



Opening statement to the Senate Standing Committees on Finance and Public Administration

Workplace Gender Equality Amendment (Setting Gender Equality Targets) Bill 2024

22 January 2025

Introduction

Good morning, Chair and members of the committee.

Thank you for the opportunity to appear before you today.

[A] My name is Louise McGrath, I am the Head of Industry Policy and Development with the Australian Industry Group.

[B] I am joined by Yoness Blackmore, Principal Advisor – Workplace Relations Policy, also with Ai Group.

We thank the Committee for the opportunity to provide further assistance to the inquiry, following the written submission we made on 16 December 2024.

As you may be aware, Ai Group is a peak national employer organisation that represents employers of all sizes conducting business in traditional, innovative and emerging industry sectors. We support and advocate the advancement of gender equality and other measures that contribute to safe and respectful Australian workplaces. Significant improvement across a range of gender equality indicators has been made in recent years, with changes in societal factors, economic and labour market conditions, workplace regulation and the actions of employers all contributing to this positive development.

We also commend the ongoing efforts of the Workplace Gender Equality Agency in providing support to businesses to understand their obligations under the WGEA Act, including through masterclasses, workshops, guides, case studies and tools.

However, we have serious concerns about the Bill as proposed because it will create significant unfairness for our members, particularly in relation to the proposed application of the targets to procurement eligibility, which

- removes the existing discretion for procurement officers to consider gender equality within the procurement process
- discriminates against businesses with over 500 employees, which contradicts the core principles of the Commonwealth Procurement Rules (CPRs) and the World Trade Organisation Agreement on Government Procurement (GPA).

- applies in a discriminatory and unfair way against employers who have made significant progress.
- creates an unfair competitive environment for domestic as compared to overseas businesses
- will result in different targets being applied to different businesses which undermines the principles of competitive neutrality and a level playing field
- provides no certainty on what is a “reasonable excuse,” instead leaving it to WGEA’s discretion
- fails to provide an external mechanism for review of WGEA decisions, despite these potentially having a significant financial impact on a business

We also ask the Committee to consider the following:

- The principal objects of the WGEA Act are focused on WGEA promoting gender equality in employment, including by **supporting** employers to improve gender equality in employment and the workplace and, by doing so, to **improve the productivity and competitiveness of Australian business**.
- However, potentially punishing our members by rendering them ineligible for Government work is entirely inconsistent with these objectives.
- The Workplace Gender Equality Procurement Principles were developed on the basis that WGEA was a “**light-touch regulator**”, that works collaboratively with employers, business and industry offering advice and assistance, including access to training, online tools and resources, to promote and improve gender equality in their workplaces.
- Locking members out of government procurement is **not light touch** and is **not collaborative** - especially in circumstances where there is no ability for members to adapt targets during the 3 year period, “reasonable excuses” for failures to improve or achieve the targets are at the discretion of WGEA and where members have no access to an external review mechanism.
- Submissions made to the Committee from other stakeholders do not refer to any research undertaken or provide any substantive justification as to why it is necessary or desirable to include this enforcement measure in the Bill.
- It is significant and completely unsatisfactory that neither the [impact analysis addendum](#) accompanying the Bill or the [impact analysis](#) related to implementing the recommendations of the [Workplace Gender Equality Review Report](#) have undertaken any specific analysis regarding this procurement eligibility measure – despite the fact that it may have significant adverse effects on our members’ productivity, competitiveness and financial performance and in the face of a plethora of business challenges.

On that basis, we recommend removing this mechanism from the Bill.

If despite our members’ significant concerns, the Committee recommends the passing of this Bill we respectfully request that the amendments to the Act should be subject to review, ideally within 2 years of the amendments being made.

With that brief introduction, we will be pleased to take questions.

[Workplace Gender Equality Procurement Principles and User Guide](#)