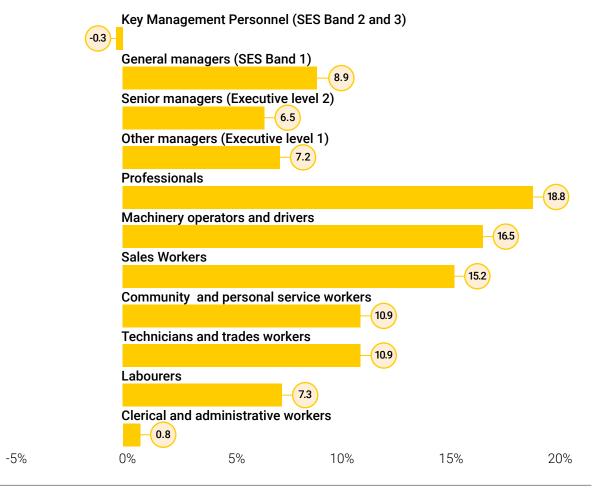
#### Women out-earn men only at the most senior manager level

Every non-manager occupation has an average total remuneration gender pay gap in favour of men. Men out-earn women in almost all manager positions, however, the most senior manager level of KMP (SES Band 2 and 3 or equivalent) has a neutral gender pay gap (-0.3%).

- the average total remuneration gender pay gap for non-managers is 18.1% and the median is 12.0%
- the average total remuneration gender pay gap for managers is 7.8% and the median is 8.3%

The lower gender pay gap for managers compared to non-managers suggests that non-manager positions are driving the gender pay gap in the Commonwealth public sector.

#### 16|Chart: Total remuneration average gender pay gap by role





In the private sector, the gender pay gap at the KMP level is one of the largest occupational gender pay gaps, at 22.1%. In the public sector, this is the smallest gender pay gap and only pay gap in favour of women.

#### The bonus effect increases the gender pay gap

The value of additional discretionary payments, such as bonuses, contributes 6.4 percentage points to WGEA's Commonwealth public sector average gender pay gap. This effect is greater for Non-corporate and Corporate Commonwealth entities compared to Commonwealth companies.

Bonus payments are also likely to be affected by gender. Unconscious bias around bonus distribution and the ability of an employee to work additional hours or work outside their ordinary workplace are important factors for bonus distribution and are all influenced by gender norms and stereotypes.

## 19|Table: Base salary and total remuneration average gender pay gaps, by employer type

	Base	Base Salary		Total Remuneration	
Commonwealth public sector employer type	Gender pay gap (%)	Gender pay gap	Gender pay gap (%)	Gender pay gap	Percentage points
Non-corporate Commonwealth entities	7.8	\$8,534	14.4	\$21,293	6.6
Corporate Commonwealth entities	1.8	\$1,597	8.3	\$9,547	6.5
Commonwealth companies	11.8	\$17,077	13.3	\$22,251	1.5
All Commonwealth public sector employers	7.1	\$7,506	13.5	\$19,007	6.4

## **Employer gender pay gaps**

This section explores comparisons across employers' gender pay gaps. The comparison information weights each Commonwealth public sector employer equally, regardless of their remuneration amounts and number of employees. Note that this is different to the gender pay gaps for Commonwealth public sector employer types in the section above, which combine all women and men within each employer type for the purposes of comparison by employer type.

#### Half of employers have a median gender pay gap above 6.9%

Of the 113 employers in this dataset, 50% have a median total remuneration employer gender pay gap lower than 6.9% and 50% have a median gender pay gap higher than 6.9%.

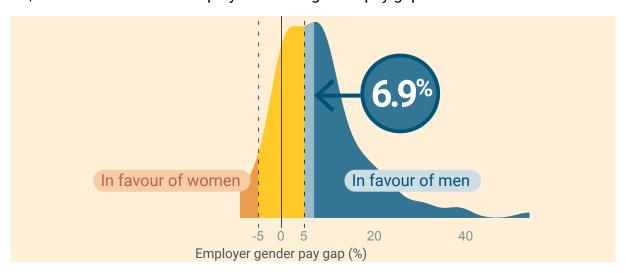
Over a third of employers have a neutral gender pay gap, meaning they have a median gender pay gap within and including +/-5%. WGEA considers this the target range.

WGEA's Commonwealth public sector Gender Equality Reporting found:

- 59% of employers have a median gender pay gap larger than 5% in favour of men
- 36% of employers have a neutral gender pay gap (within +/-5%)
- 4% of employers have a median gender pay gap in favour of women (<-5%)



#### 17|Chart: Distribution of employer median gender pay gaps



In the private sector, the mid-point of median employer gender pay gaps is 9.1%. The private and public sectors have a similar proportion of employers whose gender pay gap is in favour of men (62%), however, the private sector has a slightly higher proportion of gender pay gaps in favour of women (8%) compared to the public sector (4%).

# Non-corporate Commonwealth entities have smaller median gender pay gaps

Employees in Non-corporate Commonwealth entities are most likely to work for an employer with a neutral gender pay gap within and including +/-5%.

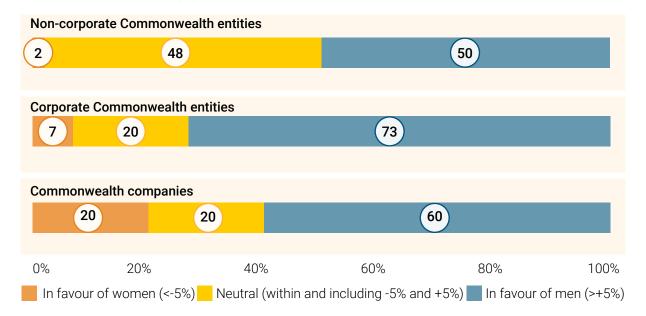
Non-corporate Commonwealth entities are also less proportionally represented in the number of employers in the top 50% of employer gender pay gaps.

#### 20|Table: The mid-point of employer median gender pay gaps, by employer type

Commonwealth public sector employer type	Number of employers	Employers with a neutral gender pay gap (%)	Employers with a median gender pay gap higher than 6.9% (%)	Mid-point of employers' median gender pay gaps (total rem) (%)
Non-corporate Commonwealth entities	64	48	41	5.1
Corporate Commonwealth entities	44	21	66	10.5
Commonwealth companies	5	20	60	7.9
All Commonwealth public sector employers	113	36	50	6.9



#### 18|Chart: Distribution (%) of employer median gender pay gaps, by employer type



#### Larger employers tend to have smaller gender pay gaps

Larger employers are more likely to have smaller median gender pay gaps compared to smaller employers.

#### 21|Table: Mid-point of employer median gender pay gaps by employer size

Employer size (by number of employees)	Mid-point employer's median base salary gender pay gap (%)	Mid-point employer's median total remuneration gender pay gap (%)
100 – 249	10.2	10.3
250 – 499	7.3	6.1
500 – 999	5.9	4.3
1,000 – 4,999	3.1	4.8
5,000+	5.9	8.3
All Commonwealth public sector employers	5.9	6.9

# Employers with more women in leadership have lower median gender pay gaps

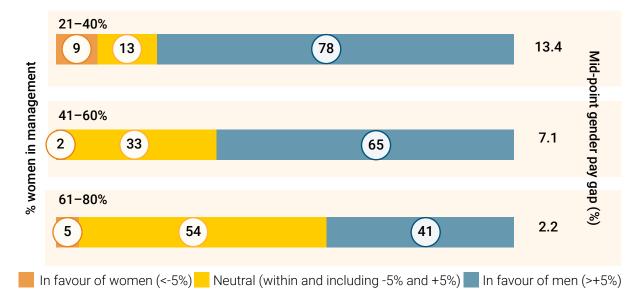
Increasing the number of women in executive leadership positions has been shown to improve company performance and productivity.<sup>3</sup>

When looking at the proportion of women in management overall, the more women there are in manager positions within an employer, the more likely that employer will have a lower median gender pay gap. The goal for employers should be gender balance in management – that is, at least 40% each for women and men.

<sup>3</sup> Cassells, R & Duncan, A (2020) <u>Gender Equity Insights 2020: Delivering the Business Outcomes</u>, Bankwest Curtin Economics Centre (BCEC) & Workplace Gender Equality Agency (WGEA).



19|Chart: Distribution of employer median gender pay gaps, by percentage of women managers overall

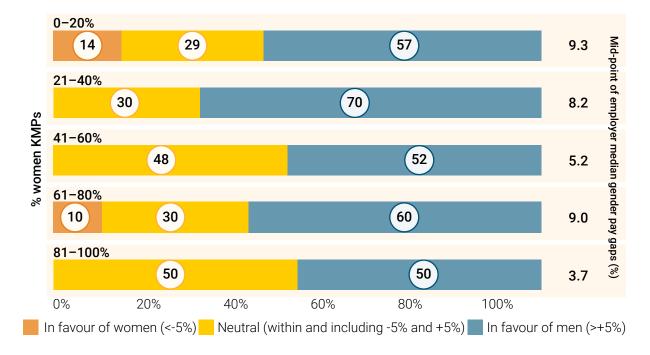


**Note:** No employer had over 80% of their managers overall being women. Only 1 employer had less than 20% women managers, so this category has been excluded.

When looking at senior manager positions, employers with gender-balance in KMP (SES Band 2 and 3) positions are more than 1.5 times as likely to have a neutral gender pay gap than employers with 0% to 20% women in these leadership positions.

A similar effect is observed for the proportion of women on boards, with a higher percentage of women on an employer's board resulting in an increase in the number of neutral employer gender pay gaps. Employers should aim for gender balance in KMP – that is, at least 40% each for women and men.

20|Chart: Distribution (%) of employer median gender pay gaps, by proportion of women KMP





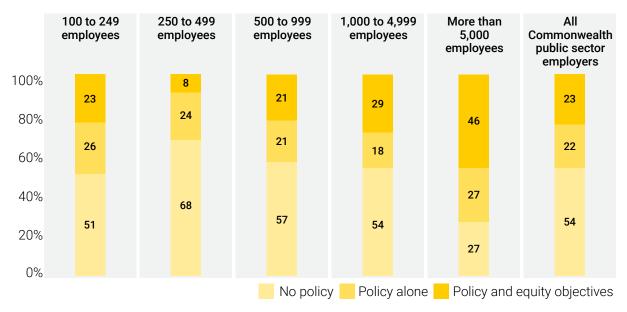
## Employer action to reduce the gender pay gap

## Larger employers lead the way on equal remuneration policies

In 2022, 46% of Commonwealth public sector employers have a policy on remuneration generally. Of those, 51% include specific pay equity objectives.

Larger employers are more likely to have a policy on remuneration with specific pay equity objectives compared to smaller employers. It should be noted that by 2025, all Commonwealth public sector employers with 500 or more employees will be required to have a policy or strategy that addresses all 6 GEIs, including equal remuneration between women and men.

21|Chart: Proportion of employers with a policy and specific pay equity objectives, by employer size



# Commonwealth public sector employers are leading the way on pay transparency

Interventions to promote equal remuneration can be made at a number of points in the employee lifecycle. Common actions to promote equal remuneration include removing bias from commencement salaries and salary reviews, publishing pay bands and scales, holding managers accountable for pay equity, and implementing clear and unbiased performance management practices.

The most common pay equity objective for Commonwealth public sector employers is transparency with pay bands or scales (82%).

#### 22|Table: Proportion of employers with specific pay equity objective policies

Pay equity objective	Proportion of employers (%)
Transparency with pay bands or scales	82
Implement and maintain a transparent and rigorous performance management process	78
Remove gender bias at any point in remuneration review process	70
Achieve gender pay equity	41
Managers are held accountable for pay equity outcomes	11

**Note**: Percentage shown is of employers with specific pay objectives included in their policy. Employers could select multiple responses to this question.



Only 25% of employers in the private sector have a policy on pay transparency, compared to 82% of Commonwealth public sector employers.

#### Larger employers are more likely to conduct a pay gap analysis

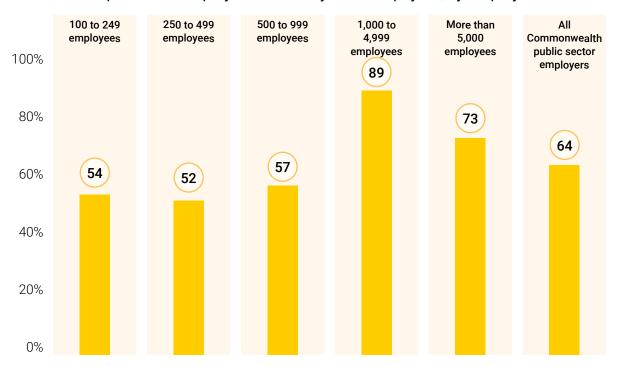
The first step in improving an organisation's gender pay gap is to conduct a pay gap analysis. It helps employers understand what is driving their gender pay gap.

In 2022, 64% of Commonwealth public sector employers conducted a pay gap analysis, with 64% of those employers taking action as a result of their analysis. Larger employers with 1,000 or more employees have a higher rate of conducting pay gap analyses than smaller employers.

Of the employers who did conduct a pay gap analysis, the most common types of analysis done were:

- an overall organisation-wide pay gap analysis (73%)
- a by-level pay gap analysis (51%)
- a like-for-like pay gap analysis (32%).

#### 22|Chart: Proportion of employers that analysed their payroll, by employer size



Of the 36% of employers who did not conduct a pay gap analysis, 69% said they made this decision because all or some of their employees' salaries are set by workplace agreements.

The most common reasons for employers not taking action following a pay gap analysis were that no unexplained or unjustifiable gaps were identified (44%) and that salaries are set by awards or workplace agreements (33%).



#### Some employers are reporting their gender pay gaps to their executive

The types of actions employers take following a pay gap analysis reflect their understanding of their gender pay gap and the impact of steps they are taking to reduce it. Following a pay gap analysis, one of the most common actions Commonwealth public sector employers take is reporting pay equity metrics, including gender pay gaps, to their executive (64%).

While the majority of employers are reporting their gender pay gaps to their executive, only a few are also reporting these metrics to their employees (17%). This means that when WGEA publishes Commonwealth public sector employer gender pay gaps in early 2025, many employees will see their employer's gender pay gap for the first time. The results of any pay gap analysis will be crucial for employers to explain their gender pay gap and show how they plan to take targeted action to reduce it.

#### 23|Table: Types of actions employers are taking following a gender pay gap analysis

Actions taken	Proportion of employers taking action (%)
Reported pay equity metrics (including gender pay gaps) to the executive	64
Identified cause/s of the gaps	57
Reported pay equity metrics (including gender pay gaps) to the governing body	43
Reported pay equity metrics (including gender pay gaps) externally	32
Reviewed remuneration decision-making process	30
Trained people managers in addressing gender bias	26
Analysed performance ratings to ensure there is no gender bias	23
Analysed performance pay to ensure there is no gender bias	19
Corrected like-for-like gaps	19
Analysed commencement salaries by gender to ensure there are no pay gaps	17
Reported pay equity metrics (including gender pay gaps) to all employees	17
Set targets to reduce any organisation-wide gap	15
Created a pay equity strategy or action plan	9

Note: Percentage shown is of the employers that did a pay gap analysis, the proportion who took action as a result.



## Chapter 4

GEI 4: Employment conditions relating to flexible work and support for employees with family and caring responsibilities

## What is GEI 4?

GEI 4 measures employer policies, strategies and actions relating to flexible working arrangements as well as parental, caring and family violence leave and support for employees.

## Why is it important?

Increasing the availability of flexibility, leave and other support is important to encourage equal workforce participation and equal caring responsibilities.





#### Flexible work

# Almost all employers have a flexible work policy, and most promote flexible work

97% of Commonwealth public sector employers have a flexible work policy or strategy, with some smaller employers not having a policy or strategy in place.

The inclusions of these policies vary. Most employers have policy inclusions that ensure leaders are visible role models of flexible work and that flexible work is promoted throughout the organisation.

However, just over half of employers provide specific training on flexible work for both managers and employees (58% and 53% respectively).

The least common type of flexible work policy inclusion relates to target setting, with only 7% of employers setting targets for engagement in flexible work, and only 3% setting these targets specifically for men.

24|Table: Proportion of employers offering flexible work policy inclusions, by employer type

Flexible work policy inclusions	% of Non-Corporate Commonwealth entities	% of Corporate Commonwealth entities	% of Commonwealth companies	% all Commonwealth public sector employers
Leaders are visible role models of flexible working	95	93	100	95
Flexible working is promoted throughout the organisation	94	95	80	94
Employees are surveyed on whether they have sufficient flexibility	92	81	80	88
Leaders are held accountable for improving workplace flexibility	75	70	80	73
Metrics on the use of, and/or the impact of, flexibility measures are reported to key management personnel	68	70	40	67
Metrics on the use of, and/or the impact of, flexibility measures are reported to the governing body	65	63	40	63
The impact of flexibility is evaluated (e.g. reduced absenteeism, increased employee engagement)	58	70	60	63
Manager training on flexible working is provided throughout the organisation	65	51	40	58
Employee training on flexible working is provided throughout the organisation	62	42	40	53
The organisation's approach to flexibility is integrated into client conversations	58	47	20	43
Team-based training on flexible working is provided throughout the organisation	35	30	20	33
Targets have been set for engagement in flexible work	6	9	0	7
Targets have been set for men's engagement in flexible work	3	2	0	3

Note: Percentages included in this table are a proportion of employers who indicated they have a policy on flexible work.

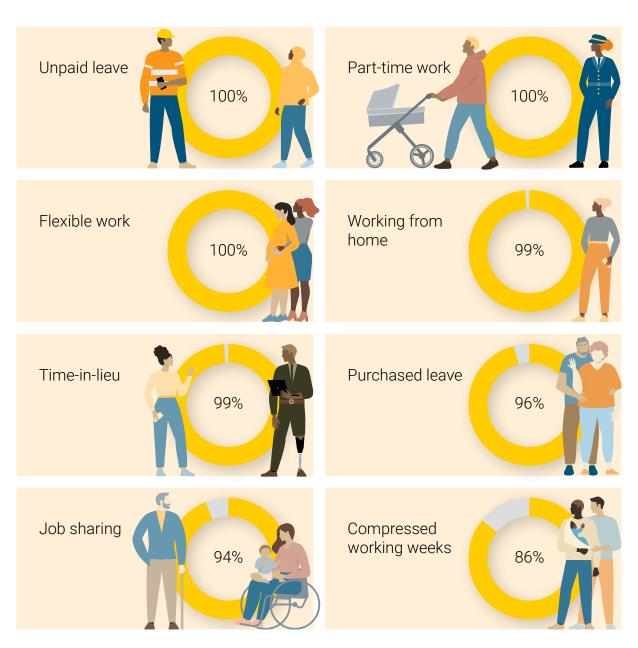


#### Employers are embracing the full range of flexible work options

All Commonwealth public sector employers offer access to unpaid leave, part-time and flexible work. They are slightly less likely to offer access to a compressed working week, such as a four-day work week, with 86% of employers offering this option to their employees. This may be due to compressed working weeks being achieved through other means, such as the provision of flex-time.

98% of employers offer the same type of flexible work to both managers and non-managers.

#### 23|Chart: Proportion of employers offering different types of flexible work



# Non-corporate Commonwealth entities are leading the way on flexible work

While all types of Commonwealth public sector employers provide access to the most common types of flexible work, such as time-in-lieu and working from home, there are variations for the least common types of flexible work.

Non-corporate Commonwealth entities are more likely to offer access to purchased leave, job sharing, and compressed working weeks compared to Corporate Commonwealth entities and Commonwealth companies.



#### Parental leave

#### Paid maternity leave is required under relevant legislation

Under the *Maternity Leave*<sup>1</sup> (*Commonwealth Employees*) *Act 1973*, a pregnant employee is entitled to 12 weeks paid parental leave. This legislation applies to employees who are employed under the PS Act, as well as employees from several other 'prescribed authorities'. The *Maternity Leave Act* sets out the minimum paid maternity leave entitlements available to employees. Many agencies include additional entitlements within enterprise bargaining agreements, which may:

- provide additional weeks of paid leave to the Maternity Leave Act entitlements
- include provisions for employees not included in the Act, for example:
  - to extend parental leave entitlements to the adoption or long-term fostering of a child
  - to extend the same maternity leave entitlements to men
  - to offer secondary or supporting partner leave.

Most Commonwealth public sector employers should therefore offer paid parental leave. However, 2% indicated they do not provide this leave. 99% of employers offering paid parental leave entitlements pay these at an employee's full salary.

Parental leave policies in the public service will change following the review of the <u>Maternity Leave</u> <u>Act</u> and the <u>Statement of Common Conditions</u> and <u>Public Sector Workplace Relations Policy</u>, which standardises parental leave entitlements for APS agencies, and aims to reach universally available parental leave entitlements by 2026-27. The information employers provided regarding their parental leave policies will serve as a baseline for assessing the effectiveness of these changes.

#### Most employers still label 'primary' and 'secondary' carers

87% of employers offering paid parental leave still offer this leave using 'primary' and 'secondary' carer labels. 15% of all employers offered paid primary carer leave to women only – effectively 'maternity leave'.

Men's uptake of parental leave is important for shifting gender norms, equalising work outside of the workplace and creating opportunities for women to re-enter the workforce.

One way to increase men's uptake is to offer parental leave equally to both women and men, without using labels that define a carer's role in a family as either 'primary' or 'secondary'. By removing these labels, and offering universally available<sup>2</sup> gender-neutral parental leave, employers can be more inclusive about who is a carer.

13% of Commonwealth public sector employers offer universally available paid parental leave – that is, leave available to all genders – without using the primary or secondary carer definition. This is a significantly lower proportion than in the private sector, where 21% of employers offer universally available paid parental leave.

The proportion of employers offering primary carer leave to women only – maternity leave – is much higher in the Commonwealth public sector than the private sector, at 15% versus 4%, respectively. This may be a reflection of the aforementioned *Maternity Leave Act*.

<sup>2</sup> Universally available paid parental leave is available equally to women and men with no distinction made between primary and secondary carer.



<sup>1</sup> Maternity leave is a form of paid parental leave offered to women only. Parental leave is offered to all genders.

# 24|Table: Proportion of employers offering paid parental leave, by employer type and leave type

Commonwealth public sector employer type	Universally available (%)	Primary carer (%)	Total (%)
Non-corporate Commonwealth entities	12	88	100
Corporate Commonwealth entities	14	84	98
Commonwealth companies	20	60	80
All Commonwealth public sector employers	13	84	98

# Women account for the majority of employees taking primary carer's leave

Men account for 11% of paid primary carer's parental leave taken.

Men in Corporate Commonwealth entities and Commonwealth companies make up a higher proportion of primary carer's parental leave taken than those in Non-corporate Commonwealth entities.

# 25|Table: Proportion of paid primary carer's and universally available parental leave taken by men, by employer type

Commonwealth public sector employer type	% leave taken by men	Men in workforce (%)
Non-corporate Commonwealth entities	7	56
Corporate Commonwealth entities	17	56
Commonwealth companies	42	63
All Commonwealth public sector employers	11	56

## Managers are leading the way

Men account for 14% of all primary carer's parental leave taken by managers.

#### 26|Table: Proportion of primary carer's and universally available parental leave taken by women and men, by manager type

Manager category	% leave taken by women	% leave taken by men
Non-manager	91	9
Manager	86	14
All staff	89	11

While the majority of primary carer's and universally available parental leave is taken by women, within Commonwealth companies men account for a significantly larger share of leave taken than the 11% overall figure. 55% of leave taken by managers in Commonwealth companies is taken by men, and 35% of leave taken by non-managers is taken by men.



Men account for 11% of all paid primary carer's leave taken in the Commonwealth public sector, compared to 14% in the private sector. In addition, men managers in the private sector account for more primary carer's parental leave taken (23%).

#### Male employees need more time to bond and care

The average length of employer-funded paid parental leave is 14.5 weeks for universally available and primary carer's leave and 3.5 weeks for secondary carer's leave.

The length of employer-funded paid parental leave offered in the Commonwealth public sector is slightly higher than in the private sector. On average, Commonwealth public sector employers offer 14.5 weeks for universally available and primary carer's leave, and 3.5 weeks for secondary carer's leave. Private sector employers offer, on average, 12 weeks and 3 weeks, respectively.

Men account for 97% of paid secondary carer's leave taken. The average length of secondary carer's leave offered is less than a quarter of the duration offered for universally available and primary carer's leave. This disparity in the availability of leave for caring purposes reduces family bonding time for men and can set up ongoing gendered norms of time spent working and time spent on caring responsibilities.

#### 27|Table: Proportion of employers offering paid parental leave, by number of weeks

	Universally available (%)	Primary carer (%)	Secondary carer (%)
1-6 weeks	13	2	94
7-12 weeks	13	10	4
13-17 weeks	53	78	2
18+ weeks	20	9	0

#### Most employers place time limits on taking leave

All Commonwealth public sector employers who offer universally available employer-funded paid parental leave place time limits on accessing this leave. Across all paid parental leave types, the majority of employers place an access limit of 12 months or less.

Removing or increasing time limits to access parental leave give employees greater flexibility on when to use this leave and create more gender-equal caring opportunities.

#### 28|Table: Proportion of employers offering paid parental leave with time limits

	Universally available (%)	Primary carer (%)	Secondary carer (%)
No	0	6	7
Yes	100	94	93
Within 6 months	40	40	35
Within 12 months	47	51	56
Within 24 months	13	10	8

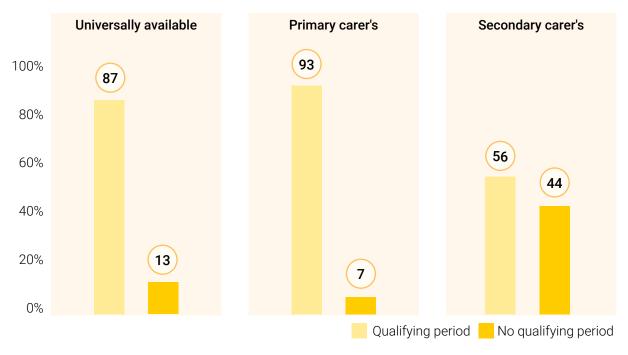


#### Qualifying periods impact primary carers more

Most employers have qualifying periods for employees to access universal or primary carer's paid parental leave. This is commonly a 12-month qualifying period.<sup>3</sup>

Fewer restrictions are in place for employees accessing secondary carer's leave, with just over half of employers having a qualifying period (again, commonly a 12-month period).

24|Chart: Proportion of Commonwealth public sector employers offering paid parental leave with a qualifying period



### Almost all employers pay superannuation on parental leave

One way to help close the financial gap faced by women at retirement is through employers paying superannuation on paid parental leave. 98% of Commonwealth public sector employers that offer paid parental leave pay superannuation on that leave.

Almost all employers (98%) that pay superannuation on parental leave pay it on employer-funded parental leave. 43% also pay superannuation on government-funded parental leave and 46% pay superannuation on unpaid leave.

Fewer employers in the private sector pay superannuation on parental leave compared with the Commonwealth public sector (86% versus 98%).

A very small minority of private sector employers pay superannuation on unpaid or government-funded leave (5% and 1% respectively). This is in contrast to 46% of Commonwealth public sector employers paying superannuation on unpaid leave, and 43% paying superannuation on government-funded parental leave.

<sup>3</sup> While data submitted reflected the situation during the 2022 calendar year, at the time of writing, the changes to parental leave entitlements have been implemented via the Public Sector Workplace Relations Policy. These changes include removal of the eligibility period for employees to access parental leave.



#### Fewer employers offer paid leave for stillbirth or surrogacy

While all employers who offer paid parental leave provide this leave for birth, fewer of these employers offer the same leave for adoption, stillbirth or surrogacy.

#### 29|Table: Proportion of employers offering paid parental leave, by reason of parenting

	Universally available (%)	Primary carer (%)	Secondary carer (%)
Birth	100	100	100
Adoption	100	99	98
Stillbirth	53	73	58
Surrogacy	47	51	48

**Note**: Percentages based on employers that offer paid parental leave.

## **Support for carers**

#### **Employers offer a range of support for carers**

76% of Commonwealth public sector employers have a policy or strategy to support employees with family or caring responsibilities.

Almost all employers (96%) provide access to breastfeeding facilities, while targeted workshops for parents and employer-subsidised childcare were the least common support offered.

30|Table: Proportion of employers offering support for carers, by support type and employer type

	Non-corporate Commonwealth entities (%)	Corporate Commonwealth entities (%)	Commonwealth companies (%)	All Commonwealth public sector employers
Support for carers				(%)
Breastfeeding facilities	99	91	100	96
Referral services to support employees with family and/or caring responsibilities	72	46	100	63
Targeted communication mechanisms (e.g. intranet/forums)	52	48	60	51
Coaching for employees on returning to work from paid parental leave	43	32	60	40
Internal support networks for parents	37	5	40	25
Information packs for new parents and/ or those with elder care responsibilities	22	25	20	23
On-site childcare	16	18	0	16
Childcare referral services	9	9	0	9



Support for carers	Non-corporate Commonwealth entities (%)	Corporate Commonwealth entities (%)	Commonwealth companies (%)	All Commonwealth public sector employers (%)
Support in securing school holiday care	6	5	0	5
Employer-subsidised childcare	8	2	0	5
Parenting workshops targeting mothers	3	5	20	4
Parenting workshops targeting fathers	2	5	20	3
Return-to-work bonus	0	0	0	0

## Family and domestic violence support

#### Most employers have a policy on family and domestic violence

Family and domestic violence involves violent, abusive or intimidating behaviour from a partner, carer or family member to control, dominate or instil fear. It can be physical, emotional, psychological, financial, sexual or another type of abuse.

81% of Commonwealth public sector employers have a policy or strategy to support employees experiencing family and domestic violence.<sup>4</sup> Non-corporate and Corporate Commonwealth entities are slightly more likely to have a policy or strategy, at 85% and 77% respectively, when compared to Commonwealth companies at 60%.

## Most employers offer family and domestic violence leave

Employers offer forms of paid domestic violence leave in different ways, the most common being access to paid leave not contained in an enterprise agreement (71%). The high proportion of employers reporting this type of leave is likely due to its inclusion in the <u>Public Sector Interim Workplace Arrangements 2022</u>.

In July 2022, Australia introduced a new National Employment Standard requiring all employers to provide 10 days paid family and domestic violence leave. This came into effect for employers with more than 15 employees on 1 February 2023. As this period of WGEA's Commonwealth public sector Gender Equality Reporting ran from 1 January to 31 December 2022, the introduction of this entitlement is not reflected in the data below.

<sup>4</sup> Note that the <u>Public Sector Workplace Relations Policy 2023</u> encourages APS agencies to provide the maximum support for employees affected by family and domestic violence, and to have a policy in place. However, the Public Sector Workplace Relations Policy was not introduced until after the reporting period.



# 31|Table: Proportion of employers offering paid and unpaid leave to employees experiencing family and domestic violence, by employer type

Types of leave offered to employees experiencing family and domestic violence	Non-corporate Commonwealth entities (%)	Corporate Commonwealth entities (%)	Commonwealth companies (%)	All Commonwealth public sector employers (%)
Access to unpaid leave	78	75	80	77
Access to paid domestic violence leave (not contained in an enterprise/ workplace agreement)	70	68	100	71
Access to unpaid domestic violence leave (contained in an enterprise/ workplace agreement)	39	25	20	33
Access to paid domestic violence leave (contained in an enterprise/ workplace agreement)	46	34	20	41

# Strong support for employees experiencing family and domestic violence

Commonwealth public sector employers offer a range of support for employees experiencing family and domestic violence. All employers provide access to counselling through an employee assistance program, while almost all include the ability to work flexibly, and confidentiality of matters disclosed.

Support that incurs a direct cost is less likely to be offered by Commonwealth public sector employers. This includes provision of financial support, such as advanced bonus or salary; access to medical services; and emergency accommodation assistance.

## 32|Table: Employer support available for employees experiencing family or domestic violence

Support offered to employees experiencing family or domestic violence	All Commonwealth public sector employers (%)
Employee assistance program	100
Flexible working arrangements	99
Confidentiality of matters disclosed	95
Referral of employees to appropriate domestic violence support services for expert advice	88
Protection from any adverse action or discrimination based on the disclosure	87
Workplace safety planning	78
Offer change of office location	74



Support offered to employees experiencing family or domestic violence	All Commonwealth public sector employers (%)
Training of key personnel	55
Provision of financial support such as advanced bonus or salary	44
Access to medical services	24
Emergency accommodation assistance	20





## What is GEI 5?

This GEI measures how, when and how often employers are consulting with their employees on gender equality in the workplace.

## Why is it important?

Engaging employees through consultation on gender equality issues helps employers to understand employee experience. With this understanding they can take more meaningful action to generate practical solutions that are relevant to the organisation and to employees. To achieve the best results, employers should embed information from consultation into the organisation's gender equality policy or strategy



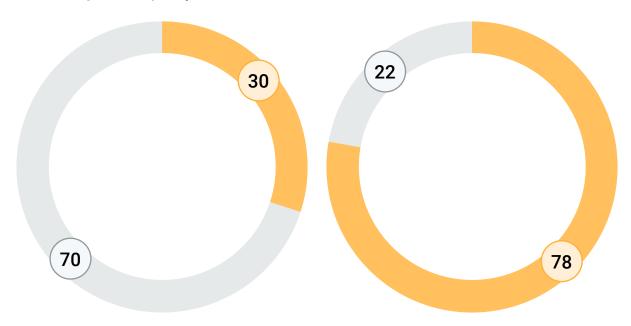


# Most employers consult employees on gender equality issues in the workplace

In 2022, 78% of Commonwealth public sector employers consulted employees on workplace gender equality issues. However, few (30%) have a formal policy or strategy to do so.

Non-corporate Commonwealth entities have the highest rate of employee consultation (87%), followed closely by Commonwealth companies (80%). Corporate Commonwealth entities have the lowest rate of employee consultation (64%) and are the least likely to have a policy or strategy for consulting employees on gender equality (25%).

25|Chart: Proportion of employers with a formal policy or strategy for consulting employees on gender equality 26|Chart: Proportion of employers that consult employees about gender equality



Commonwealth public sector employers have higher rates of employee consultation than private sector employers. Fewer than half (47%) of private sector employers reported consulting their employees on workplace gender equality issues.

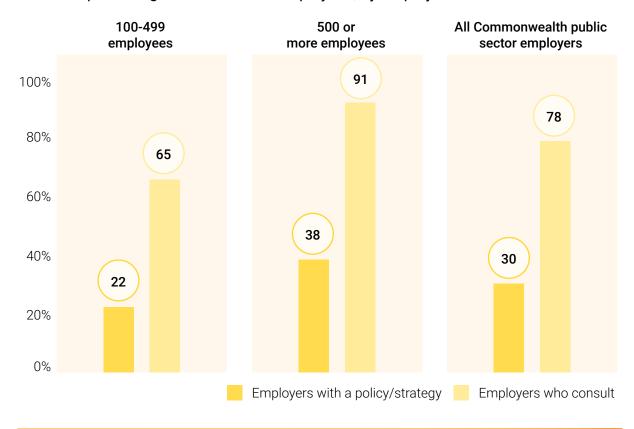


# Larger employers are more likely to consult employees on workplace gender equality issues

In the Commonwealth public sector, employers with 500 or more employees are more likely than employers with fewer employees to have a policy or strategy on employee consultation. However, only 38% of these larger employers have a policy or strategy covering this GEI.

Despite few employers having a policy or strategy on employee consultation, employers with 500 or more employees are still more likely to consult employees on workplace gender equality issues than smaller employers.

27|Chart: Proportion of employers with policies for employee consultation and the percentage that consulted employees, by employer size



In the Commonwealth public sector, large employers are more likely than small employers to have a policy and consult on gender equality. A similar trend has been observed in the private sector, where larger employers are more likely than smaller employers to have a policy or strategy and to consult employees on gender equality.



#### Consultative committees are the most popular mode of consultation

Where Commonwealth public sector employers consult employees on gender equality, the most common methods are consultative committees/groups (80%) and surveys (69%).

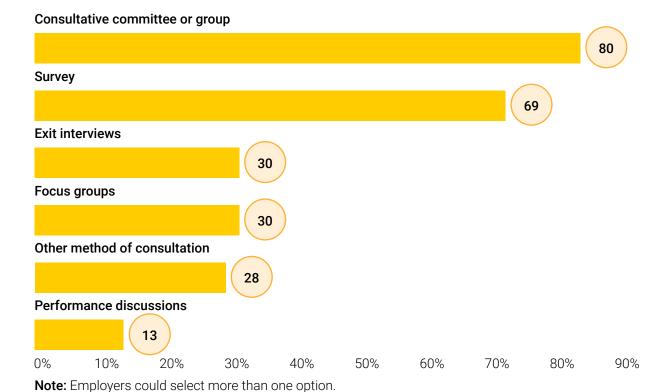
28% of employers identified other means of consulting employees which are specific to the Commonwealth public sector. These include:

 the APS Employee Census, an annual survey of all eligible employees in the APS that collects attitude and opinion information on issues in the workplace. The survey is conducted by the Australian Public Service Commission (APSC)

• APS-wide enterprise bargaining consultations, which began in November 2022.

Employers are most likely to consult all staff (79%) rather than particular groups of employees, such as employee representative groups (13%) or diversity committees (10%).

## 28|Chart: Proportion of employers that consulted with staff, by method of consultation





# Chapter 6 GEI 6: Prevention of sexual harassment or discrimination

#### What is GEI 6?

This GEI measures employer policies, strategies and actions to prevent and respond to sexual harassment, harassment on the ground of sex and discrimination in the workplace.

## Why is it important?

Workplace sexual harassment and discrimination is a gender equality issue that disproportionately affects women. Employers who prioritise strategies and actions to protect all employees from sexual harassment and discrimination cultivate a culture where people feel safe to fully participate in the workforce. Tackling this issue can also remove barriers for promotion.





## Prevention of sexual harassment and discrimination

#### Almost all employers have a policy or strategy

97% of Commonwealth public sector employers have a policy or strategy on prevention and response to sexual harassment, harassment on the ground of sex or discrimination.

Employers can use formal policies and strategies to encourage cultural change and create a workplace culture that promotes gender equality and prevents sexual harassment.

# 33|Table: Proportion of employers with measures to prevent sexual harassment, harassment on the ground of sex or discrimination

Measure	% of employers
Policy or strategy	97
Grievance process contained in the policy or strategy	83
Training for managers	78

Note: Percentage shown for the grievance process is of employers who have a policy or strategy.

The proportion of Commonwealth public sector employers with a policy or strategy is similar to the private sector, where 98% of employers have a policy or strategy. However, private sector employers are more likely to have a grievance process within their policy or strategy (97%). They are also more likely to provide training to managers (89%) on sexual harassment.

#### Larger employers are more likely to provide training to managers

78% of Commonwealth public sector employers provide training to managers on the prevention of sexual harassment, harassment on the ground of sex and discrimination, with more than half (55%) providing training annually.

Larger employers are more likely to provide training to managers than smaller employers.

<sup>1</sup> In the Commonwealth public sector there is a process for reporting suspected misconduct. Best practice on workplace sexual harassment highlights that multiple pathways to report on workplace sexual harassment should be available, including both internal (agency-specific) and external processes.



29|Chart: Proportion of employers providing training to all managers, by employer size



#### Further action to embed Respect@Work

Despite organisations having policies and/or strategies in place, national prevalence data shows that workplace sexual harassment and discrimination persist.<sup>2</sup> For future reporting, WGEA will include additional questions to better understand the actions employers are taking to prevent and respond to workplace sexual harassment. These include questions on the inclusions in a policy or strategy and training, risk management processes for sexual harassment, support for people affected by sexual harassment and discrimination, and measuring and evaluating workplace sexual harassment.

<sup>2</sup> See the Australian Human Rights Commission's 'Time for Respect: Fifth national survey on sexual harassment in Australian workplaces'.



## **Appendix – Public sector reporting entities**

A total of 116 employers reported in the 2022 Commonwealth public sector Gender Equality Reporting program. <u>The PGPA Flipchart</u> categorises these employers into three entity types Non-corporate and Corporate Commonwealth entities, and Commonwealth companies.

A list of relevant public sector employers is included below.

Organisation	Organisation
Non-corporate Commonwealth entity	Non-corporate Commonwealth entity
Administrative Appeals Tribunal	Department of Employment and Workplace Relations
Aged Care Quality and Safety Commission	Department of Finance
Attorney-General's Department	Department of Foreign Affairs and Trade
Australian Bureau of Statistics	Department of Health and Aged Care
Australian Communications and Media Authority	Department of Home Affairs
Australian Competition and Consumer Commission	Department of Industry, Science and Resources
Australian Crime Commission	Department of Infrastructure
Australian Electoral Commission	Department of Parliamentary Services
Australian Federal Police	Department of Social Services
Australian Financial Security Authority	Department of the House of Representatives
Australian Fisheries Management Authority	Department of the Prime Minister and Cabinet
Australian Institute of Family Studies	Department of the Senate
Australian Institute of Marine Science	Department of the Treasury
Australian National Audit Office	Department of Veterans' Affairs
Australian Prudential Regulation Authority	Digital Transformation Agency
Australian Public Service Commission	Fair Work Commission
Australian Radiation Protection and Nuclear Safety Agency	Federal Court of Australia
Australian Research Council	Future Fund Management Agency
Australian Secret Intelligence Service	Geoscience Australia
Australian Securities and Investments Commission	Great Barrier Reef Marine Park Authority
Australian Security Intelligence Organisation	IP Australia
Australian Signals Directorate	National Archives of Australia
Australian Taxation Office	National Emergency Management Agency
Australian Trade and Investment Commission	National Health and Medical Research Council
Australian Transaction Reports and Analysis Centre	National Indigenous Australians Agency
Australian Transport Safety Bureau	National Vocational Education and Training Regulator
Bureau of Meteorology	NDIS Quality and Safeguards Commission
Clean Energy Regulator	Office of National Intelligence
Department of Agriculture, Fisheries and Forestry	Office of Parliamentary Counsel
Department of Defence (including Australian Defence Force)	Office of the Australian Information Commissioner
Department of Education	Office of the Commonwealth Ombudsman



#### **Organisation**

#### Non-corporate Commonwealth entity

Office of the Director of Public Prosecutions

Office of the Fair Work Ombudsman

**Productivity Commission** 

Royal Australian Mint

Services Australia

Sport Integrity Australia

#### Corporate Commonwealth entity

Airservices Australia

Anindilyakwa Land Council

Australian Broadcasting Corporation

Australian Digital Health Agency

Australian Film Television and Radio School

Australian Hearing Services

Australian Human Rights Commission

Australian Institute of Aboriginal and Torres Strait Islander Studies

Australian Institute of Health and Welfare

Australian Maritime Safety Authority

Australian National Maritime Museum

Australian Nuclear Science and Technology Organisation

Australian Pesticides and Veterinary Medicines Authority

Australian Postal Corporation:

- Decipha Pty Ltd
- Star Track Express Pty Limited
- · Startrack Retail Pty Ltd

Australian Sports Commission

Australian War Memorial

Civil Aviation Safety Authority

Clean Energy Finance Corporation

Coal Mining Industry (Long Service Leave Funding) Corporation

Comcare Australia

Commonwealth Scientific and Industrial Research Organisation

Commonwealth Superannuation Corporation

Defence Housing Australia

Department Of Defence Army and Air Force Canteen Service

Export Finance and Insurance Corp

#### **Organisation**

#### Corporate Commonwealth entity

Food Standards Australia New Zealand

Indigenous Business Australia

Murray-Darling Basin Authority

National Disability Insurance Agency

National Film and Sound Archive of Australia

National Gallery of Australia

National Library of Australia

National Museum of Australia

National Offshore Petroleum Safety and Environmental Management Authority

Northern Land Council

Old Parliament House

Reserve Bank of Australia

Special Broadcasting Service Corporation

Torres Strait Regional Authority

Tourism Australia

#### Commonwealth company

Aboriginal Hostels Limited

NBN Co Limited

Outback Stores Pty Ltd

Snowy Hydro Limited

WSA Co Limited



