

DIVERSITY IN THE WESTERN AUSTRALIAN RESOURCES SECTOR

September 2015



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Executive Summary

Working towards increasing workforce diversity is a critical strategy for Western Australian resources sector organisations to ensure ongoing access to an appropriately skilled workforce. The resources sector continues to focus on training and employing currently under-utilised sections of the workforce, such as women and Indigenous Australians.

The Chamber of Minerals and Energy and Western Australia (CME), as an industry association, is in a unique position to collaborate and work with its members to lead the discussion on workplace diversity. As part of this effort, CME conducts the biennial *Diversity in the Western Australian Resources Sector Survey*.

The 2015 CME survey found:

- Female participation in the sector has decreased by 1% to 17.8% between 2013 and 2015. Given women make up 44% of the total workforce in Western Australia this continues to be a significant underrepresentation. It is however reassuring to see given the current economic climate there has not been a significant negative change.
- Indigenous participation in the Western Australian resources sector has increased from 4.2% in 2013 to 5.5% in 2015. This is a particularly good result given the decline in employment across the sector. As the Indigenous population makes up 1.6% of the Western Australian workforce (2011 Census), the survey results highlight the positive commitment made by the sector in this area.
- Across the Western Australian resources sector, part time employment has remained steady at 2.5% of the total workforce in 2015. Women continue to hold the majority of these part time positions, increasing from 60% in 2011 to 66% of part time positions in 2015. The provision of part time work and flexible work options are important considerations when attempting to encourage more women into the sector.
- Women are most likely to be in professional, machine operator or clerical and administration roles. Clerical and administration roles are the only occupations dominated by women.
- The decrease in female participation is mainly in management and clerical and administrative roles and consistent across the industry. Industry feedback leads us to believe the focus on head count and cost reduction appears to have impacted support staff (of which 79% are women). The increase in the percentage of female technicians, machine operators and trade workers is a positive trend.
- Women account for 18.5% of board positions – an increase from 14.5% in 2011.

WESTERN AUSTRALIAN RESOURCES SECTOR

17.8%
women

5.5%
Indigenous

25%
of Indigenous
employees
are women

18.5%
of board positions
are held by women

25.7%
of apprentices
trainees and
graduates are
female

20.2%
of apprentices
trainees and
graduates are
Indigenous

WESTERN AUSTRALIAN RESOURCES SECTOR

62%

of women in
resources work
on site

38%

of women work in
professional roles

52%

of Indigenous
employees are
machine operators
& drivers

87.5%

of companies
offer flexible work
to all employees

60%

of companies
have programmes
to encourage
female application

65%

have paid
parental leave
above legislative
requirements

- Indigenous employees are predominantly employed as machine operators and drivers with 52% of all Indigenous employees within the Western Australian resources sector in these roles, down from 56% in 2013.
- As a proportion of the overall workforce, Indigenous machine operators and drivers have grown from 6% in 2011 to 8% in 2015. Overall, there has been a decrease in the proportion of machine operators and drivers in the total Western Australian resources sector so it is encouraging to see Indigenous representation has continued to increase in this area.
- 25.7% of apprentices/trainees and graduates are female and 20.2% of apprentices/trainees and graduates are Indigenous.
- 81.9% of Western Australian resources sector employment is site based. 61.6% of women are employed on site. 94.9% of Indigenous employees are employed on site.
- The survey shows that 60% of women on maternity leave between 1 April 2013 and 31 March 2014 returned within one year – a slight decrease from 66% in 2013.
- 97.5% of companies have anti-harassment / anti-discrimination policy and uniforms, equipment and facilities suitable for women.
- 87.5% of companies provide flexible working arrangements to all employees (increased by 10.9% from 2013).
- 62.5% of companies conduct an annual gender pay equity audit (increase of 20% from 2013). This compares to 25% of companies across all industries in Australia who conduct an annual gender pay equity audit (Workplace Gender Equality Agency, WGEA 2015).
- 50% of companies provide structured leadership development programs for women (increase of 11.7% from 2013). 52.5% provide structured mentoring programs (increase of 9.9% from 2013).
- 65% have paid parental leave above legislative requirements (an 8% increase from 2013 and 16% higher than the national average of 49%, per WGEA information).
- 10% of companies have adopted childcare support strategies (a 7% decrease from 2013).

While there continues to be little change in the representation of women in the Western Australian resources sector it is encouraging in the current economic climate there have not been significant negative impacts on gender diversity. This would indicate a degree of sustainability and commitment in the efforts by each of the companies and the industry as a whole.



CME's Commitment to Increasing Diversity in the Resources Sector

CME leads a range of initiatives to promote workplace diversity and advocate for career opportunities for everyone in the Western Australian resources sector.

CME's Gender Diversity initiatives

Gender Diversity Reference Group

The Gender Diversity Reference Group is a gathering of resources sector representatives from CME member companies, who meet to discuss emerging and escalating gender diversity issues, provide input into associated CME policy and initiative development and promote greater collaboration through sharing of gender diversity best practice and research.

CME Women in Resources Awards (WIRA)

WIRA is an annual Western Australian based awards initiative managed by CME. WIRA has two main components, the awards program and the presentation breakfast event. Both components of WIRA provide CME opportunities to advocate the value of females participating in the Western Australian resources sector and the growing importance the sector places on developing and implementing innovative strategies to redress the gender imbalance in the industry.

CME Inspiring Girls Initiative

The Inspiring Girls initiative aims to inspire greater numbers of female students to follow in the footsteps of inspiring female role models working in the Western Australian resources sector. Inspiring Girls provides an opportunity for students to interact with industry representatives and reinforces company commitment to promoting greater gender diversity across the sector.

CME hosted/sponsored events

CME sponsors and hosts events for members, and promotes a range of professional events leading discussions on workplace diversity. CME is also an official supporter of the Workplace Gender Equality Agency campaigns.

CME representation on external committees/advisory groups

CME sits on a range of state and federal external committees and groups, leading the discussion around workplace diversity in the resources sector.

CME Diversity in the Western Australian Resources Sector Survey

CME conducts a biennial survey to provide a snapshot of diversity within the resources sector in Western Australia. Analysis of this data is used to guide the development of CME strategy and policy responses regarding the employment of women and Indigenous people.

CME's Cultural Diversity initiatives

Aboriginal Working group

The Aboriginal Working Group is a forum for member company representatives to discuss issues around the education, training and employment of Aboriginal Australians in the Western Australian resources sector.

Indigenous Australians in the Resources sector Forum

CME co-hosts the Indigenous Australians in the Resources Sector Forum. As part of industry's commitment to retain and build the capacity of Aboriginal employees, the forum aims to provide professional learning for Aboriginal and Torres Strait Islanders working in the Western Australian resources sector. The forum also includes a range of inspirational speakers telling their personal stories of success in the sector and providing attendees with their input on how to build resilience and leadership capability.

Indigenous Leaders Program

CME's Indigenous Leadership in the Resources Sector Scholarship Program has been run in conjunction with the Australian Institute of Management Western Australia (AIMWA) since 2012. The program is targeted at applicants with leadership aspirations and matches recipients to a tailored program of training.

Indigenous Advocacy Publication

Building on previous publications (Indigenous Australians in the Resources Sector and Partners in Progress) CME will take a progressive look at industry practice to showcase the work of CME member companies. The publication, due for release in Q4 2015 will demonstrate the breadth of current resources sector training and employment programs, leadership and technical skills development programs and engagement with Aboriginal-owned business.

Why do we focus on diversity?

Ensuring workplaces are diverse and inclusive is not just the right thing to do – it's the smart thing to do

Gender diversity

For Australia, increasing women's workforce participation is a vital lever in increasing productivity and off-setting the decline in workforce participation arising from the ageing population.

Increasing women's participation in the resources sector will reduce:

- occupational segregation, which contributes to skills shortages, and
- industry segregation, which contributes to the gender pay gap.

Research demonstrates there are also many advantages to increased gender diversity for organisations, including:

Improved organisational performance¹

- Increasing women's representation in organisational leadership is associated with improved organisational and financial performance.
- Improving gender diversity across organisations is associated with improved company performance.
- Increasing gender balance in teams facilitates innovative environments.

Decreased risk

- More women on boards is linked with better corporate governance practices².
- Gender diverse boards allocate more effort to risk management³.
- Increased numbers of women in the workforce at mine sites is associated with an improved overall safety record and better workplace relations⁴.

Better access to talent

- Organisations which are attractive to women will have access to a larger talent pool⁵.

Enhanced culture⁶

- Employees perceive organisations who value diversity as 'fair' and are more likely to stay.
- Organisations which are inclusive to women, particularly by providing staff with flexible work options, have reduced turnover amongst all staff.

Reputational benefits

- Organisations demonstrating commitment to gender equality benefit from an enhanced reputation in the community.



COMPANY: RIO TINTO



Aim:

Increase women's workforce participation



Achieved by:

- Holding 'Digging for Diversity' event at Yandicoogina iron ore operation to showcase the range of onsite career opportunities available for women
- Participants include current female students and those in educational institutions who influence career pathways
- Participants are given a taste of the mining lifestyle – speaking with employees, listening to presentations and experiencing an overnight stay

¹ See multiple studies cited in Workplace Gender Equality Agency (2013), The Business Case for Gender Equality: https://www.wgea.gov.au/sites/default/files/business_case_for_gender_equality.pdf ² Conference Board of Canada (2002) 'Women on Boards: Not just the right thing... But the bright thing', as cited in Wood, R. (2012) Centre for Ethical Leadership Gender Equality Project: http://genderequity.ahri.com.au/docs/GEP-Building_a_Business_case_for_Diversity.pdf ³ Adams, R. & Ferreira, D. 'Women in the boardroom and their impact on governance and performance', Journal of Financial Economics (2009), as cited in Wood, R. (2012) Centre for Ethical Leadership Gender Equality Project: http://genderequity.ahri.com.au/docs/GEP-Building_a_Business_case_for_Diversity.pdf ⁴ Minerals Council of Australia (2013) Gender Diversity Review White Paper 'It's Not Just a Program': [http://www.minerals.org.au/file_upload/files/resources/education_training/Gender_Diversity_Review_White_Paper\(2\).PDF](http://www.minerals.org.au/file_upload/files/resources/education_training/Gender_Diversity_Review_White_Paper(2).PDF) ⁵ Workplace Gender Equality Agency (2013), The Business Case for Gender Equality: https://www.wgea.gov.au/sites/default/files/business_case_for_gender_equality.pdf ⁶ Workplace Gender Equality Agency (2013), The Business Case for Gender Equality: https://www.wgea.gov.au/sites/default/files/business_case_for_gender_equality.pdf

Diversity improves business performance

Indigenous diversity⁷

Increased diversity of thought

- Increasing Indigenous participation brings new perspectives and experience to the workplace.
- Non-Indigenous staff develop cultural competencies that increase capacity to engage with Indigenous stakeholders.

Better access to talent

- The Aboriginal and Torres Strait Islander (ATSI) population in Australia is growing at a faster rate than the non-Indigenous population, and 56% of ATSI people are under the age of 25.
- Employing local ATSI people in regional areas is a way to address skills shortages and develop a sustainable local workforce.

Increased community engagement

- Employing members of the community a company operates in builds trust and engagement.
- Establishing strong relationships with traditional owners facilitates ongoing land access.

Diversity doesn't work without inclusion

- To harness the benefits of diverse teams, organisations need to be inclusive. Inclusive organisations foster greater altruism, engagement and information-sharing, and experience decreased turnover⁸.
- One of the challenges to overcome is a tendency for managers to hire and promote those who are similar to them – an affinity (like me) bias. More subtle forms of exclusion, often unconscious, include being left out of important conversations or being judged more harshly.
- Strategies to create inclusive cultures include:
 - Leaders who actively seek alternative view points
 - Unconscious bias training
 - Reviewing access to training, networking, development opportunities and rewards

COMPANY: BHP BILLITON



Aim:

Increase Indigenous workforce participation



Achieved by:

- Identifying many Indigenous people did not have the requisite skills and experience for a job in the mining industry
- Developing the Kwoorwong Mining Skills Program, which includes:
 - Targeted Indigenous recruitment, with good gender balance in selection centres to encourage indigenous women
 - Customised induction program providing training in managing family, cultural and work-related issues as well as realities of FIFO employment, healthy lifestyles, financial literacy and conflict management
 - Providing training in haul truck operations with guaranteed employment



⁷ Reconciliation Australia (2014) Fact Sheet: The benefits of employing Aboriginal and Torres Strait Islander Australians: <http://www.reconciliation.org.au/workplace/wp-content/uploads/2014/03/Developing-the-business-case-030314.pdf> ⁸ Riordan, C. (2014) 'Diversity is useless without inclusivity,' Harvard Business Review: <https://hbr.org/2014/06/diversity-is-useless-without-inclusivity>

STATE AND NATIONAL WORKFORCE CONTEXT



Western Australian Population

Population growth in Western Australia has slowed significantly

- According to the Australian Bureau of Statistics (ABS) the estimated resident population in Western Australia grew by 1.6% in 2014 to 2.58 million people in December 2014.
- Within Australia, Western Australia has one of the highest growth rates. This is primarily driven by overseas and interstate migration. However, annual population growth in Western Australia has decreased since 2012 from 3.5% to 1.6% as at December 2014.
- ABS data shows 49.5% of Western Australian residents are female, and 2011 Census data shows 69,665 people identified as being Indigenous which equates to 3.1% of the population of Western Australia.

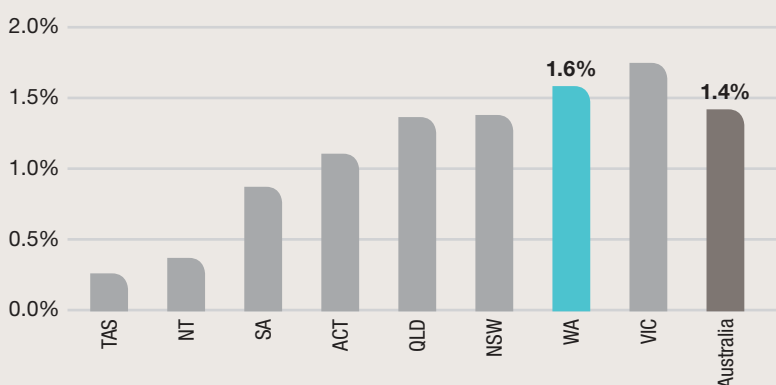
WESTERN AUSTRALIAN POPULATION SNAPSHOT

49.5%
female

3.1%
Indigenous

National annual population growth rate by state

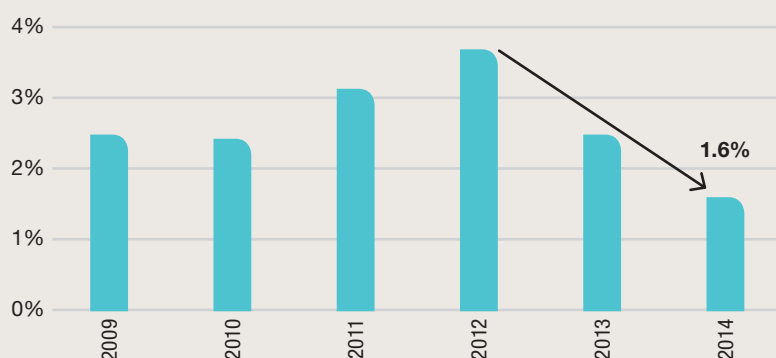
December 2014



Source: Australian Demographic Statistics (ABS cat. no. 3101.0)

Western Australian historical annual population growth rate

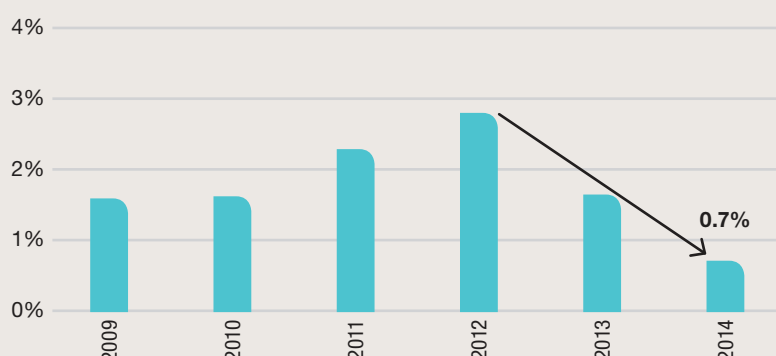
December 2014



Source: Australian Demographic Statistics (ABS cat. no. 3101.0)

Western Australian net overseas and interstate migration growth rate

December 2014

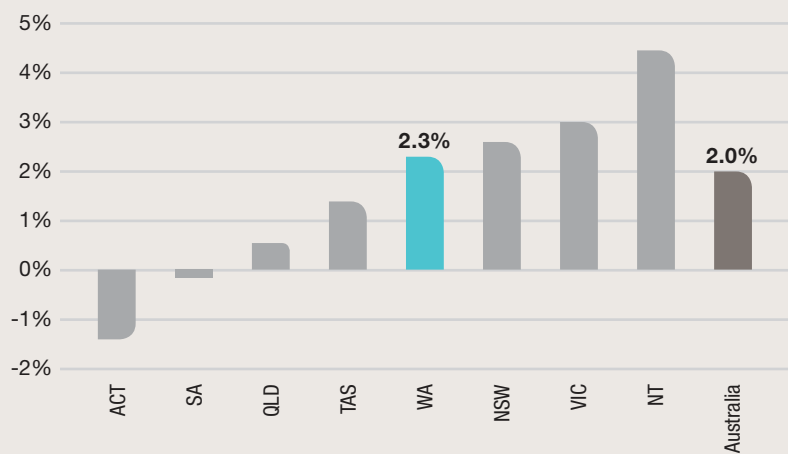


Western Australian Employment Trends

Western Australian Employment growth has kept pace with population growth at 2.3% per year - this is slightly above the national average

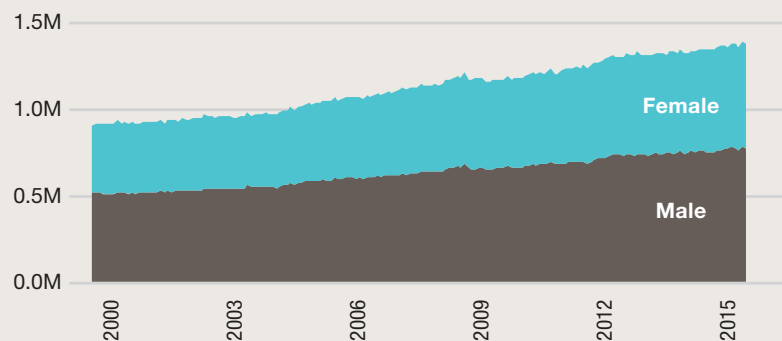
- According to the ABS Labour Force Survey there is an estimated 1.4 million people employed in Western Australia as at May 2015, of which 44% are women. The annual employment growth rate was 2.3% which is slightly above national average of 2% for the same time period.
- Over the last 15 years the female participation rate in the overall Western Australian workforce has increased from 56% (Jan 2000) to 61% (May 2015). Participation rate is defined as the total number of people either employed or unemployed divided by the population. This is compared to 76.6% participation rate for males in the Western Australian workforce.
- 46% of Western Australian women participating in the Western Australian workforce are employed on a part time basis (working 35hrs or less per week). Note only 16% of men in the Western Australian workforce are employed on a part time basis.

Total employment growth rate by state for the year ending May 2015



Source: Labour Force Australia (ABS cat. no. 6291.0.55.001)

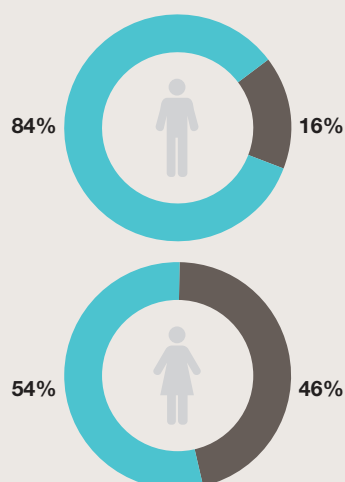
Total number of people employed in Western Australia by gender



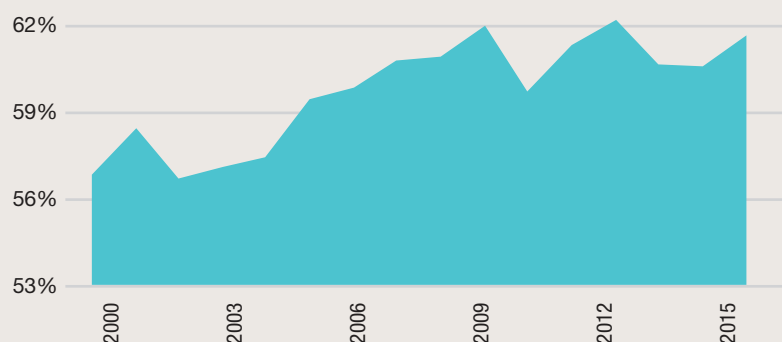
Source: Labour Force Australia (ABS cat. no. 6291.0.55.001)

Workforce by sex & employment type

■ Full time ■ Part time



Female participation rate in Western Australia



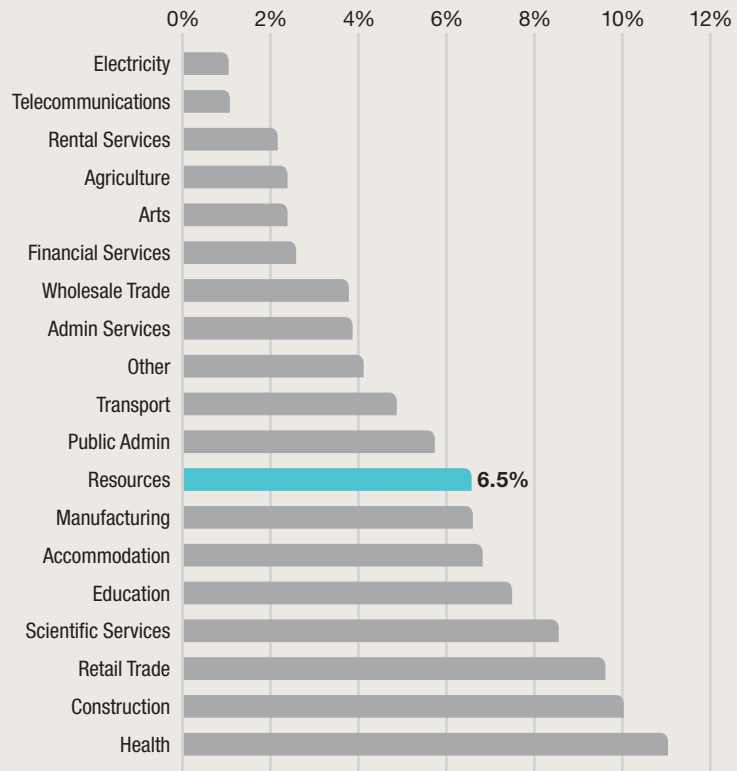
Source: Labour Force Australia (ABS cat. no. 6291.0.55.001)

Employment in the resources sector – Context

The resources sector continues to be an important source of employment in Western Australia employing approximately 96,200 people in May 2015

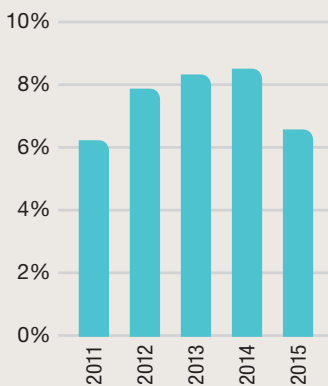
- The Western Australian resources sector workforce has decreased from a peak of 122,800 in August 2012 to 96,200 in May 2015. This downward trend is expected to continue as major construction projects come to completion.
- The resources sector makes up 6.5% of the Western Australian workforce. The sector has a greater representation in Western Australia than the national average. Nationally, mining and resources employees account for 1.9% of the total workforce (May 2015).

Western Australian Employment by Industry May 2015



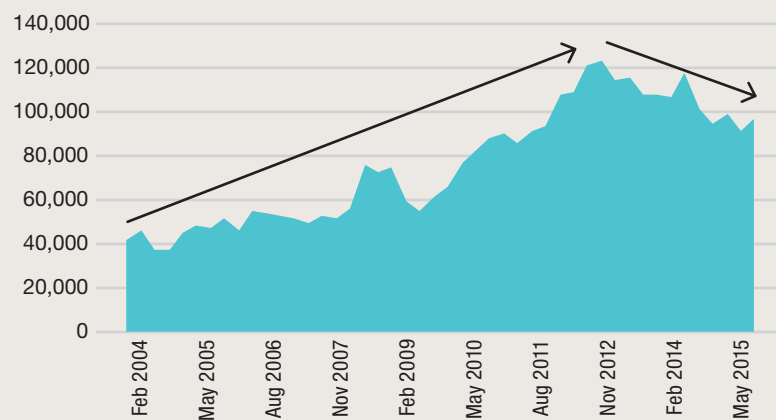
Source: Labour Force Australia (ABS cat. no. 6291.0.55.003)

Resources sector as a proportion of the Western Australian workforce



Source: Labour Force Australia (ABS cat. no. 6291.0.55.003)

Western Australian resources sector workforce



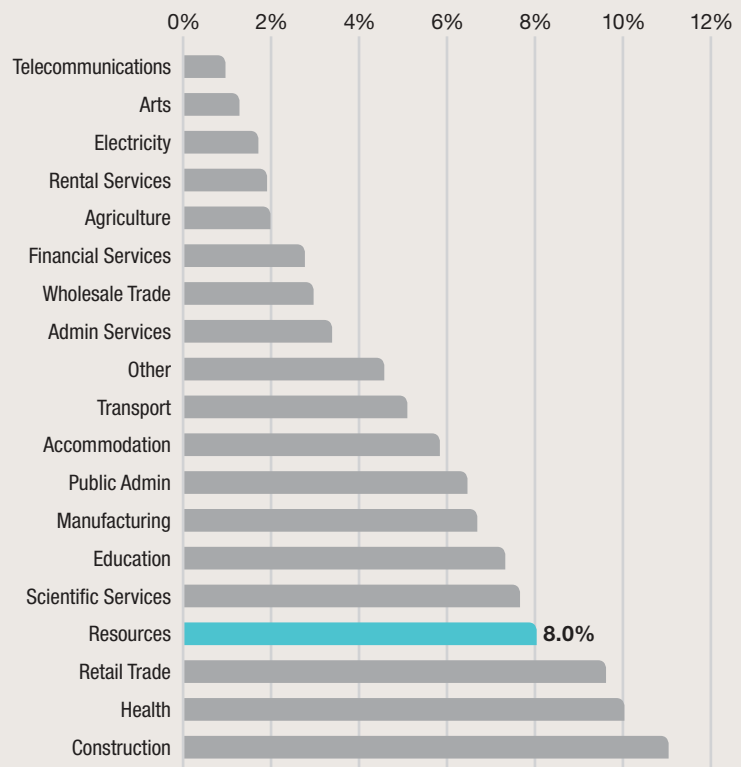
Source: Labour Force Australia (ABS cat. no. 6291.0.55.003)

Indigenous participation – Context

The resources sector performs well compared to other industries in terms of Indigenous participation

- The most recent detailed Indigenous and Torres Strait Islander information available is from the 2011 Census, when there were 2,200 Indigenous Australians employed in the Western Australian resources sector. The resources sector is the fourth largest Indigenous employer in the state with 8% of the Indigenous workforce employed in the sector.
- The 2011 Census indicated Indigenous employees made up 1.6% of the total Western Australian workforce and 3.3% of the Western Australian resources sector workforce.
- The projected Australian Bureau of Statistics numbers show 13.1% of the total national Indigenous population is in Western Australia as at December 2014.

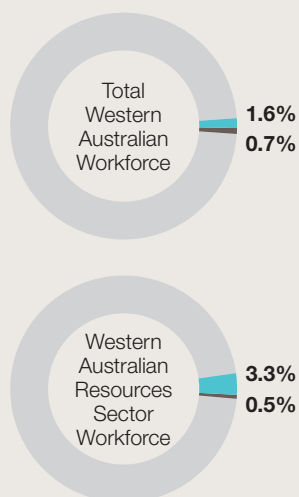
Western Australian Indigenous Employment 2011



Source: 2011 Census of Population and Housing

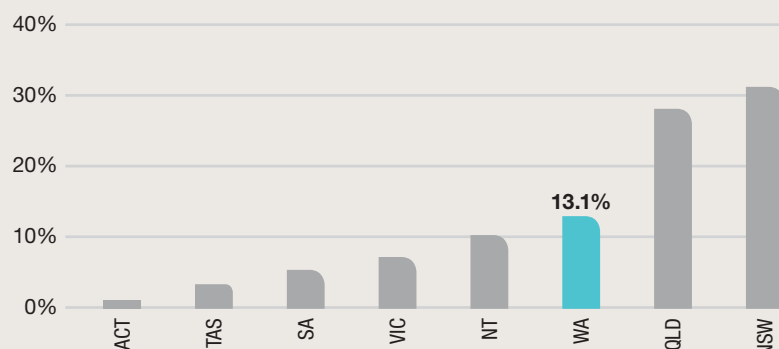
Percentage of Western Australian Workforce

Indigenous Unstated



Source: 2011 Census of Population and Housing

National Indigenous population distribution

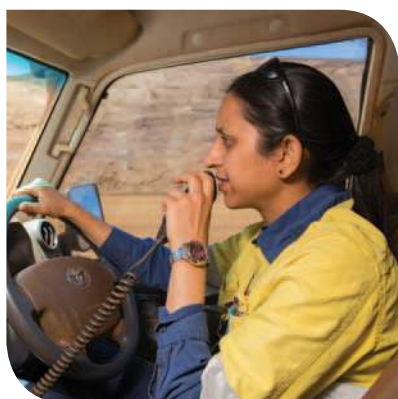


Source: Estimates and Projections, Aboriginal and Torres Strait Islanders Australians (ABS cat. no. 3238.0)

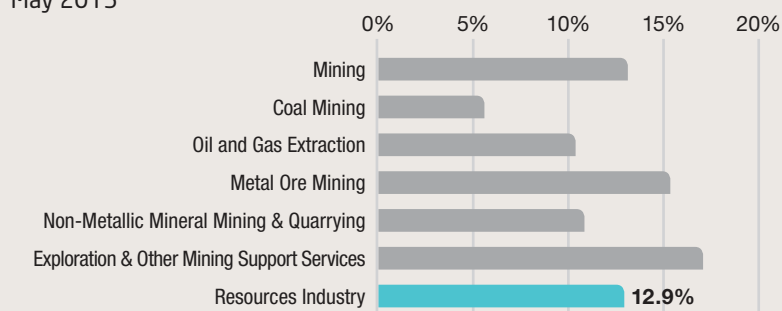
Female employment in the resources sector – Context

Women account for 12.9% of the national resources sector workforce. Over the last decade Western Australia has exceeded this with women accounting for between 15.5% and 20.2% of the Western Australian resources sector workforce

- According to the Australian Bureau of Statistics, nationally there is a significant difference between subsectors, with coal mining having 5.5% female participation and 'Exploration and other mining support services' having the highest participation at 17.0%.
- Historically Western Australia has a higher female participation rate than the national average according to WGEA information by state. According to their data in 2011-2012 across 37 organisations the female participation was 20.2%. This result is consistent with CME's survey results.
- Women continue to dominate historically traditional roles across the national workforce. As at May 2015 professionals, community and personal service workers, clerical and administration and sales workers are where women hold the majority of roles. (ABS)

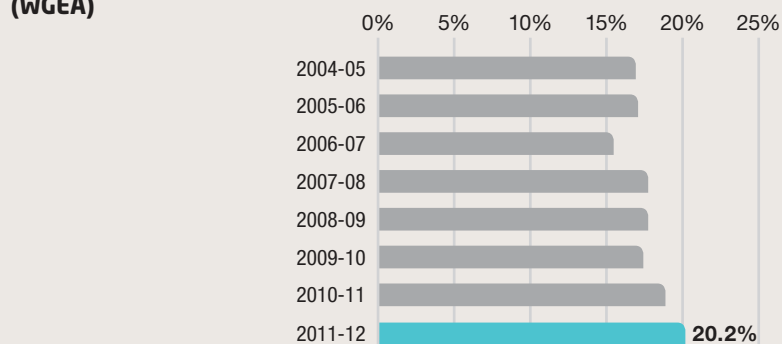


Female participation in resources sector - Australia-wide
May 2015



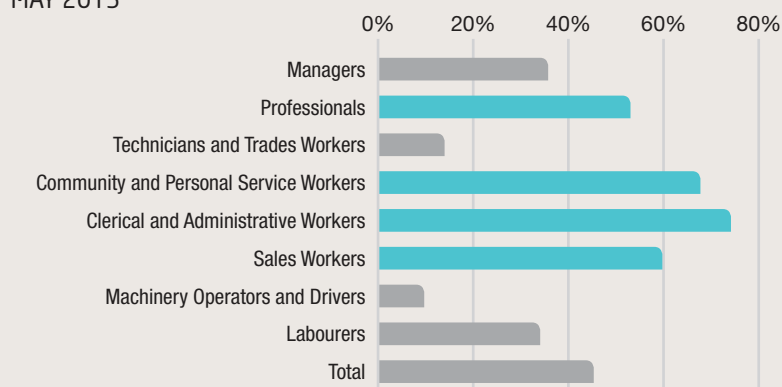
Source: Labour Force Australia (ABS cat. no. 6291.0.55.003)

Female participation in the Western Australian resources sector* (WGEA)



* Note The WGEA data was not broken down by state in 2013-14. Source: WGEA Gender Diversity Industry Worksheet

Proportion of females by role for national total workforce
MAY 2015



Source: Labour Force Australia (ABS cat. no. 6291.0.55.003)

CME DIVERSITY SURVEY RESULTS



CME Diversity Survey Overview

CME conducts a biennial survey to provide a snapshot of diversity within the Western Australian resources sector. Analysis of this data is used to guide the development of CME strategy and policy responses regarding the employment of women and Indigenous people in the sector.

Company Participation

- 40 companies participated in 2015, with over 52,750 employees across a range of industries within resources, of which 76% were in metal ore mining. For the purpose of this report, these companies will be referred to as the Western Australian resources sector. This sample size represents over 50% of the sector's employees.
- All participant information reflects Western Australian based operations.

Methodology

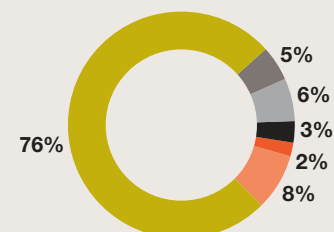
- Individual company data was consolidated to provide total female and total Indigenous employees. The percentages shown reflect total female or total Indigenous employees divided by the combined surveyed workforce unless otherwise specified.
- Data is as at March 2015.
- As some of the companies do not measure Indigenous numbers and not all Indigenous people self-identify, therefore it is possible the Indigenous numbers are underrepresented in the data set.
- More information on methodology is provided in the Appendix (a separate document available on the CME website).

Comparisons to previous data

- Of the 40 companies participating in 2015:
 - 25 out of the 40 companies have participated in the previous survey.
 - 15 companies participated in 2015 for the first time.
 - 13 companies who previously participated did not participate this time and include some companies who no longer have operations in Western Australia or who are no longer members of CME.
- Wherever possible historical data has been included to highlight trends.

Break down of survey participants by sector

- Metal ore mining
- Exploration & other support services
- Oil & gas extraction
- Gold ore mining
- Other
- Metal manufacturing



CME Diversity in the Western Australian Resources Sector Survey 2015



High-level results and trends

The 2015 Diversity in the Western Australian Resources Sector Survey shows that 17.8% of the Western Australian resources sector workforce are women

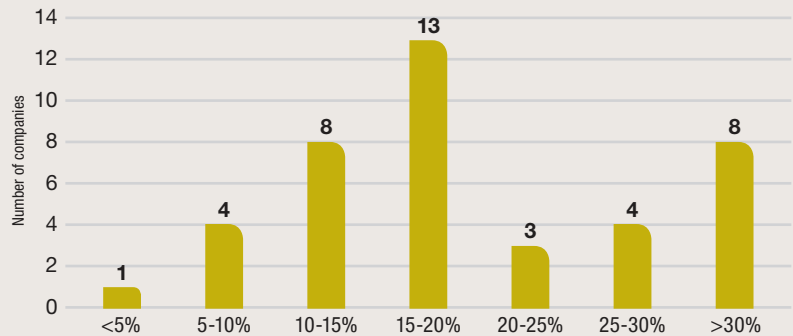
- While female participation has decreased slightly from 18.8% in 2013 to 17.8% in 2015, the trend since 2008 has been relatively flat, ranging from between 17.4% - 21.6%. This is consistent with WGEA data trends. Note the national female participation rate in resources is 12.9%¹.
- Female participation varies across companies with 15 out of the 40 companies surveyed having 20% female participation or higher.

5.5% of Western Australian employees in the resources sector are indigenous

- Indigenous participation in the Western Australian resources sector has increased from 4.2% in 2013 to 5.5% in 2015. As the Indigenous population makes up 1.6% of the Western Australian workforce², the survey results highlight the positive commitment made by the sector in this area.
- As some of the companies do not measure Indigenous numbers and not all Indigenous people self-identify, therefore it is possible the Indigenous numbers are underrepresented in the data set.

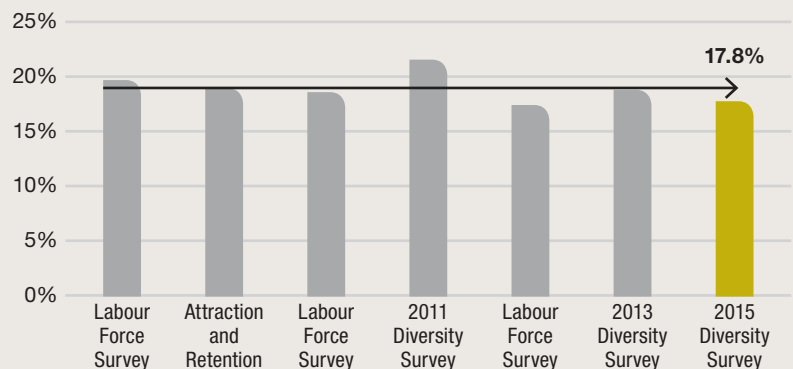


Distribution of surveyed companies by female participation range



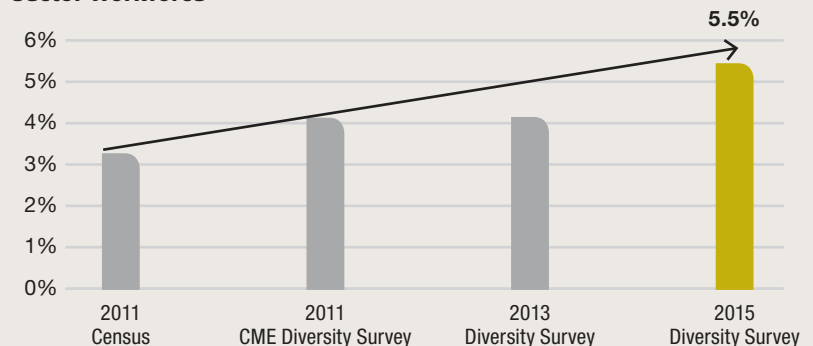
CME Diversity in the Western Australian Resources Sector Survey

Female participation in the Western Australian resources sector workforce



Source: CME Diversity in the Western Australian Resources Sector Survey, ABS Labour Force Surveys, Attraction and Retention of women in the Resources Sector

Indigenous participation in the Western Australian resources sector workforce



Source: CME Diversity in the Western Australian Resources Sector Survey (CME Diversity Survey), 2011 Census of Population and Housing

Impact of location

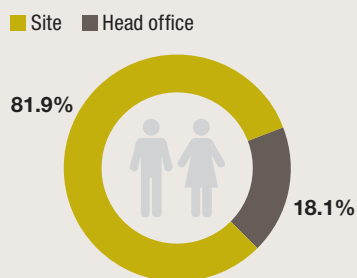
81.9% of resources sector employment is site based, with the majority of companies having a separate head office to their operations

- Of the women included in this survey, 61.6% are based on site.
- While more women work on site than head office there is a difference in female participation rate at each location. 13.4% of all site employees are female compared to 37.7% of head office employees.
- The data above is consistent with the previous survey.
- The remote location of some resources operations and the use of fly in fly out, can present a challenge for employees with parenting or caring responsibilities.

The vast majority of Indigenous employees are employed on site (94.9%)

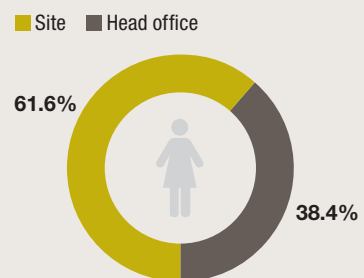
- While across the Western Australian resources sector there is 5.5% Indigenous participation, the majority of Indigenous employees are employed on site rather than at head office. Indigenous employees represent 6.3% of on site employees and 1.5% of head office employees.
- This data confirms the commitment made by many companies in the resources sector to engage, train and employ within the local Indigenous communities, many of which are located near project operations.

Western Australian resources sector workforce by location



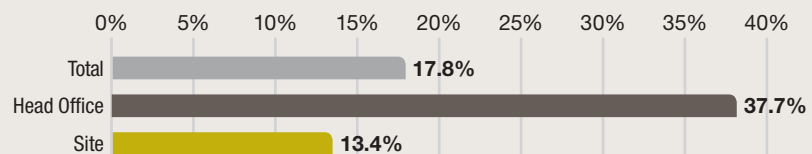
Source: CME Diversity in the Western Australian Resources Sector Survey 2015

Female employees by location



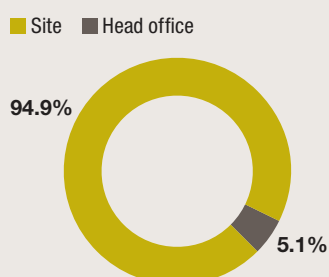
Source: CME Diversity in the Western Australian Resources Sector Survey 2015

Female Participation as percentage of Western Australian resources sector



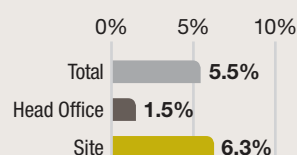
Source: CME Diversity in the Western Australian Resources Sector Survey 2015

Indigenous workforce by location



Source: CME Diversity in Resources Sector Survey 2015

Indigenous Participation as percentage of Western Australian resources sector



CME Diversity in the Western Australian Resources Sector Survey 2015

COMPANY: RIO TINTO

Aim:

Increase workforce participation of women and Indigenous people

Achieved by:

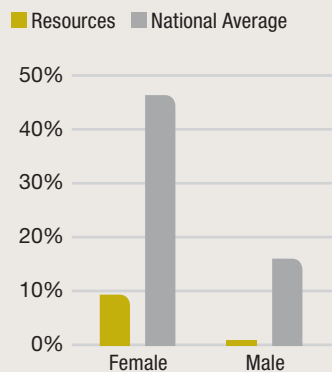
- Developing 'Diversity Edge' campaign to reach a broader candidate pool, which incorporated:
 - Increased online advertising and social media presence
 - Targeted female and Indigenous micro-sites driving increased applications from candidates
 - Employee referral program, proactive networking and candidate searches
 - Job scopes with built in flexibility

Employment type

Women continue to hold the majority of part time positions in the resources sector

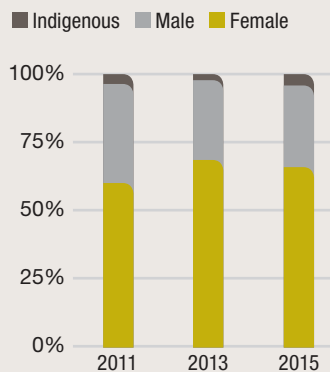
- Across the Western Australian resources sector part time employment has remained steady at 2.5% of the total workforce in 2015.
- Women continue to hold the majority of these part time positions, increasing from 60% in 2011 to 66% of part time positions in 2015.
- Nationally, ABS estimates 46% of women are in part time employment, compared to 9.6% in the Western Australian resources sector.
- The survey shows part time employees are most likely to work in clerical and administration roles (at 9%), followed by professional roles (at 4.7%). These two categories are where the majority of women in the Western Australian resources sector are employed.
- The survey shows that 60% of women on maternity leave between 1 April 2013 and 31 March 2014 returned within one year – a slight decrease from 66% in 2013.
- Indigenous employees make up 3.6% of the part time Western Australian resources sector workforce.

Proportion of part time employees in the Western Australian resources sector workforce versus the national average May 2015



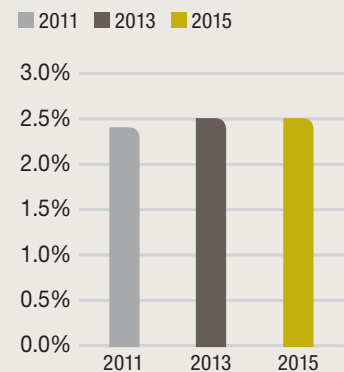
Source: CME Diversity in the Western Australian Resources Sector Survey 2015 and Labour force Australia ABS

Composition of Western Australian resources sector part time employees



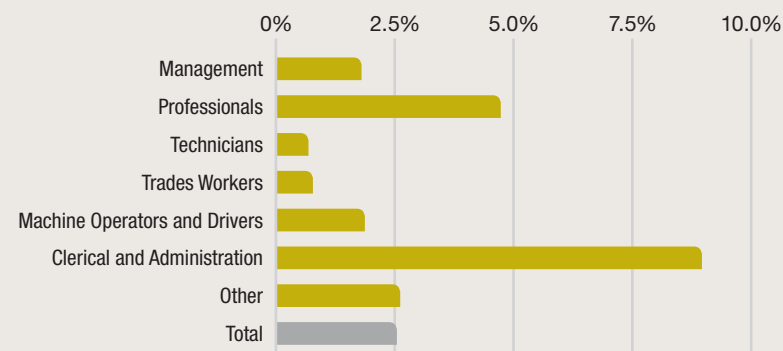
Source: CME Diversity in the Western Australian Resources Sector Survey 2015

Proportion of Western Australian resources sector employees who are part time



Source: CME Diversity in the Western Australian Resources Sector Survey 2015

Proportion of part time employment by occupation



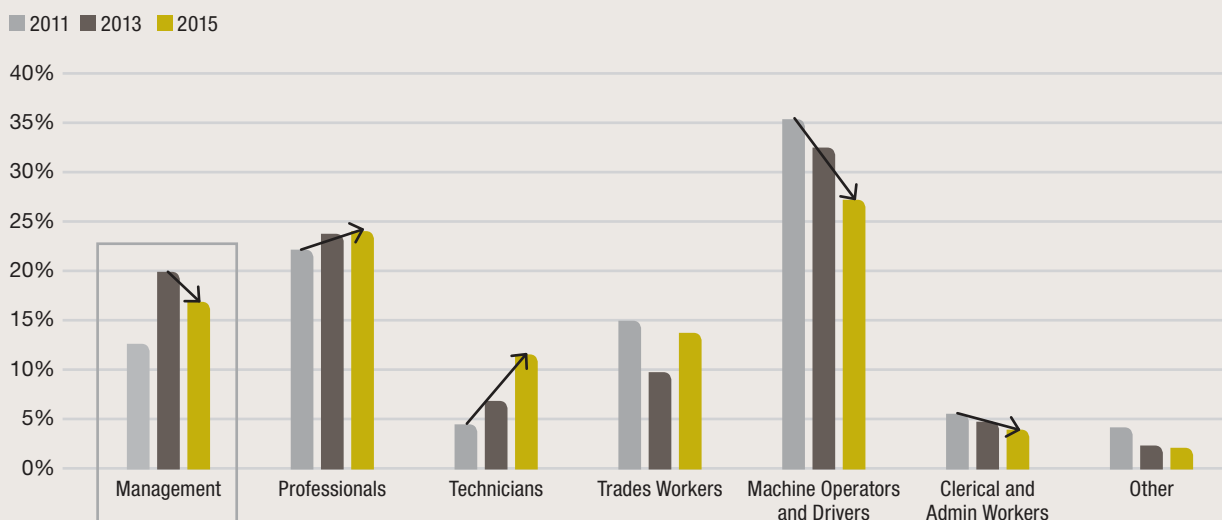
Source: CME Diversity in the Western Australian Resources Sector Survey 2015

Occupation trends across Western Australian resources

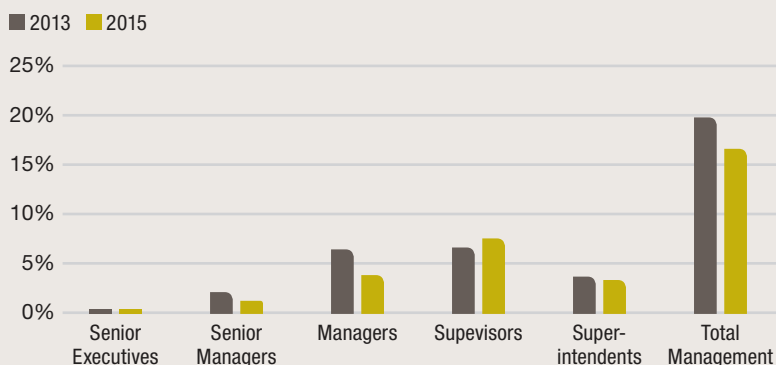
Across the Western Australian resources sector for men and women, there has been an increase in the proportion of technicians and a decrease in proportion of machine operators and drivers.

- The most common occupations are machinery operators and drivers (27%), professionals (24%) and management (16.7%).
- There has also been a decrease from 2013 to 2015 in the proportion of the workforce categorised as management.
- Management is defined as senior executives, senior managers, managers, supervisors and superintendents.

Western Australian resources sector by occupation



Western Australian resources sector breakdown of management



Source: CME Diversity in the Western Australian Resources Sector Survey 2015

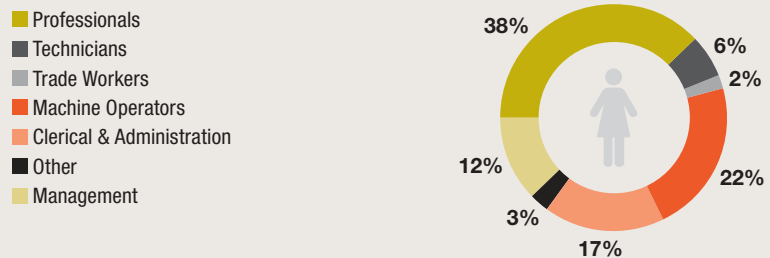


Women in the workplace

Women are most likely to be in professional, machine operators or clerical and administration roles

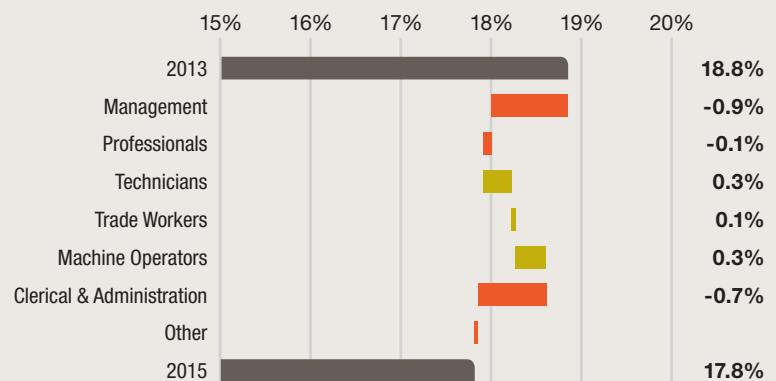
- 38% of the women in the Western Australian resources sector are professionals.
- Women account for 29% of all professionals in the Western Australian resources sector workforce.
- Clerical and administration is the only category with greater than 50% women.
- Overall, female participation in the Western Australian resources sector has decreased by 1% from 2013 to 2015:
 - This is mainly in management and clerical and administration roles, however this is consistent across the sector. Industry feedback suggests the focus on head count and cost reduction appears to have impacted support staff (of which 79% are women).
 - The increase in the percentage of female technicians, machine operators and trade workers is a positive trend.

Female employees by occupation



Source: CME Diversity in the Western Australian Resources Sector Survey 2015

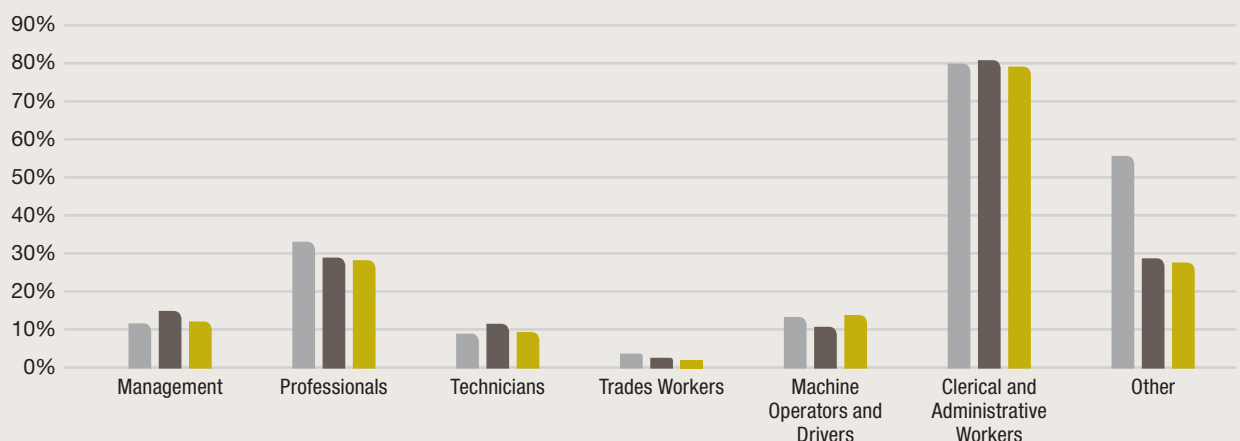
Analysis of the change in proportion of female employees in the Western Australian resources sector from 2013 to 2015



Source: CME Diversity in the Western Australian Resources Sector Survey 2015

Total female employee representation by occupation in the Western Australian resources sector

■ 2011 ■ 2013 ■ 2015



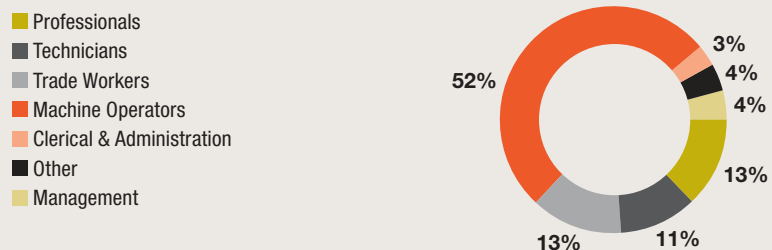
Source: CME Diversity in the Western Australian Resources Sector Survey 2015

Indigenous occupations

52% of all Indigenous employees within the Western Australian resources sector are employed as machine operators and drivers

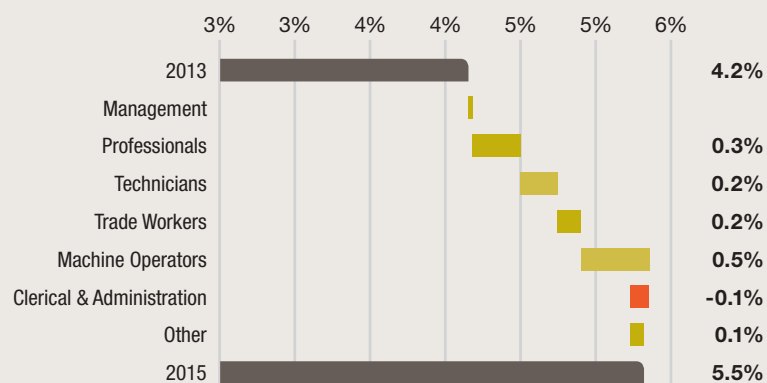
- The proportion of Indigenous machine operators and drivers has increased from 6% in 2011 to 8% in 2015.
- Indigenous representation at the manager and professional level has also steadily increased.
- Analysing the difference between 2013 and 2015 shows the 1.3% increase is spread out across the occupations, however there was a slight decrease in clerical and administration staff.
- Despite an overall decrease in the proportion of machine operators and drivers in the total Western Australian resources sector, Indigenous representation has continued to increase in this area and overall.

Indigenous employees by occupation



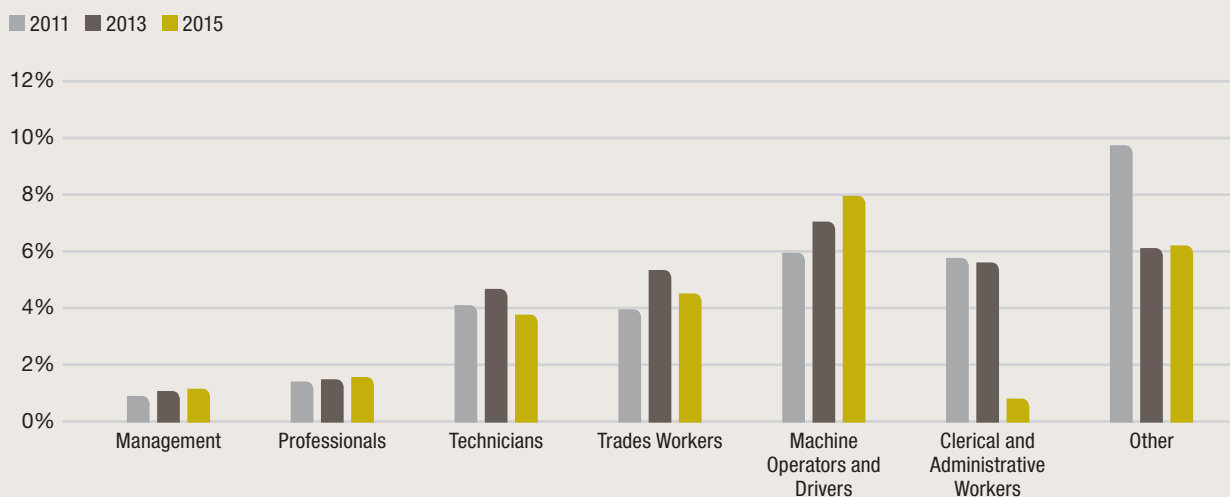
Source: CME Diversity in the Western Australian Resources Sector Survey 2015

Analysis of the change in proportion of Indigenous employees in the Western Australian resources sector from 2013 to 2015



Source: CME Diversity in the Western Australian Resources Sector Survey 2015

Total Indigenous employee representation by occupation in the Western Australian resources sector



Source: CME Diversity in the Western Australian Resources Sector Survey 2015

Women in leadership

The proportion of women in management in the Western Australian resources sector has decreased, however at the board and senior executive level female representation has increased

- Women account for 18.5% of board positions – an increase from 14.5% in 2011.
- The reduction in middle management is consistent across both genders.
- The proportion of women in superintendent level roles has increased by 3%, a role which has traditionally had low female representation.

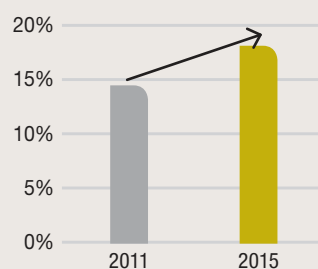


Distribution of women in management across the Western Australian resources sector



Source: CME Diversity in the Western Australian Resources Sector Survey 2015

Proportion of women on Western Australian resource sector company boards



Source: CME Diversity in the Western Australian Resources Sector Survey 2015

COMPANY: ST BARBARA

🎯 Aim:

Reduce the gender pay gap

✅ Achieved by:

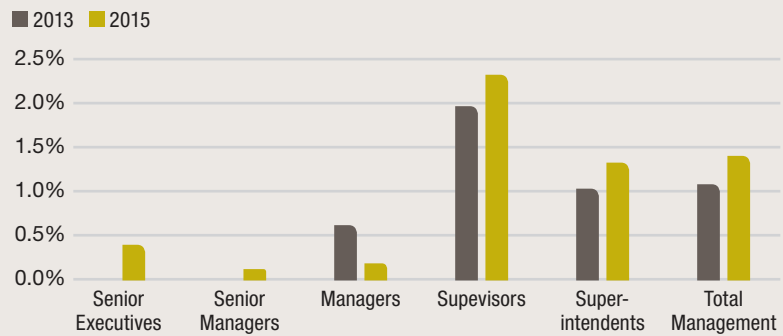
- HR strategy to support company's business strategy, supported by a comprehensive talent management framework
- Advancing the HR strategic priorities, with
 - gender equality strategy
 - competitive remuneration system
 - industry-leading paid parental leave (including return-to-work incentives)
 - gender diversity policy
 - gender diversity targets (including on reducing the gender pay gap)
- Conducting pay equity audits monthly and including figures in reporting dashboards to senior leaders

Indigenous employees in leadership roles

The number of Indigenous employees in leadership roles has increased to 1.4% of total management

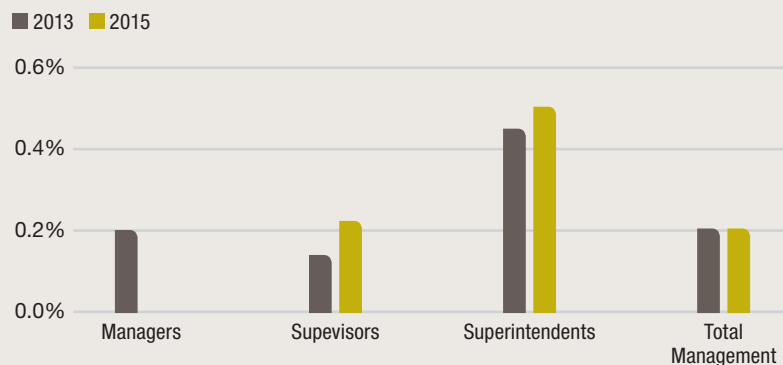
- There is a positive trend with the employment of Indigenous employees in the roles of senior executives and senior managers. Particularly at the senior executive level with the percentage of Indigenous employees increasing from 0% to 0.4%.
- There is an increase in all levels of management with the exception of managers which has decreased.
- 0.2% of management roles are held by Indigenous women. This is primarily at the supervisor and superintendent level.

Distribution of Indigenous employees in management across the Western Australian resources sector



Source: CME Diversity in the Western Australian Resources Sector Survey 2015

Indigenous females in management



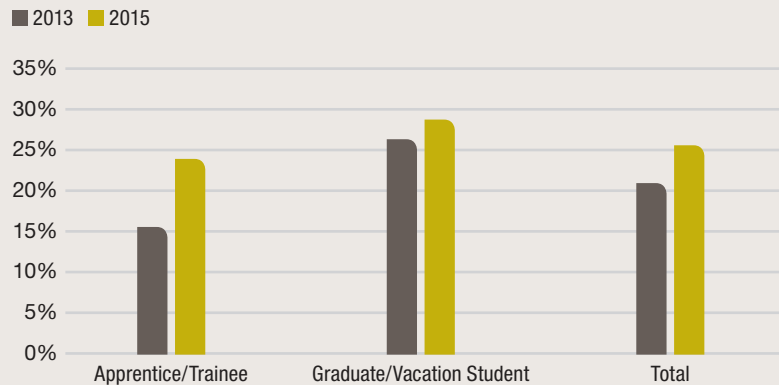
Source: CME Diversity in the Western Australian Resources Sector Survey 2015

Training

3.8% of the Western Australian resources sector workforce are graduates and apprentices/trainees.

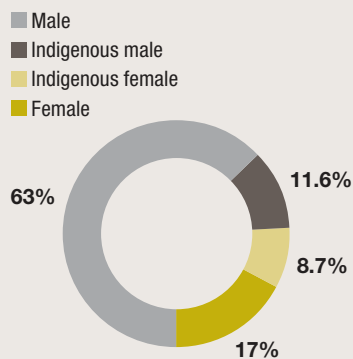
- 25.7% of apprentices/trainees and graduates are female, which is a 4.8% increase from 20.9% in 2013 to 25.7% in 2015.
- Female apprentices/trainees and graduates have increased from 20.9% in 2013 to 25.7% in 2015.
- 20.2% of apprentices/trainees and graduates are Indigenous, which is an 11.7% increase from 8.5% in 2013 to 20.2% in 2015.

Female proportion of apprentices/trainees and graduates in Western Australian resources sector



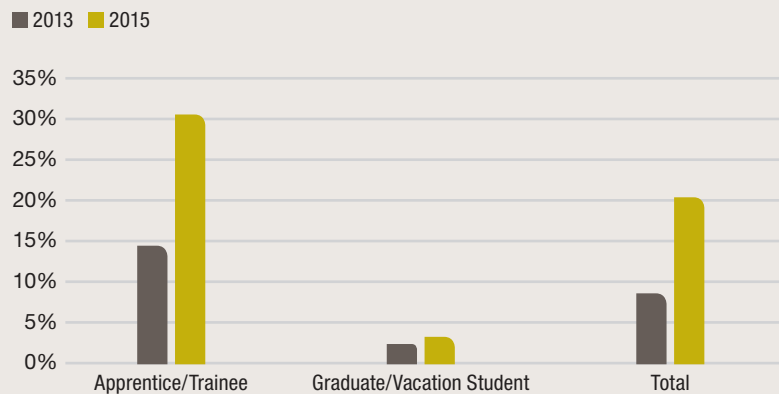
Source: CME Diversity in the Western Australian Resources Sector Survey 2015

2015 apprentices/trainees and graduate composition across the Western Australian resources sector



Source: CME Diversity in the Western Australian Resources Sector Survey 2015

Indigenous proportion of apprentices/trainees and graduates in Western Australian resources sector



Source: CME Diversity in the Western Australian Resources Sector Survey 2015



Gender diversity strategies

Across the sector, more companies are focusing on strategies targeting gender diversity, and working on making the industry more attractive to women

The 2015 Diversity in Resources Survey asked companies whether they had a number of specifically chosen strategies in place to increase female participation in the sector. On average companies have 9 out of 16 of these strategies in place.

Gender Diversity Strategies	% Companies with strategy (2013)	% Companies with strategy (2015)	Variance
An annual gender pay equity audit	42.6%	62.5%	↑ 19.9%
Programs to encourage female job applicants (e.g. recruitment / advertising / vacation work / work experience / school outreach programs)	40.4%	60.0%	↑ 19.6%
Female recruitment targets	21.3%	40.0%	↑ 18.7%
Formal and informal networking opportunities for women	55.3%	72.5%	↑ 17.2%
Keep in touch programs / return to work plans following maternity leave	57.4%	72.5%	↑ 15.1%
Structured leadership development programs for women	38.3%	50.0%	↑ 11.7%
Flexible working arrangements available to all employees	76.6%	87.5%	↑ 10.9%
Structured mentoring programs (for women and/or for both women and men)	42.6%	52.5%	↑ 9.9%
Sponsorship of and/or participation in industry gender equality awards	36.2%	45.0%	↑ 8.8%
Paid parental leave provisions over and above the legislated requirements	57.4%	65.0%	↑ 7.6%
Anti-harassment / anti-discrimination policy	93.6%	97.5%	↑ 3.9%
Uniforms, equipment and facilities suitable for women	93.6%	97.5%	↑ 3.9%
Gender equity / unconscious bias awareness programs for management	34.0%	37.5%	↑ 3.5%
Formal sponsorship programs matching senior men with high-potential women	8.5%	7.5%	↓ -1.0%
Other activities to cater for / encourage women in the workplace	29.8%	25.6%	↓ -4.1%
Childcare support (e.g. in-house facilities, partnerships with external childcare organisations, financial childcare assistance for employees)	17.0%	10.0%	↓ -7.0%

Source: CME Diversity in the Western Australian Resources Sector Survey 2015

Gender diversity strategies

Key areas of focus and growth

- 62.5% of companies conduct an annual gender pay equity audit (increase of 20% from (2013). This is substantially higher than the figures reported by WGEA, with 20%¹ of companies across all industries conducting an annual audit. However, the next question for companies is what strategy is being used to rectify any discrepancies?
- 87.5% of companies provide flexible working arrangements to all employees (increased by 10.9% from 2013). However, it is important to understand how many people actually use them - both men and women.
- There is a significant focus on targeted recruitment strategies with 60% of companies with programs to encourage female job applications which is an increase of 19.6% from 2013. Additionally the use of female recruitment targets has increased by 18.7%, with 40% of companies adopting this strategy. These recruitment strategies, together with strategies to reduce gender bias in the selection process will see an increase in the number of women employed in the sector².
- Development of women is also a key focus with 50% of companies providing structured leadership development programs for women (increase of 11.7%), and 52.5% of companies offering structured mentoring programs (increase of 9.9%). Talent and leadership development which starts at the graduate entry level, can be a key contributor to success in getting more women into senior positions within an organisation².
- 87.5% of companies provide formal and informal networking opportunities for women (increase of 17.2% from 2013). It is important to ensure women are given the opportunity to network in an inclusive environment with both men and women in higher levels of organisations. These networking opportunities will provide women visibility to those who make key promotion and progression decisions².

Watch list

While most companies are increasing focus on other areas, there has been a 7% decrease in the adoption of childcare support strategies. This has been identified as a key issue in many studies including the recent 'Filling the Pool' report. Increasing childcare support strategies (eg. in house facilities, partnerships with external childcare organisations, financial childcare assistance for employees) may further increase the return to work rate and retain more women in their organisation.



COMPANY: BHP BILLITON

🎯 Aim:

Increase women's workforce participation by overcoming shortage of childcare in the Pilbara

✅ Achieved by:

- Developing a childcare strategy and investing approximately \$20 million in:
 - Building two new 120 place childcare centres
 - one in Newman and one in Port Hedland
 - Engaging YMCA Perth to construct and operate both childcare centres
 - Providing business management support, staff housing and small grants to both new centres and existing services

¹ CEOs call for focus on equal pay as data exposes inaction <https://www.wgea.gov.au/media-releases/ceos-call-focus-equal-pay-data-exposes-inaction> ² Committee for Perth 'Filling the Pool' <http://www.committeeforperth.com.au/pdf/FillingThePool/CFP%20Filling%20the%20Pool%20Report.pdf>

CASE STUDIES



Context

In 2011 Santos introduced the “Gender Equity Program” as part of its broader Diversity Strategy.

Action

The multifaceted Gender Equity Program involves a number of initiatives including:

- **Flexible work options:** Available to all employees based in Australia, 6% of the Santos workforce currently works flexibly, with 85% of flexible work arrangements approved for female employees. Many more people work flexibly on an informal basis. As with other organisations, the challenge is to role model and demonstrate flexible working arrangements so that people feel comfortable working flexibly.
- **Gender pay equity review:** Annual auditing, analysis and reporting on compensation decisions across pay grades and roles enables Santos to address any gaps as required. Recently, this review concentrated on superannuation balances for male and female employees and as a result, a ‘Superannuation Top Up’ initiative was launched. This initiative provides for people who are on unpaid parental leave to continue to receive superannuation contributions from the company.
- **Addressing inequities in development opportunities:** Focusing on increasing female representation in leadership development programs by tailoring in-house and external training offerings.
- **Conscious and unconscious bias training:** Two-day intensive de-bias training course tailored specifically for Santos internal recruitment team, as well as ‘Making Better Decisions’ unconscious bias training for broader staff.
- **Gender balance in labour supply:** A gender-balanced candidate slate during the recruitment and selection process is a requirement in contracts for labour supply.

Results

- Women at Santos now make up 25% of the workforce (up from 22% in 2011).
- The Santos female graduate intake has increased by 41% to an average of 45% year on year.
- Voluntary attrition of female staff has fallen to 6.5% (compared with 8.6% in 2011).

Lessons learned

- Increased uptake of the ‘Flexible Work’ policy has provided significant operational benefits to the business.
- The perception of the oil and gas industry as having a ‘masculine culture’ presents challenges for the attraction of skilled professional women. Developing targeted attraction and recruitment strategies is necessary. It takes time and a continued focus to get sustainable results.

Santos
We have the energy.

Context

AECOM is a global provider of professional, technical and management services and recently released a report outlining their new approach to diversity and inclusion.

Focus areas

The comprehensive strategy incorporates 7 focus areas

- **Unconscious bias training** – provided to regional leadership teams prior to the 2015 remuneration process. Roll out training to all leadership teams through 2016 and include training each core training and to graduates.
- **Gender targets** – AECOM are aiming to double the percentage of senior female leaders by 2020.
- **Gender pay analysis** – AECOM will continue to undertake an annual gender pay gap audit. They will reserve a portion of budget to address any of these gaps, redesign the recruitment offer process to conduct gender pay analysis prior to hire and continue to review salaries of team members on parental leave.
- **Flexibility** – AECOM will communicate flexibility as an option for all by advertising all new roles as flexible, developing guidelines for managers and teams in managing flexible work practices successfully and promoting options to the entire workforce, regardless of age, gender or seniority.
- **Influencing industry** – AECOM is committed to maintaining a leading role externally, and support industry in creating a more diverse, inclusive and ultimately successful workplaces.
- **External hiring** – AECOM will continue to make hiring decisions based on merit, however focus on attracting a more diverse candidate pool.
- **Career development for women** – AECOM is committed to the development of women and will continue to promote on merit.

Action

- **Communications plan** – AECOM will communicate this strategy and progress made across a number of channels through the company.
- **Leadership of gender diversity** – AECOM established a Diversity and Inclusion Advisory panel, which is made up of senior male and female leaders.
- **Monitoring and evaluation of progress** – HR will prepare quarterly reports on all metrics to the Diversity and Inclusion advisory panel, and review strategy at the end of 2016.



RECENT DEVELOPMENTS

The focus on diversity in business continues to grow and there have been a number of relevant reports released recently including the Committee for Perth 'Filling the pool' report.

The Committee for Perth: 'Filling the Pool'¹ - June 2015

- Alarmed by the low numbers of women in corporate leadership roles in WA, the Committee for Perth investigated how to increase the participation and advancement of women in the workplace in order to 'fill the pool' of female leaders.
- The major findings of the report identified four main barriers to greater gender equality:

1. The highly masculine corporate and social culture in Western Australia: influenced by the prevalence of the male-dominated resources and construction sectors and resulting in direct and indirect discrimination, bias in recruitment and performance decisions, and male dominated networks.

2. A 'perfect storm' in Western Australia limiting access to childcare: less available childcare places than other capital cities, a lack of flexible work options, partners who work away from home more often and less family support available to people who move to Perth for work.

3. The gender pay gap: significantly higher in Western Australia compared to the national average due to male dominance in higher paid industries, higher paid operational roles and leadership positions.

4. A lack of women entering operational roles, currently considered necessary for advancement into leadership roles in the resources sector.

- The report outlines 31 recommendations for organisations, government and women to take to overcome these barriers.

Workplace Gender and Equality Strategy Project Final Report² - August 2015

The Workplace Gender and Equality Strategy (WGES) responds to the fact only 7% of employers have a gender equality strategy and only 13% have a strategy for implementing policies on flexible work arrangement.

The WGES worked with 10 organisations to review their existing gender equality policies and develop a strategy to improve gender equality in each workplace. One of these organisations – the Florey Institute of Neuroscience and Mental Health – focuses on retaining talent in a male-dominated industry.

Diversity matters³ - McKinsey & Company - February 2015

McKinsey investigated the relationship between the level of diversity and the company financial performance from 2010-2013. The analysis was conducted across companies from the United Kingdom, Canada, Latin America and the USA. It shows the more diverse leadership team the better the financial performance.

- Companies in the top quartile of gender diversity are 15% more likely to have returns above their national industry median.
- Companies in the top quartile of racial/ethnic diversity are 35% more likely to have returns above their national industry median.

¹ The Committee for Perth 'Filling the Pool', <http://www.committeeforperth.com.au/researchfillingthepool.html> ² Workplace Gender and Equality Strategy Final Report, Centre for Workplace Leadership, Commissioned by the Australian Government Department of Employment. https://www.dropbox.com/s/ux6q8i5merhjyhx/Workplace_Gender_Equality_Strategy_Final_Report.pdf?dl=0 ³ Diversity matters, McKinsey&Company, http://www.mckinsey.com/insights/organization/why_diversity_matters

CONCLUSION

The focus on the business case for diversity in the broader business community continues to grow and the resources sector has made headway in some areas but there is still significant progress needed.

For Australia, increasing women's workforce participation is a vital lever in increasing productivity and off-setting the decline in workforce participation arising from our aging population.

Research demonstrates there are also many advantages to increased gender diversity for organisations, including:

- Improved organisational performance
- Decreased risk
- Better access to talent
- Enhanced culture
- Reputational benefits

Similarly there are many advantages to Indigenous diversity including:

- Increased diversity of thought
- Better access to talent
- Increased community engagement

To harness the benefits of diverse teams, organisations need to be inclusive. Inclusive organisations foster greater altruism, engagement and information-sharing, and experience decreased turnover.

There is a rising tide of research and data which shows diversity and inclusion is more than just the right thing to do. There is a clear business case to justify the imperative to make significant progress in improved workforce diversity.

The resources sector has gone some way to meet this challenge and it is now, in challenging times, we need to ensure the sector continues to focus on this issue.

PATHWAY TO DIVERSITY

Recruitment

- Advertisements about opportunities in the resources sector feature women, are promoted through a variety of channels and provide information on flexible work options
- Recruitment targets for shortlisting and interviewing female candidates are implemented
- Job descriptions are re-evaluated and selection criteria broadened to focus on skills and capabilities genuinely required
- Diverse recruiting teams are trained to challenge stereotypes and recognise unconscious bias

Community

- Community exposed to variety of opportunities within the resources sector (engineering, geology, technology, finance, admin, HR)
- Education system challenges gender stereotypes and promotes jobs in resources sector to a diversity of students

Culture

- Leadership team articulates a clear vision on diversity and inclusion, and challenge any comments or behaviours that do not support this
- Robust policies on sexual harassment, bullying and discrimination are enforced. Managers given ongoing training in how to effectively deal with these issues
- Company culture emphasises inclusion. Women feel safe, supported and valued



On-boarding

- Induction processes and buddy systems provide new starters with the networks and support they need to succeed
- Work environment meets the needs of a diverse workforce (for example, suitable uniforms, equipment and facilities)

Feedback

- Women's experience of the workplace is heard through mechanisms such as employee surveys, diversity and inclusion councils and exit interviews
- Companies regularly and transparently report on progress against targets for women's workforce participation and women in management and leadership roles

Career Support

- Strategies to help male and female employees manage work and life are implemented, including parental leave and carer's leave, support for employees returning to work after extended absences and flexible work options
- Managers provided with support to manage employees taking parental/carers leave or utilising flexible work options
- Women have a clear career path, as well as opportunities for training and development. Companies monitor whether women are given the same opportunities as men
- Companies invest resources in mentoring, sponsorship and networking programs for women
- Managers are equipped to manage a diverse workforce and assess the performance and contributions of employees working part time, flexibly or remotely
- Women are given opportunities to move to different areas of the business (particularly operational roles) and are supported during transition





Diversity continues to be a focus for the resources sector, with growing awareness of the business case. With the current business environment it is important to maintain momentum on this issue.

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