

WomenOnBoards™

the next generation of directors

NSW Office for Women's Policy
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Re CONSULTATION PAPER ON STRATEGIES TO INCREASE THE PROPORTION OF WOMEN ON NSW GOVERNMENT BOARDS AND COMMITTEES

We are pleased to make a submission following our recent meeting with the Minister. It is good to see this issue of women's representation is in focus and that you have progressed it through Cabinet.

From WOB's perspective NSW has a middle of the road performance re women on government boards relative to other jurisdictions. Like other jurisdictions NSW participation of women on the more commercial boards falls behind overall participation. The WOB BDI (Boardroom Diversity Index) found that Government Owned Corporations (GOCs) fare the worst, with only 24 per cent of director positions held by women. This compares with Queensland GOCs (32 per cent), 20 South Australian boards (45 per cent) and 72 Federal boards (30 per cent). Information for Victoria and WA was not available.

Your paper talks a lot about the need for merit. While not disagreeing we offer the example of appointments to ASX companies where:

- In 2010 merit is a well credentialed capable female
- In 2009 merit was predominantly Anglo males in their mid fifties

Women on Boards and the Chartered Secretaries of Australia have joined forces to provide guidelines to assist ASX-listed entities comply with the changes to the ASX Corporate Governance Council's (ASXCGC) Corporate Governance Principles and Recommendations. You may find this helpful.

The three strategies suggested are:

- Set targets for gender diversity at board and senior management/executive level
- Review the selection process
- Develop the director pool

You ask some particular questions in the discussion paper. A few comments on some of these follow.

1.2 How is the imposition of targets generally received by boards?

- ASX Chairmen are coping quite well. The imposition of targets is seen as by far the lesser evil than legislated quotas. In practical terms (time will tell) the outcomes may be similar
- Government has the advantage that representational expectations have been part of the appointment system for many years. This is a chance to improve on this reality

1.3 How are targets or quotas generally viewed by women and by men?

- the comment about merit above gives the guide to managing the ignorance of both males and females about merit
- more enlightened male and female leaders will acknowledge that 'quotas' are present in many guises eg school background, male Anglos as preferred choice for leadership roles

2.1 Do you believe that women in your networks would be interested in joining the register?

- Sadly the answer is no in its current form; despite our encouragement to do so
- The reason is lack of transparency and accountability over many years

- To make the register more attractive there needs to be public recognition and reporting of the register delivering outcomes for women
- Our suggested approach is more advertising of vacancies, both live and pending, more widely. A simple approach is to put this onto the WOB website as a Post a Vacancy. You would need to resource the follow up activity, of course

2.2 Would a requirement to consult the register be effective in increasing nominators' knowledge of available women?

- It can't hurt. But it may be better for the OfWP to have some idea of the capabilities of women on the register in order to assist inquirers
- Then you could provide some advice to nominators about the talent available. A bit of 'push polling' of female profiles, industry experiences etc is an option

2.3 How could the Register be improved to attract quality nominees?

- What about an advertising campaign in conjunction with a new reporting regime?
- The Treasury (Dominic Schuster) recently engaged WOB to seek out quality applicants for their stable of boards. This is a more traditional market testing approach
- It's really a question of what resources and expertise is available inside OfWP for this initiative

2.4 Do you believe that the NSW Government Register of Boards and Committees is well known across your networks?

- Quite well known

3. Requirement to nominate at least one person from each gender

- This is a well tried and successful approach; nominators need to make the effort to identify suitable women. If not successful on the first occasion they become known for future opportunities

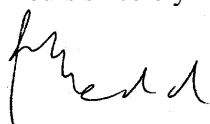
4. Requirement to declare a board's or committee's existing gender ratio

- The WOB BDI does this for NSW commercial boards
- We suggest you report details of new appointments to a NSW Government board or committee with the gender ratio before and after

Two final comments

- It is important to engage those who seek directors on a continuing basis
- There are many suggestions in your paper. We would suggest selecting the low hanging fruit; otherwise the administrative effort is likely to weigh down the initiatives

Yours sincerely



Ruth Medd
Chair Women on Boards
1 October 2010

References

- The WOB BDI <http://www.womenonboards.org.au/publications/bdi/government.htm>
- Women on Boards and the Chartered Secretaries of Australia guidelines on diversity <http://www.womenonboards.org.au/diversity/>