

29 March 2012

Mr Tim Watling
Secretary
Senate Standing Committee on Education, Employment
and Workplace Relations
PO Box 6100
Parliament House
CANBERRA ACT 2600

Business
Council of
Australia



Dear Mr Watling

**EQUAL OPPORTUNITY FOR WOMEN IN THE WORKPLACE AMENDMENT BILL
2012**

The Business Council of Australia (BCA) appreciates the opportunity to make a submission on the Workplace Amendment Bill that was introduced into the House of Representatives on 1 March 2012.

The BCA brings together the chief executives of 100 of Australia's leading companies. For almost 30 years, the BCA has provided a unique forum for some of Australia's most experienced corporate leaders to contribute to public policy reform that affects business and the community as a whole. Our vision is for Australia to be the best place in the world in which to live, learn, work and do business.

We are pleased that the current Bill addresses several of our earlier issues. However, we remain concerned that certain parts of the Bill would unnecessarily increase business reporting costs and fail to achieve the Bill's objective to improve workplace gender equality.

The BCA continues to be strongly supportive of workplace initiatives that aim to improve gender equality and all efforts to remove barriers to workplace and community participation. We believe the most effective way of encouraging the adoption of work arrangements that increase gender equality is through the provision of information that demonstrates the benefits of such arrangements, not by imposing additional reporting requirements on businesses. Further, we are disappointed that the regulatory compliance requirements would be imposed on all businesses employing 100 people or more regardless of their past performance and efforts to improve gender equality.

The parts of the Act that we consider will have the most impact on business costs and minimal impact on broader community attitudes and other barriers to gender equality are:

- The requirement that the minister set minimum standards for gender equality indicators (item 55). This should be amended to give the minister the option of

not setting standards, as there is limited evidence that standard-setting would improve gender equality.

- The legislated gender equality indicators under item 14 require information on input indicators such as the presence of flexible working arrangements and employee consultation practices. Input indicators do not indicate policy success, unlike outcome indicators such as remuneration and employment data, so should be removed.
- While we are pleased at the decision not to publish data obtained under item 14 at a disaggregated level, it is unclear how aggregated information would improve gender equality. This is because aggregated remuneration and employment information is already collected and publicly available so risks duplicating existing business reporting. If additional data are required, it would be more cost-effective for the agency to conduct a survey rather than impose a census-type approach.

In conclusion, we note that there has been no estimate of the likely costs and benefits of the Equal Opportunity for Women in the Workplace Agency's new regulatory functions. Although a Regulatory Impact Statement (RIS) was completed and the stated intent of the legislation is to streamline the reporting requirements, the costs and benefits to the agency, business and the broader community of collecting the legislated gender equity indicators under item 14 were not quantified. Indeed, the cost of including the public sector was given in the RIS as a reason for not requiring it to be subject to the new legislation.

If you would like to follow up any matters in this submission, please do not hesitate to contact Claire Thomas, Director Policy, on 03 8664 2626 or email: clarie.thomas@bca.com.au.

Yours sincerely



Jennifer Westacott
Chief Executive