

10 COUNCIL MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

10.1 NOTICE OF MOTION - CR JONATHAN HALLETT - WORKFORCE GENDER PAY EQUITY REPORTING

TRIM Ref: D17/69093

Attachments: Nil

That Council:

1. **REQUESTS the Chief Executive Officer to include information relating gender pay equity in the City's workforce in its Annual Report;**
2. **REQUESTS the Western Australian Local Government Association (WALGA) to encourage Western Australia Local Governments to report on workforce gender pay equity as is required of medium and large non-public sector companies; and**
3. **REQUESTS the Minister for Local Government and the Department of Local Government and Communities to consider including mandatory reporting on workforce gender pay equity local government Annual Reports, under the Local Government (Administration) Regulations 1996, as part of the government's recently announced review of the Local Government Act 1995.**

REASON

Under the *Workplace Gender Equality Act 2012*, non-public sector organisations with over 100 employees must report annually against a number of gender equity indicators, including remuneration. Although under the *Act*, public sector organisations are not required to report on gender equity measures, other local governments across Australia have already begun voluntarily reporting on and taking action to improve gender pay equity. For example, the City of Sydney has conducted a gender pay gap analysis of its organisation (City of Sydney, 2016), the City of Yarra's *Gender Equity Strategy 2016-2021* commits to 'Undertake a comprehensive yearly pay and entitlements audit and provide a report to Executive' (City of Yarra, 2016) and the City of Wollongong has moved to 'report annually on pay equity in the Wollongong City Council workforce' (City of Wollongong, 2016).

Gender pay equity refers to men and women receiving equal remuneration for work of equal value regardless of gender (Oelz et al. 2013; Queensland Government, 2008). The difference between the earnings of women compared to men indicates a gap referred to as the 'gender pay gap' (Chicha, M-T, 2006; Oelz et al. 2013). The gender pay gap as an indicator varies in specific definition over time, and between industries and countries, but has in general persisted and in some cases grown (Charlesworth & MacDonald, 2015; Oelz et al. 2013). The Workplace Gender Equity Agency (WGEA) in Australia defines the gender pay gap as "the difference between women's and men's average weekly full-time equivalent earnings, expressed as a percentage of men's earnings" (WGEA, 2017).

In Australia, the gender pay gap nationally has fluctuated between 15% and 19% since the late 1990s (WGEA, 2017). However, Western Australia's pay gap is significantly higher, estimated at almost 24% in 2016 (WGEA, 2017). Male dominance in industries with higher pay, such as mining, and more broadly in operational and senior positions, plays a major role in Western Australia having the larger gender pay gap of all the states and territories (Fitzsimmons and Callan, 2015).

The gender pay gap also varies between the private and public sectors, with the Australian private sector estimated at almost 20% and the Australian public sector estimated at almost 12% in 2016 (WGEA 2017). However, neither sector has seen a closing of the pay gap. In fact, counter to other countries, the gender pay gap in Australia has grown in recent years (Charlesworth & MacDonald, 2015).

The aim of achieving workplace gender equality "is to achieve broadly equal outcomes for women and men, not necessarily outcomes that are exactly the same for all. To achieve this requires:

- workplaces to provide equal pay for work of equal or comparable value;
- the removal of barriers to the full and equal participation of women in the workforce;
- access to all occupations and industries, including leadership roles, regardless of gender; and
- the elimination of discrimination on the basis of gender, particularly in relation to family and caring responsibilities” (WGEA, 2016).

Victoria's *Gender Equity in Local Government Partnership* recommends that local governments ‘work to achieve pay equity between women and men and put in place measures that promote greater transparency in relation to pay rates and individual contracts’ (GELGP, 2012). The recent *Filling the Pool* report by the Committee for Perth published results of a study focused on gender equality in Western Australia and recommended that ‘organisations should undertake a pay equity audit, by applying processes such as those developed by the Workplace Gender Equality Agency (WGEA), by June 2016’ (Fitzsimmons and Callan, 2015, p.12). Measuring the City of Vincent’s performance against such indices as workforce by employment status, workforce by gender, gender pay gap, and women in management will allow us to showcase and improve our progress towards equal opportunity.

As a progressive organisation with over 400 employees and a commitment to equal opportunity, the City of Vincent is well positioned to be a leading employer in gender equity in Western Australia. While there is no legal requirement for local governments to report on these indicators, doing so would provide the necessary data to assess and progress gender equity in our workforce, and provide leadership in the WA local government sector.

Furthermore, the WA Local Government sector as a whole has an opportunity to be more active in this space and, at a minimum, should report annually on workforce gender pay equity. Consequently, it is proposed that Council request WALGA and the Minister for Local Government to consider this issue and look for opportunities for workforce gender pay equity reporting to become the norm in the sector.

References

Charlesworth, S. & F. MacDonald, 2015, Australia’s gender pay equity legislation: how new, how different, what prospects? *Cambridge Journal of Economics* 39, 421–440.

Charlesworth, S. & F. MacDonald, 2014, Women, work and industrial relations in Australia in 2013, *Journal of Industrial Relations*, Vol. 56(3) 381–396.

Chicha, M-T, 2006. *Working Paper: A comparative analysis of promoting pay equity: models and impacts*. International Labour Organisation, Geneva.

City of Sydney, 2016. Council Meeting Minutes -25 July 2016.

City of Wollongong, 2016. Council Meeting Minutes – 31 October 2016.

City of Yarra, 2016. Gender Equity Strategy 2016-2021.

Fitzsimmons, T.W., & Callan, V.J., 2015. *Filling the Pool*. Perth: The Committee for Perth.

ADMINISTRATION COMMENTS

Administration supports this motion and has already begun collecting and analysing the City’s workforce gender pay data with the intention of including this data in the City’s 2016/17 Annual Report, and in every Annual Report thereafter.

Additionally, it is noted that in the 2017/18 financial year the City will be developing a new, contemporary Workforce Plan that will include measures and future targets relating to employee mix, including gender.