

Women on Boards Strategy 2015-2020

Annual Report
September 2017

INTRODUCTION

The Women on Boards Strategy 2015-2020 was released in July 2015. The Strategy committed the Tasmanian Government to a target of 50 per cent representation of women across Tasmanian Government boards and committees by July 2020.

At the time of the Strategy's release, 33.8 per cent of all board positions were held by women. At 22 September 2017, this had increased to 40.1 per cent. This is an increase of 6.3 percentage points on the 2015 figure and nearly a 19 per cent increase on the ratio of women holding board positions.

The Strategy is one of a number of initiatives that the Tasmanian Government is undertaking to increase the number of women in positions of leadership and decision-making, and to highlight the role and value of women in society.

SUMMARY

Research and current data continue to show that women are under-represented in positions of leadership and decision-making across government, community and business.

The Women on Boards Boardroom Diversity Index, which was launched in 2010, measures the participation of women on the boards of Australian organisations. The Index shows that while there has been an increase in the percentage of women on governing boards since the launch of the Index, female participation continues to lag behind that of males. The most significant increase in boardroom participation has occurred in the top 200 ASX listed companies where the representation of women increased from 8.7 per cent in 2010 to 23 per cent in 2016 (most recent data from the Index).

With regard to membership of government boards and committees across Australia, the Australian Capital Territory reports the largest percentage of women holding positions on all government boards and committees with 48 per cent. Northern Territory report the lowest percentage with 37 per cent.

The data about Tasmanian Government boards and committees used in this report has been drawn from the Department of Premier and Cabinet (DPAC) Government Boards Database and was accurate at the time of writing (22 September 2017). It is important to note that percentage figures fluctuate as new board appointments are made. The database is updated monthly and therefore the percentage of positions held by women is updated monthly.

In 2017, the Australian Institute of Company Directors (AICD) delivered the second round of Tasmanian Government Board Diversity scholarships. Three scholarships were awarded for the Company Directors Course and 16 for the Foundations of Directorship course. The same number and type of scholarships were awarded in 2016. Applications for the 2018 round of scholarships closed on 15 September 2017.



IMPLEMENTATION OF ACTIONS UNDER THE STRATEGY

The Women on Boards Strategy contains five Strategies:

1. Gender Equity Targets
2. Identifying women for board appointment
3. Contemporary communication tools are used to promote board vacancies and maintain information about women seeking board membership
4. Relationships with representatives, sector bodies and key stakeholders are developed
5. Mentoring, training and networking for women is supported

Communities, Sport and Recreation within DPAC is responsible for implementing the Women on Boards Strategy.

I. GENDER EQUITY TARGETS

The Women on Boards Strategy includes a target of 50 per cent representation of women on Tasmanian Government boards and committees by July 2020. In addition, all new boards and committees have a target of 50 per cent representation of women members.

Following the release of the Strategy, the Premier, Will Hodgman MP, wrote to all Heads of Agencies to provide advice about the Strategy, in particular the target of 50 per cent representation of women across all boards and committees. The Premier also directed Heads of Agencies to contact external organisations that are required or invited to nominate representatives for appointment to boards and request that their nominations be submitted with regard to the Strategy and the Tasmanian Women's Register.

The percentage of women on boards is affected by each appointment. For example, assuming the overall number of board positions remains constant at its current number of 1,075, an increase of five positions held by women, and corresponding decrease of five positions held by men, equates to a percentage increase of 0.5 percent. To reach a 50 per cent gender split across all boards in 2020, women will need to be appointed to 107 positions *in addition* to the existing 430 already held by women.

ESTABLISHING ARRANGEMENTS FOR BOARDS AND COMMITTEES

The Government Boards Database holds information for 129 boards and committees. Of this number, 121 are established under legislation. These are known as statutory boards.

For statutory boards, there are no set rules that specify how legislation should be worded to establish a board, or what skills and experience board members need to be appointed. Some legislation contains very specific requirements for the skills and experience of board members. Others are more general and allow for greater flexibility in appointing members. It is not uncommon for representation to be required from specific organisations, industries or business sectors. Some legislation requires consideration of diversity issues like gender or regional representation.

A small number of boards are established under legislation that has been passed specifically to establish that board and its functions. Examples of this are the Tasmanian Community Fund board, which is established under the *Tasmanian Community Fund Act 2005* and the Tasmanian Beef Industry Trust, which is established under the *Tasmanian Beef Industry (Research and Development) Trust Act 1990*.

Some boards are established through Cabinet approval and are governed by Terms of Reference. An example of this kind of board is the Premier's Disability Advisory Council.

Regardless of how the board or committee is established, the governing arrangements for each board and committee must be followed when board members are appointed. It is also current convention that most appointments to Tasmanian Government boards and committees are ratified by Cabinet.

Under the current Cabinet Gender Equity Guidelines, agencies are required to contact the Tasmanian Women's Register to seek suitable nominations for appointment to board vacancies. This process must be followed for all appointments and re-appointments, to ensure that proper consideration is given to diversity of board membership.

For all appointments, a Certification Form that informs Cabinet about the measures taken to identify women for appointment must be drafted by the appointing agency. The Department of Premier and Cabinet reviews the Form and provides comment on the appointment process and, where appropriate, provides suggestions on how the number of women appointed to the board may be increased in the future. The Certification Form is included in the documentation that is submitted for Cabinet's endorsement.

BOARD MEMBERSHIP ACROSS GOVERNMENT AGENCIES

There has been a clear increase in the percentage of board positions held by women across all Tasmanian Government boards since the release of the Women on Boards Strategy. In April 2015, women held 33.8 per cent of all positions on government boards and committees. The Boards database shows that at 22 September 2017, the percentage had increased to 40.1 per cent (430 positions out of a total of 1,075).

In the 12 months to 22 September 2017, 48 per cent of all new appointments and 53 per cent of all reappointments were women.

Table 1.0 provides a breakdown of the percentage of board positions held by women across State Government agencies and a comparison between 2015 and 2017. It shows an overall increase in the percentage of positions held by women, noting that some agencies have experienced a decrease in numbers. Of the Government departments, the Department of State Growth demonstrated the greatest percentage increase of 14.6 per cent between 2015 and 2017. It should be noted that agencies that administer a single board can experience significant change with one or two appointments. Similarly, agencies with only a small number of boards experience a greater change in percentage terms with small changes in numbers.

Table 1.0 Comparison of percentage of board positions held by women across Tasmanian Government agencies between 2015 and 2017

Department	No. of boards August 2017	% positions held by women April 2015	% positions held by women Aug 2017	% increase or decrease since April 2015
Education	6	55.6	63.8	+8.2
Premier and Cabinet	6	56.7	57.1	+0.4
Justice	31	40.6	45.1	+4.5
State Growth ^	26	28.3	42.9	+14.6
Health and Human Services	11	38.5	37.8	-0.7
Treasury and Finance	6	32.4	27.8	-4.6
Primary Industries, Parks, Water and Environment ^	32	21.2	27.5	+6.3
Police, Fire and Emergency Management	4	19.1	21.9	+2.8

^ Includes membership of Government Business Enterprises and State Owned Companies

Agency/Single board				
	No. of members	% positions held by women April 2015	% positions held by women August 2017	% increase or decrease since April 2015
TAFE Tasmania	9	33.3	44.4	+11.1
Macquarie Pt. Dev Co.	7	50.0	42.9	-7.1
Tourism Tasmania	7	42.8	57.1	+14.3
Tasmanian Audit Office	3	Not included	33.4	No change#
Tasmanian Health Service	9	Not included	55.6	-4.4#
Office of the Ombudsman	3	Not included	33.4	No change#

Compared with 2016 data

GOVERNMENT BUSINESS ENTERPRISES

Board membership of Government Business Enterprises (GBEs) is provided under Part 3 of the *Government Business Enterprises Act 1995* (GBE Act). Under the GBE Act, a GBE board must have no less than three and no more than eight Directors. Directors are appointed by the Governor on the recommendation of the Treasurer and the relevant portfolio Minister.

In relation to the skills and experience required for appointment to GBE boards, the provisions of the GBE Act only specify that the Treasurer and Portfolio Minister must not make a recommendation for appointment unless “they are satisfied that the person recommended has the experience and skills necessary to enable the Government Business Enterprise to achieve its objectives.” However, all GBE Boards operate under a Governance Framework Guide. The Guide highlights key governance requirements for Government businesses including the role of the Board and its responsibilities in relation to the conduct of the GBE and its achievement of objectives under the GBE Act.

At 31 August 2017, the number of female Directors of GBE boards had increased by one over the previous year and the number of male Directors had decreased by one. Women currently represent 53 per cent of Directors across all GBEs. Every GBE board has at least two female Directors.

Table 2.0 shows a comparison of the gender composition of GBE boards between April 2015 (baseline data for the Strategy), August 2016 and August 2017.

Table 2.0 Directors of Government Business Enterprises – gender breakdown.

	No. female directors April 2015	No. male directors April 2015	No. female directors Aug 2016	No. male directors Aug 2016	No. female directors August 2017	No. male directors August 2017
Forestry Tas	2	4	3	3	3	2
Hydro	2	3	2	4	2	4
MAIB	2	3	2	3	3	2
Port Arthur	4	3	4	3	4	3
Public Trustee	3	2	3	1	3	2
Tas Corp	2	3	2	2	2	2
Total	15	18	16	16	17	15

STATE OWNED COMPANIES

Board membership of State Owned Companies (SOCs) is provided under legislation specific to each SOC. TasPorts, for example, is established under *Tasmanian Ports Corporations Act 2005*. Each piece of legislation has specific provisions for the establishment of the relevant company and appointment of Directors. SOCs are subject to the provisions of the Commonwealth’s *Corporations Act 2001*. Like GBEs, SOCs operate under the provisions of the Governance Framework Guide.

At 31 August 2017, the number of women on SOC boards had increased by six over the previous year, and the number of men had decreased by three. The percentage of women Directors of SOCs had increased to 44 per cent.

Table 3.0 shows a comparison of the gender composition of SOC boards between April 2015 (baseline data for the Strategy), August 2016 and August 2017.

Table 3.0 Directors of State owned Companies – gender breakdown.

	No. female directors Aug 2015	No. male directors Aug 2015	No. female directors Aug 2016	No. male directors Aug 2016	No. female directors August 2017	No. male directors August 2017
Aurora	3	1	3	1	3	2
Tas Ports	1	4	3	2	3	2
Tas Networks	2	4	2	4	2	3
TT-Line	2	5	2	5	3	4
Metro Tas	1	4	0	4	2	3
Tas Rail	2	3	2	3	3	3
Tas Racing	1	4	1	5	3	4
Tas Irrigation	1	4	1	4	1	4
Total	13	29	14	28	20	25

BOARD MEMBERSHIP ACROSS JURISDICTIONS

Each government jurisdiction, including the Australian Government, reports performance in relation to the percentage of government board positions held by women. However, the timing of measurements is not consistent across the jurisdictions. The data in Table 4.0 is the most recent data provided by each jurisdiction. It shows a range of results, from 48 per cent positions held by women in the Australian Capital Territory (ACT) to 37 percent held by women in the Northern Territory.

Table 4.0 Comparison of percentage of board positions held by women across Australian government jurisdictions between 2015 and 2017

Jurisdiction	Percentage of board positions held by women August 2015	Percentage of board positions held by women September 2017*
ACT	47	48
South Australia	47	47.6
Western Australia	42	43
Queensland	37	43
New South Wales	39	41.2
Australian Government	40	40.5
Tasmania	33.8	40.1
Northern Territory	34	37

* Based on most recent available data. Victoria is not included as data was provided for paid positions only.

2. IDENTIFYING WOMEN FOR BOARD APPOINTMENT

THE TASMANIAN WOMEN'S REGISTER

The Tasmanian Women's Register is maintained by DPAC and holds profiles of women who have registered their interest in being considered for appointment to Tasmanian Government boards and committees.

Board vacancies are promoted to the Register, particularly those that require more general skills and experience or where there are many profiles with suitable skills and experience. Specific searches are undertaken for vacancies where specific skills and experience are required to be a board member. The profiles of women who meet the criteria are submitted to the relevant agency for consideration.

Since the Women on Boards Strategy was released in July 2015, a total of 105 new profiles have been accepted on the Register.

EXECUTIVE SEARCH FOR APPOINTMENT TO GOVERNMENT BUSINESS BOARDS

Appointments to GBEs and SOCs are managed through the Shareholder Policy and Markets Branch in the Department of Treasury and Finance. The recruitment process requires the use of one of three executive search organisations to identify nominations for appointment to vacancies. The executive search organisations are aware of the Women on Boards Strategy and all contact the Tasmanian Women's Register to seek the profiles of suitably qualified and experienced women and/or to promote vacancies. Promotion of vacancies also regularly refers to the Government's commitment to increasing representation by women on its boards and committees.

3. CONTEMPORARY COMMUNICATION TOOLS ARE USED TO PROMOTE BOARD VACANCIES AND MAINTAIN INFORMATION ABOUT WOMEN SEEKING BOARD MEMBERSHIP

ACTIONS TO DATE

During 2017, DPAC established a LinkedIn 'showcase' page for board membership. The page is linked to the DPAC LinkedIn page and provides information about board vacancies, training opportunities and research about board diversity.

A new website and Facebook page to promote women's policy, programs and services in Tasmania were launched in 2017. The website at www.women.tas.gov.au and the Facebook page at <https://www.facebook.com/WomenInTasmania/> provide information about Tasmanian Government policies and programs for women and links to useful information and resources on women's issues, including board members and leadership opportunities.

4. RELATIONSHIPS WITH REPRESENTATIVES, SECTOR BODIES AND KEY STAKEHOLDERS ARE DEVELOPED

ACTIONS TO DATE

During 2017, DPAC promoted the Women on Boards Strategy and the Tasmanian Women's Register to representative and sector bodies and relevant stakeholder groups. Information Sessions about the Strategy were held in the Department of Primary Industries, Parks, Water and Environment (DPIPWE) and with the Tasmanian Women Lawyers group. DPIPWE and the Department of State Growth have both made concerted efforts to promote board membership to women in industries and businesses relevant to the boards supported by each agency.

5. MENTORING, TRAINING AND NETWORKING FOR WOMEN IS SUPPORTED

ACTIONS TO DATE

As part of the release of the Strategy, the Tasmanian Government approved \$150 000 over three years towards the cost of scholarships for women to undertake training through the AICD. The second round of scholarships was delivered in 2017 with 126 applications received. Three scholarships were offered for the Company Directors Course and 16 were offered for the Foundations of Directorship course.

Of the six women who have completed the Company Directors Course, three hold membership of Tasmanian Government boards.

Applications for the 2018 scholarships closed on 15 September 2017 with 95 applications received. Recipients will be announced at a ceremony on 8 November 2017.

DPAC is currently developing and implementing a number of actions in relation to improving diversity in the Tasmanian State Service. This includes the implementation of the “Gender Diversity in the Tasmanian State Service” report, which addresses the relatively low representation of women in the senior executive service and includes the target of at least 40 per cent representation by women in the senior service by 2020.

CONCLUSION

Since the release of the Women on Boards Strategy in July 2015, there has been a steady increase in the number of board positions held by women and the overall percentage of board positions held by women.

The Tasmanian Women’s Register is used regularly as a source of potential candidates for board appointment. Agencies are taking more steps to identify women for board appointment including discussing gender equity with organisations that are required to nominate board members and encouraging them to support women to gain the skills and experience required to be considered for board membership.

To reach the target of 50 per cent representation of women across Tasmanian Government boards and committees by 2020, work will continue to promote board membership diversity and women in leadership. Over the coming 12 months, priority will be given to connecting potential board members with current board members to increase networks and opportunities and to expanding the use of social media to promote awareness of board diversity. The increase in overall numbers to date demonstrates that change can happen when there is greater awareness of gender equity issues and where there is a concerted effort to identify suitably qualified and experience women for appointment.



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