

GENDER BALANCE ON AUSTRALIAN GOVERNMENT BOARDS REPORT 2010-2011

A statistical analysis of the gender composition of
Australian Government boards and bodies

A report on women
and men on Australian
Government boards
reflecting progress
against the
Government's
commitment to the
40:40:20 gender
balance target by 2015

FOREWORD by the Minister for the Status of Women

I am pleased to release the *Gender Balance on Australian Government Boards Report 2010-2011*. This important report provides a comprehensive gender analysis of Australian Government boards and public appointments, and tracks the Government's progress in meeting its target of a minimum of 40 per cent women and 40 per cent men on Australian Government boards by 2015. The target applies to each portfolio.

Improving women's leadership opportunities is fundamental to gender equality. We know that Australian women are equally skilled and educated as their male counterparts, and yet women are still underrepresented on high level boards and decision-making bodies. The target effectively moves gender balance on boards from a debate centered around explaining women's low representation, to concrete action to address gender inequality.

As a result of the Australian Government setting, reporting on and working towards meeting the target, Australian women are being provided with greater opportunities to exercise leadership.

The results of this year's report are exciting. At 30 June 2011, the percentage of women on Australian Government boards was at 35.3 per cent – an all time high for the Australian Government. Four portfolios met or exceeded the gender balance target. Across 2010-2011, eleven portfolios increased the number of women they appointed to Australian Government boards and bodies.

With continued commitment from Ministers and their portfolios, I believe the Government is on track to meet Australia's gender balance target for women on Australian Government Boards by 2015.



Julie Collins, MP
Minister for the Status of Women

Introduction

Australian Government Commitment to Gender Equality

The Australian Government's commitment to gender equality is demonstrated through achievements such as the introduction of paid parental leave and the recent introduction of the Equal Opportunity for Women in the Workplace Amendment Bill 2012. Another important aspect is the Government's commitment to gender balance on Australian Government boards.

Importance of gender balance on boards

Gender equality is about overcoming the barriers, stereotypes and prejudices that exist within our society which position the status of women below that of men. Gender equality is about enabling women and men to reach their potential to contribute to, and benefit from, full economic, social, cultural and political participation. To achieve this, women need to attain equal representation in the high level decision-making roles in both the public and private sectors. This not only enables individual women to achieve equality within leadership positions, it also ensures that the issues, perspectives and needs of women are equally represented in the decision-making process, ensuring quality outcomes for both men and women.

The benefits

Evidence in the private sector shows that gender balance in top level decision-making roles increases the economic performance of boards.¹ This in turn benefits the economy and all Australians. We also know that improved governance and decision-making is associated with gender balance in top level decision-making roles more broadly.²

Through setting the target and providing support for Ministers and their portfolios to meet the target, the Government is not only improving the performance of its boards and the decision-making of government, it is also providing leadership to the community and private sectors. An expanding cohort of women leaders with experience on boards improves the chances of a greater proportion of women in appointments in the public and private sectors, driving professional Australia towards greater gender equality.

Current environment

The labour force participation rate of women in Australia was at 59 per cent in November 2011.³ Despite this having increased significantly over the last thirty years, women remain under-represented in senior leadership and management positions in virtually all sectors. Women are just as well educated, skilled and interested in leadership roles as their male counterparts, yet they make up only eight per cent of senior executives, and 12.5 per cent of directors of Australia's top 200 companies.⁴

Corporate Australia is taking action to address this inequality. The revised *ASX Corporate Governance Principles and Recommendations*, which came into effect in January 2011, require ASX200 companies to set targets for increasing the number of women on their boards and at the senior executive level.

The Government actively supports the private sector targets by working in partnership with stakeholders on leadership projects and funding initiatives including the **Partnership with**

the Australian Institute of Company Directors (AICD). In 2010-11 this partnership promoted change in the private sector by offering scholarships to over 70 talented board-ready women and experienced female board members seeking Chair positions, to attend the AICD Company Directors Course or Mastering the Boardroom Course.

The Government has also introduced into parliament the *Equal Opportunity for Women in the Workplace Amendment Bill 2012*, which will achieve the dual purposes of improving gender equality outcomes in the workplace, as well as simplifying reporting for businesses. The new legislation strengthens the Act's focus on gender equality, highlighting equal remuneration between women and men, and caring responsibilities as key dimensions. For the first time under this Act, employers will be required to report on the gender composition of their boards, and the Minister will set industry-specific minimum standards to target attention to areas where improvements are most needed.

Reporting

There are many types of Government boards, bodies and committees covering a wide range of responsibilities, including policy advisory boards, Government Business Enterprises, and review and enquiry boards.

The *Gender Balance on Australian Government Boards Report 2010-2011* reflects the Government's commitment to the gender balance target by 2015. It enables future continuity of reporting and tracking of progress against the election commitment target, whilst ensuring greater accuracy and accountability of data. It builds on the previous releases of data including the *Women on Australian Government Board Reports* available since 2008-2009.

The gender balance target applies at a portfolio level – not at individual board level. This provides the flexibility to the appointment of individual boards within the broader portfolio target.

Thanks to the hard work of staff in agencies across the Australian Government the *Gender Balance on Australian Government Boards Report 2010-2011* incorporates robust data collection and quality assurance processes. It provides a highly consistent dataset across the whole of government.

We have improved the reporting methodology to ensure that all Australian Government agencies are using consistent data. The enhanced methodology provides stronger guidance on reportable boards and appointments so that the reporting is standardised across portfolios, better reflects a common understanding of a 'board' or 'committee' and promotes Government accountability for the gender balance of those appointees it selects or approves. Further information on measurement is provided at **Appendix A**.

The *Gender Balance on Australian Government Boards Report 2010-2011* includes a whole of government headline statistic for the number and percentage of positions held by women and men on Government boards and bodies as at 30 June 2011. Information is also provided by portfolio, including portfolio ranking. Statistics on new board appointments between 1 July 2010 and 30 June 2011 are also provided, giving a picture of how individual portfolios are progressing towards meeting the gender balance target.

The *Gender Balance on Australian Government Boards Report 2010-2011* is compiled by the Office for Women, with appointment data provided by Government portfolios.

Gender Balance Target Results

Gender Balance Target

This year the gender balance target measures the percentage of women and men in almost 4000 relevant board appointments to more than 450 Australian Government boards and bodies across Government and by portfolio. The data in **Table 1** provides the number of boards, and percentage and number of appointees by gender as at 30 June 2011.

The dataset covers boards with a variety of functions, including advisory boards which make up 68.6 per cent, executive management boards at 21.5 per cent and other boards including regulatory, review, inquiry and commission at just under ten per cent.

As at 30 June 2011, women held 35.3 per cent, and men held 64.7 per cent of the 3960 board positions to 466 Australian Government boards and bodies.

TABLE 1: Gender Balance as at 30 June 2011

Portfolio	Number of boards	Total appointments	Number Female	Number Male	GENDER BALANCE TARGET MEASURES	
					% Female	% Male
Agriculture, Fisheries and Forestry	30	200	72	128	36.0%	64.0%
Attorney-General's	18	140	71	69	50.7%	49.3%
Broadband, Communications and the Digital Economy	7	45	16	29	35.6%	64.4%
Climate Change and Energy Efficiency	8	57	19	38	33.3%	66.7%
Defence*	24	167	45	122	26.9%	73.1%
Education, Employment and Workplace Relations	32	236	87	149	36.9%	63.1%
Families, Housing, Community Services and Indigenous Affairs	13	115	58	57	50.4%	49.6%
Finance and Deregulation	10	45	14	31	31.1%	68.9%
Foreign Affairs and Trade	15	95	35	60	36.8%	63.2%
Health and Ageing	61	748	286	462	38.2%	61.8%
Human Services	1	6	2	4	33.3%	66.7%
Immigration and Citizenship	4	46	23	23	50.0%	50.0%
Infrastructure and Transport	10	57	16	41	28.1%	71.9%
Innovation, Industry, Science and Research	57	544	135	409	24.8%	75.2%
Prime Minister and Cabinet**	107	857	345	512	40.3%	59.7%
Resources, Energy and Tourism	8	55	15	40	27.3%	72.7%
Sustainability, Environment, Water, Population and Communities	33	275	81	194	29.5%	70.5%
Treasury	28	272	76	196	27.9%	72.1%
TOTAL	466	3960	1396	2564	35.3%	64.7%

*The Defence portfolio includes data from the following Departments:

Department Name	Number of boards	Total appointments	Number Female	Number Male	% Female	% Male
Defence	17	98	32	66	32.7%	67.3%
Veteran's Affairs	7	69	13	56	18.8%	81.2%

**The portfolio of Prime Minister and Cabinet includes data from the following Departments:

Department Name	Number of boards	Total appointments	Number Female	Number Male	% Female	% Male
Prime Minister and Cabinet	48	317	144	173	45.4%	54.6%
Regional Australia, Regional Development and Local Government	59	540	201	339	37.2%	62.8%

Portfolio Progress

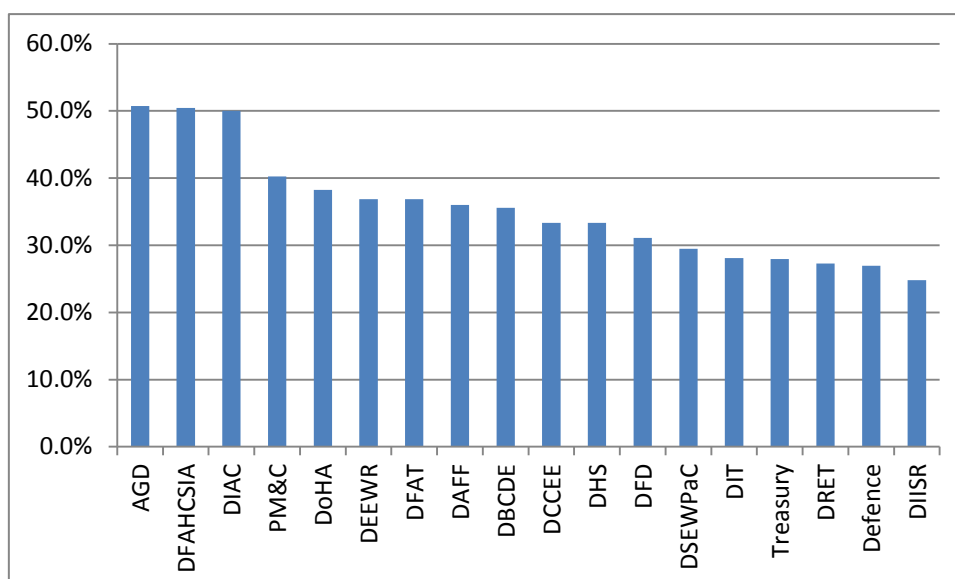
Graph 1 shows each portfolio's progress against the gender balance target.

As at 30 June 2011 four portfolios met or exceeded the 40 per cent gender balance target:

- The Attorney-General's portfolio sits comfortably at 50.7 per cent, followed closely by Families, Housing, Community Services and Indigenous Affairs on 50.4 per cent, Immigration and Citizenship on 50.0 per cent, and the Prime Minister and Cabinet on 40.3 per cent.

There are eight portfolios with between 30 and 40 per cent women on their boards including the Health and Aging portfolio which is close to meeting the target with 38.2 per cent.

GRAPH 1: Portfolio Progress as at 30 June 2011



New Appointments

About one quarter of relevant board positions were newly appointed in 2010-2011.

Table 2 provides the number and percentage of men and women in new appointments within the 2010-2011 financial year for each portfolio.

Of the 941 new appointments to boards and bodies included in the gender balance target during the 2010-2011 financial year, women achieved 343 (36.5 per cent) and men achieved 598 (63.5 per cent).

TABLE 2: New Appointments in 2010-2011

Portfolio	Total new appointments	Number Female	Number Male	% Female	% Male
Agriculture, Fisheries and Forestry	55	20	35	36.4%	63.6%
Attorney-General's	41	24	17	58.5%	41.5%
Broadband, Communications and the Digital Economy	14	9	5	64.3%	35.7%
Climate Change and Energy Efficiency	35	13	22	37.1%	62.9%
Defence*	39	16	23	41.0%	59.0%
Education, Employment and Workplace Relations	77	29	48	37.7%	62.3%
Families, Housing, Community Services and Indigenous Affairs	36	16	20	44.4%	55.6%
Finance and Deregulation	5	2	3	40.0%	60.0%
Foreign Affairs and Trade	27	12	15	44.4%	55.6%
Health and Ageing	186	66	120	35.5%	64.5%
Human Services	2	1	1	50.0%	50.0%
Immigration and Citizenship	7	3	4	42.9%	57.1%
Infrastructure and Transport	9	4	5	44.4%	55.6%
Innovation, Industry, Science and Research	171	39	132	22.8%	77.2%
Prime Minister and Cabinet**	110	44	66	40.0%	60.0%
Resources, Energy and Tourism	23	3	20	13.0%	87.0%
Sustainability, Environment, Water, Population and Communities	51	22	29	43.1%	56.9%
Treasury	53	20	33	37.7%	62.3%
TOTAL	941	343	598	36.5%	63.5%

*The portfolio of Defence includes data from the following Departments:

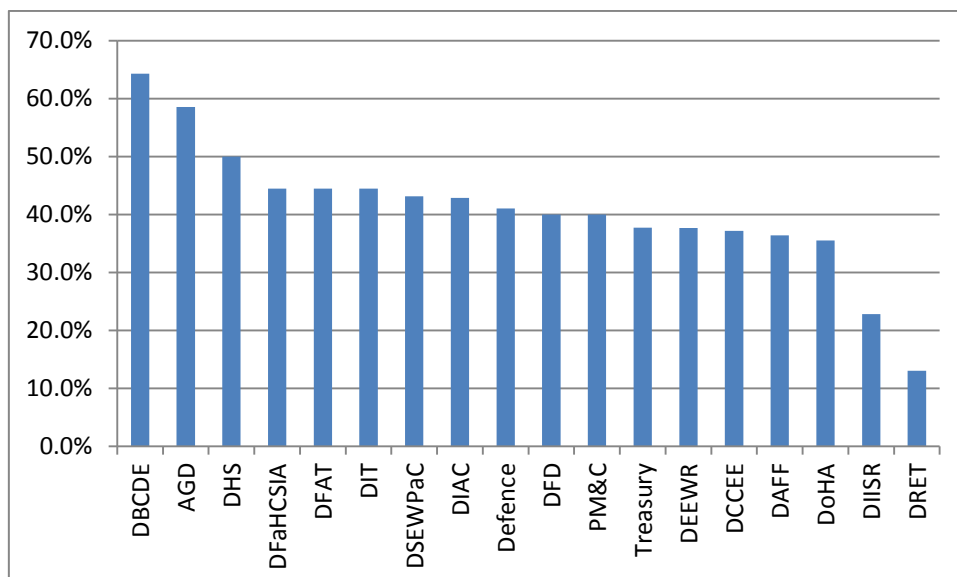
Department Name	Total new appointments	Number Female	Number Male	% Female	% Male
Defence	22	12	10	54.5%	45.5%
Veteran's Affairs	17	4	13	23.5%	76.5%

**The portfolio of Prime Minister and Cabinet includes data from the following Departments:

Department Name	Total new appointments	Number Female	Number Male	% Female	% Male
Prime Minister and Cabinet	91	37	54	40.7%	59.3%
Regional Australia, Regional Development and Local Government	19	7	12	36.8%	63.2%

GRAPH 2: New female appointments in 2010-2011 by portfolio

Half of the portfolios (11) appointed at least 40 per cent women to new board appointments. The Broadband, Communications and the Digital Economy portfolio led the way with a very high proportion of new appointments (64.3 per cent) to women, followed by the Attorney-General's portfolio at 58.5 per cent.



Further Australian Government action

A number of initiatives are being developed to provide support to Ministers and their portfolios to meet the gender balance target. The Government also has a range of existing mechanisms to facilitate gender balanced appointments to government boards. These include:

- ***The Australian Public Service Commission's merit and transparency guidelines*** encourage an increase in the representation of women in senior government appointments.
(<http://www.apsc.gov.au/publications08/meritandtransparency.htm>)
- ***The Commonwealth Government Business Enterprise Governance and Oversight Guidelines*** released in October 2011 state that Government Business Enterprise Boards will develop an annual board plan that includes an assessment of the skill and diversity requirements for the board in the context of the Government's policy objectives regarding diversity in board composition, and must provide the responsible minister with recommendations for appointment in regard to achieving the Government's gender balance target by 2015.
(<http://www.finance.gov.au/publications/governance-arrangements/index.html>)

- **The Gender Panel** provides expertise for government agencies to draw from in undertaking gender assessments and related work. Panel members include organisations and individuals with demonstrated experience in gender analysis in areas ranging from research to gender analysis training. The Gender Panel List and Guide to Services can be found at: http://www.fahcsia.gov.au/sa/women/progserv/gender_panel_user/pages/panel_members.aspx
- **Women in Sport Leadership Register** – established by the Australian Sports Commission (ASC) to increase the opportunities for women to be considered for leadership positions on Australia’s sports boards and bodies. This is also assisted by **Sports Leadership Grants and Scholarships for Women** – managed by the Australian Sports Commission (ASC) in partnership with the Office for Women, which provide meaningful development and training opportunities to help women advance into sport leadership roles across a broad spectrum of responsibilities, including coaching, officiating, governance and media and communications.

Through the combined commitment and actions of the Australian Government and the measures taken in the private sector to address gender equality in leadership, Australia is making progress on the number of women in leadership roles and working alongside other nations to achieve gender equality.

¹ Reibey Institute, *ASX 500 Women Leaders: Research Note*, Riverview, NSW, 2010.

² A McIntyre, *Tomorrow’s Boards: Creating balanced and effective boards*, Australian Institute of Company Directors, Sydney, 2011.

³ Australian Bureau of Statistics, *Labour Force Survey, November 2011*, ABS cat no. 6202.0, seasonally adjusted data, Australian Government Publishing Service, Canberra (2010).

⁴ A McIntyre, *Tomorrow’s Boards: Creating balanced and effective boards*, Australian Institute of Company Directors, Sydney, 2011.

Further information on measurement

Reportable appointments for the *Women on Australian Government Boards Report 2010-2011* are those that were active at any time between 1/7/2010 and 30/6/2011 to the following entities:

- a) bodies covered by the *Commonwealth Authorities and Companies Act 1997*;
- b) ministerial advisory committees;
- c) review committees where appointments are made by a minister or the Cabinet;
- d) Commonwealth statutory authorities; and
- e) agencies under the *Financial Management and Accountability Act 1997*.

To ensure consistent measurement and data across the portfolios the gender balance target includes appointments for which the Government has some control or influence over the selection or approval of appointments. The 40:40:20 gender balance target is further detailed as follows:

- a) Subject to clauses b) to e) the proportion of men and women in active appointments as at 30 June each year who have been appointed to the *reportable boards* (defined above).
- b) Clause a) only applies to appointments where the appointment is to a board or committee that has more than one person.
- c) Clause a) does not apply where:
 - i. the appointment is to a Commonwealth Court or Tribunal;
 - ii. the appointee is formally elected;
 - iii. the appointee is nominated by a third party and the Government is not required to provide approval of the appointment;
 - iv. the appointment of a particular office holder to a particular board or committee is required by legislation or regulation and the Government is not required to provide approval of the appointment;
 - v. an organisation is appointed and the Government does not specifically select or approve the individual person who will represent the organisation;
 - vi. the appointee is nominated by a State or Territory Government;
 - vii. the appointee is nominated by the government of another country; or
 - viii. the appointee is an employee engaged under the *Public Service Act 1999* or other similar enabling legislation (such as the *Parliamentary Service Act 1999* or the *Australian Federal Police Act 1979*) unless engagement is for the specific purpose of serving on a Commonwealth decision making or advisory board, committee, council or similar.
- d) The target applies at a portfolio level, not at individual board level.