

## Resolution of Council

**29 October 2018**

**Item 3.2**

**Gender Equity**

**File No: S051491**

### **Minute by the Lord Mayor**

To Council:

Workplace gender equity can only be achieved when people are able to access the same rewards, resources and opportunities, regardless of their gender.

Australia has made significant progress towards gender equity in recent decades, particularly in education, health and female workforce participation. However, the gender gap in the Australian workforce is still prevalent – women continue to earn less than men, are less likely to advance their careers as far as men and accumulate less superannuation. Men also have less access to family-friendly policies, such as parental leave or flexible working arrangements.

And while important gains have been made around the world, no country has yet achieved full equality for women. **In fact, the World Economic Forum predicts if we continue to move at the same pace it will take 217 years to reach gender equality in the workplace globally - or at least five more generations. So we need change to happen faster.**

According to the Workplace Gender Equality Agency (WGEA), Australia's national gender pay gap is currently 14.6 per cent. For public sector organisations, the gap is 10.5 per cent, and for private sector organisations it is 18.4 per cent.

The gender pay gap is the difference between women's and men's average weekly full-time equivalent earnings, expressed as a percentage of men's earnings. The gap is influenced by a range of interrelated work, family and societal factors.

Under the Workplace Gender Equality Act 2012, non-public sector organisations with over 100 employees must report annually against a number of gender equality indicators, including remuneration.

While councils are not required to report, the City started monitoring and reporting publicly on gender pay equity in 2015/16. The City's reporting is reviewed by independent firm, Mercer Consulting.

**I am proud to announce that the City continues to be a leader within Australia's public and private sectors when it comes to gender pay equity, as shown in our latest Gender Pay Equity Review.**

The results reveal an overall gender pay gap of 7.5 per cent in favour of women, meaning on average more women are employed in higher paying jobs, organisation-wide. When the City compared men and women in equivalent roles, there was a gender pay gap of 1.7 per cent in favour of men. This is an improvement of 1.1 per cent on last year's results and brings the City closer to pay parity.

Achieving gender equity is a critical issue, not just because it is the right thing to do, but also because it is linked to improved national productivity and economic growth. That is why it is important we continue to examine further initiatives to close the gender pay gap, including the gap between men's and women's superannuation.

According to WGEA, on average, by the time of retirement, a women accumulates half the superannuation of her male counterpart. This is in part because women are more likely to take extended leave to raise and care for children, including paid and unpaid parental leave.

According to the Diversity Council of Australia, only around 10 per cent of organisations pay superannuation during unpaid parental leave periods.

Currently, City staff can access 52 weeks of parental leave - 18 weeks on full pay including superannuation (or 36 weeks at half pay), and 34 weeks of unpaid leave without superannuation.

**The City has researched best practice options for extending superannuation during parental leave and the Chief Executive Officer is recommending that we move to start paying superannuation during the 34 weeks of unpaid City of Sydney parental leave.** The superannuation would be paid three months after staff return to work, as a lump sum into their superannuation account.

This new offer would match the best offers made by both public and private organisations in Australia and the additional cost for the extended superannuation benefits can be funded from relevant divisional salaries and wages budgets.

I strongly support this move as a way for the City to continue attracting and retaining talented women who plan to have children during their career and to help address the economic inequities women face.

### **Recommendation**

It is resolved that Council:

- (A) note the City's Gender Pay Equity results; and
- (B) request the Chief Executive Officer to implement the Extended Superannuation scheme as set out in this Minute.

### **COUNCILLOR CLOVER MOORE**

Lord Mayor

Moved by the Chair (the Lord Mayor), seconded by Councillor Scott –

That the minute by the Lord Mayor be endorsed and adopted.

Carried unanimously.