



# Gender Equality Action Plan 2022–2025

# Auditor-General's foreword

I'm proud to launch the VAGO *Gender Equality Action Plan 2022–2025*.

We will achieve workplace gender equality when all of VAGO's employees are able to access and enjoy equal rewards, resources and opportunities regardless of their gender or background. My vision is for VAGO to be a gender-equitable workplace that sees gender equality principles and intersectionality fully embedded in our culture and business practices by 2025. This Gender Equality Action Plan outlines a range of objectives and targeted strategies that we will implement to achieve this.

In 2019, I released VAGO's first *Diversity and Inclusion Plan 2019–2022* that outlined a three-year approach to mature our organisational capability on diversity and inclusion by raising awareness, providing education, engaging with external partners and introducing new practices. While we have made positive progress over the last three years, we must continue to integrate intersectionality and gender equality into our business practices, systems and behaviours, which are underpinned by our organisation values of respect, collaboration, innovation and accountability.

Our strategic management group (SMG) are dedicated to building and fostering a diverse workforce and achieving gender equality, which we will outline in our *Strategic Plan 2022–2025*, by actively sponsoring our People Matter Action Plan and our broader *Diversity, Inclusion and Belonging Plan 2022–2025*. Personally, I am committed to embedding this plan and devoting the necessary resources to implement, monitor, evaluate and report on it.

# Gender equality principles and indicators

The following gender equality principles in the [Victorian Gender Equality Act 2020](#) (part one (section 6)) guided how we developed this plan:

- All Victorians should live in a safe and equal society, have access to equal power, resources and opportunities and be treated with dignity, respect and fairness.
- Gender equality benefits all Victorians regardless of gender.
- Gender equality is a human right and precondition to social justice.
- Gender equality brings significant economic, social and health benefits for Victoria.
- Gender equality is a precondition for the prevention of family violence and other forms of violence against women and girls.
- Advancing gender equality is a shared responsibility across the Victorian community.
- All human beings, regardless of gender, should be free to develop their personal abilities, pursue their professional careers and make choices about their lives without being limited by gender stereotypes, gender roles or prejudices.
- Gender inequality may be compounded by other forms of disadvantage or discrimination that a person may experience on the basis of Aboriginality, age, disability, ethnicity, gender identity, race, religion, sexual orientation and other attributes.
- Women have historically experienced discrimination and disadvantage on the basis of sex and gender.
- Special measures may be necessary to achieve gender equality.

Based on these principles, the workplace gender equality indicators that we used to measure gender equality at VAGO are:

1. gender composition at all levels of the workforce
2. gender composition of governing bodies (although not relevant and not included in our Gender Equality Action Plan)
3. gender pay gap
4. workplace sexual harassment
5. recruitment and promotion practices

6. leave and flexibility
7. gendered work segregation.

We will continue to use these indicators to measure progress against our Gender Equality Action Plan.

## Gender equality methodology

We developed our Gender Equality Action Plan after analysing our workforce data, including our:

- baseline audit data
- People Matter Survey data
- plans, strategies and policies
- employee feedback
- research in line with the workplace gender equality indicators.

We used the results of this analysis to inform our plan's objectives and actions in line with each indicator and guide how we consulted with staff across our workforce. We engaged employees to facilitate a transparent, open and contemporary process and to meet legislated requirements. We used a range of consultation and engagement methods, such as forming a gender equality working group, sending a survey to all staff and consulting with the Community and Public Sector Union.

## Monitoring and evaluation

Our baseline audit data analysis identified opportunities for us to collect further data to analyse, including data for intersectional factors. We will continue to mature and evolve our data collection and recording methods when we implement this plan, which will allow us to provide more detailed responses to the Commission for Gender Equality in the Public Sector in future years.

Our plan outlines a range of objectives and actions, which will be publicly available from our website. We will use a range of measures and indicators to monitor our progress over both the medium and long term. We will continue to measure our progress, consult with employees on our progress and report to the commission every two years.

Our human resources (HR) team will measure and report our progress against the plan according to the principles of gender equality and intersectional characteristics, which are required under the [Gender Equality Act 2020](#).

# Indicator 1: gender composition at all levels of the workforce

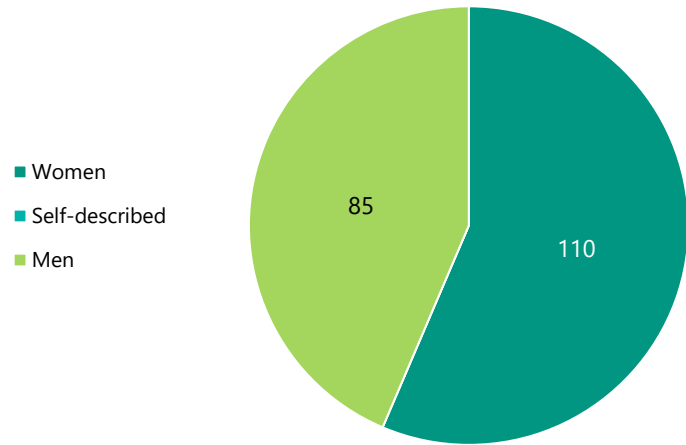
## **VAGO audit findings**

At the time of our audit (30 June 2021), VAGO had 195 employees, made up of 110 women and 85 men. There were no employees who identified outside of these two binary genders.

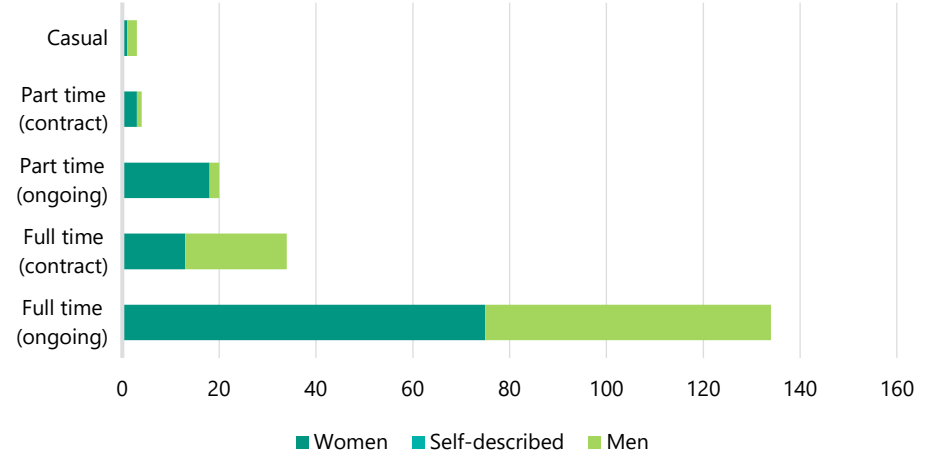
When considering employment types, women were over-represented in part-time work (22 women compared to three men).

A closer look at the data identified that while women were significantly over-represented in our Performance Audit business unit (46 women compared to 10 men), our Financial Audit business unit had greater overall gender balance with 35 women and 44 men.

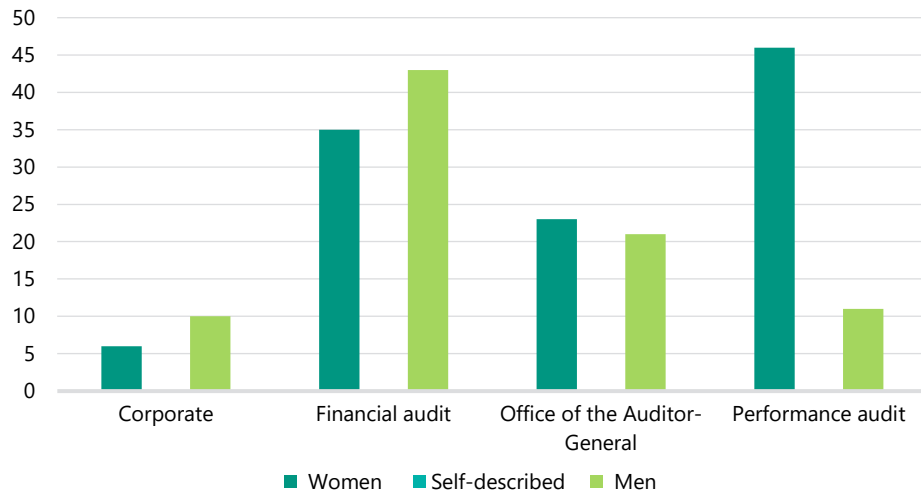
### Workforce composition



### Workforce composition by employment type



### Gender by business unit



## Objective

Implement gender equality policies and practices across all levels of our workforce

## Strategy and actions

- We will continue to collect intersectionality data, including data on gender, Aboriginality, disability and country of birth.
- We will continue to engage with SAP to progress a SuccessFactors system change that allows employees to identify with alternative gender options, which is in line with contemporary practice.
- We will publish our workforce gender composition at each VPS level in our annual reports, which we will enhance by including analysis by business unit to better understand:
  - gender inequality drivers
  - where we need to propose strategies to address areas of improvement.
- In 2022, HR will encourage employees to adopt the inclusion of their preferred gender pronouns in their email signatures.
- In 2022, HR will update SuccessFactors to allow us to collect sexual orientation data, which will help us to better understand the diversity of our workforce.
- In 2023, HR will develop a leadership program that will better support potential future leaders to transition into more senior roles. This will consider our continuing need for gender-equitable representation at these levels. HR will promote participation in this program as an internal pathway for advancement and career progression and ensure that program participation complements our gender equality principles.

# Indicator 3: gender pay equity

## VAGO audit findings

The Commission for Gender Equality in the Public Sector requires public sector agencies to use a set template that considers our workforce in levels from the Auditor-General to report our data. For example, The Auditor-General is level 0, SMG are level 1, staff that report to SMG are level 2, staff that report to level 2 are level 3. To better understand our gender pay gap, we have done further analysis to determine the pay gap by VPS classification.

At 30 June 2019, our overall mean pay gap was 1.9 per cent in favour of women and at 30 June 2020, the gap was 2.7 per cent in favour of women<sup>1</sup>. At 30 June 2021, our overall mean pay gap was 7.5 per cent<sup>2</sup> (3.6 per cent median) in favour of men. This suggests that minor changes in the composition of our small workforce can inflate our figures.

The data also indicates that the pay gap between genders is within the acceptable range of a 2 per cent deviation, except for at the VPS3.1 level, where women were paid on average 4 per cent less than men, and at the VPS5.1 level, where women were paid on average 3 per cent less than men.

The results show that while there is room for improvement, our gender pay gap is significantly lower than Australia's national gender pay gap of 14.2 per cent and Victoria's gap of 12.2 per cent<sup>3</sup>.

We calculated our pay gap based on mean total remuneration, which is inclusive of salary, allowances, overtime and superannuation.

---

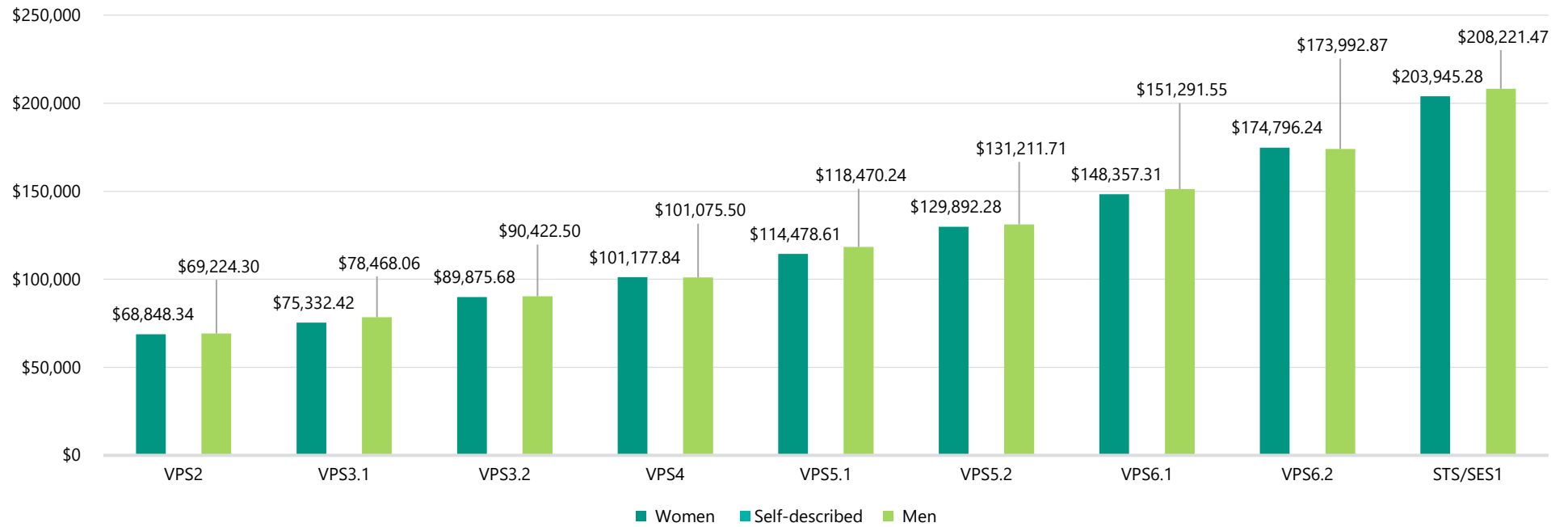
<sup>1</sup>Taken from our Annual Report 2018–19 and Annual Report 2019–20 (which was based on a different calculation method—base salary plus superannuation) and excluded inoperative employees and the Auditor-General.

<sup>2</sup>Our [Annual Report 2020–21](#), which we published in July 2021, highlighted a mean pay gap of 4.5 per cent in favour of men for the same period, again based on a different calculation method (base salary plus superannuation), and excluded inoperative employees and the Auditor-General.

<sup>3</sup>See the [Workplace Gender Equality Agency's Australia gender pay gap statistics](#) for more information.



### Average remuneration by VPS classification



### Average percentage pay gap by VPS classification

VPS classification	Percentage gap
VPS2	1%
VPS3.1	4%
VPS3.2	1%
VPS4	0%
VPS5.1	3%
VPS5.2	1%
VPS6.1	2%
VPS6.2	0%
STS/SES1	2%

## Objective

Understand and address the gender pay gap.

## Strategy and actions

- In 2022, HR will analyse the previous three years of pay gap data to provide us with a more longitudinal perspective at a more granular level than the current mean gender pay gaps detailed in our annual reports.
- In 2022, HR will enhance our annual report by including gender pay gap data by business unit, to better understand drivers of gender pay inequality and, where needed, propose strategies to address areas of improvement.
- HR will continue to annually monitor VAGO's gender pay gap as reported in our annual report, to understand drivers of gender pay inequity.

# Indicator 4: sexual harassment in the workplace

## VAGO audit findings

There were no complaints of sexual harassment during the reporting period (1 July 2020 to 30 June 2021).

## Objective

Maintain a workplace that is free from sexual harassment, bullying and discrimination.

## Strategy and actions

- We will continue to reinforce professional workplace behaviours, expectations and standards through our mandatory 'appropriate behaviour' training for all new employees and our annual mandatory appropriate behaviour e-learning module for all employees.
- We will continue to update our policies, procedures and approach in line with best practice, as we did with all of the recommendations made through our performance audit [Sexual Harassment in the Victorian Public Service](#). Following, this audit, we developed our policy on prevention of sexual harassment in the workplace, which clearly outlines how to report sexual harassment, the support available and how HR will respond to allegations.
- Throughout this GEAP, HR will communicate every six months to remind staff about the importance of being vigilant in fostering a workplace culture that rejects sexual harassment and supports people who wish to disclose and report sexual harassment.
- We will continue to proactively monitor our progress on eliminating sexual harassment in the workplace through our employee relations work and the annual People Matter Survey results and take affirmative action as required.

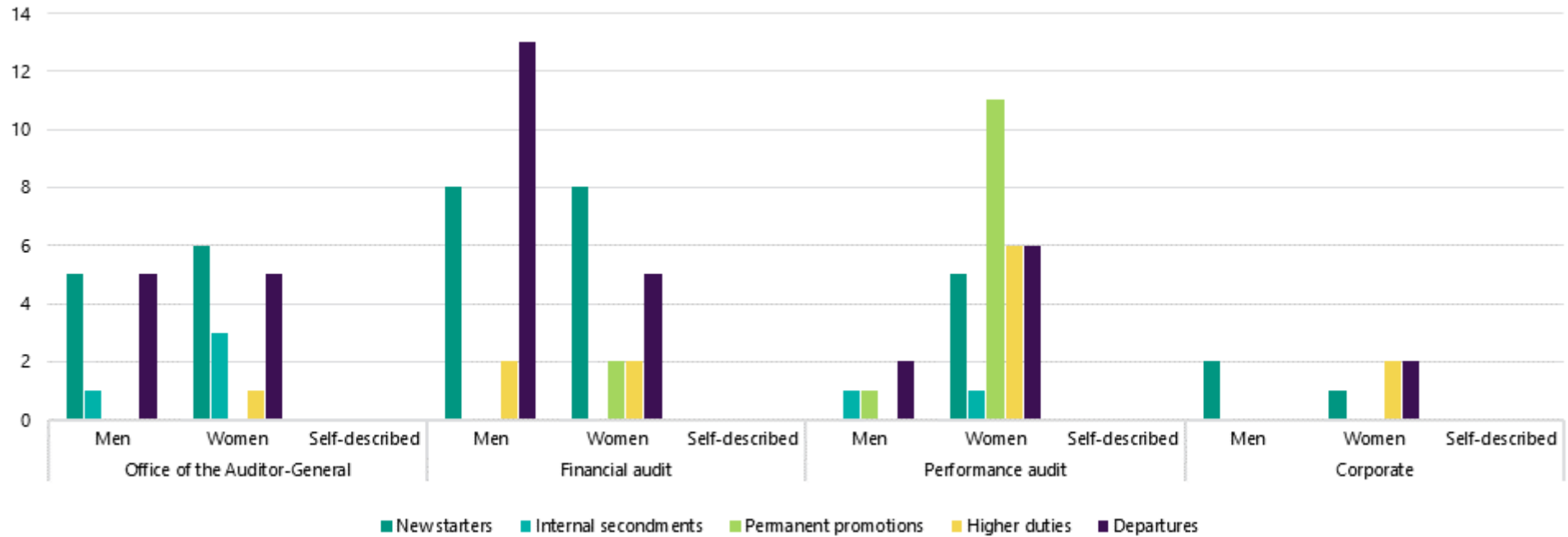
# Indicator 5: recruitment and promotion practices

## **VAGO audit findings**

Our audit revealed that 20 of the 35 employees recruited in the reporting period (1 July 2020 to 30 June 2021) were women and 13 of the 14 internal promotions were women. Thirty-eight employees left VAGO, including 18 women and 20 men.

Our analysis also indicated that in the 2020–21 financial year, we only ran bulk recruitment rounds in Performance Audit, which we know has a higher representation of women than men.

## Recruitment & promotion by gender and unit



*Note:* New starters refers to employees who commenced during the period, internal secondments refers to employees who moved laterally (at level) during the period, permanent promotions refers to employees who were promoted during the period, higher duties refers to employees who were awarded temporary higher duties during the period and departures refers to employees who left during the period.

## Objective

Engage processes that promote gender equality.

## Strategy and actions

- We will continue to make sure that all of our recruitment panels are gender diverse, which our recruitment and selection policy requires.

- We will continue to review the gender representation at each stage of our graduate recruitment process and use this data to inform our approaches to graduate attraction and recruitment in following years.
- We will continue to use our existing diversity statements in all of our recruitment adverts and enhance them as required.
- HR will add gendered recruitment statistics to our annual reports, such as the number of applications received, interviews held and appointments made to investigate and address any significant inequities in the following year.
- In 2022, HR will review all existing job profiles that automatically populate job advertisements using SuccessFactors' in-built gender neutrality software to use gender neutral contemporary language.
- In 2022, HR will develop an employee value proposition that considers our workforce composition and gender equality initiatives in support of our commitment to gender equal recruitment and promotion that is intersectional.
- In 2022, HR will develop mandatory training for all panel interviewers to upskill on contemporary methodologies with a deliberate focus on gender and diversity barriers and opportunities.

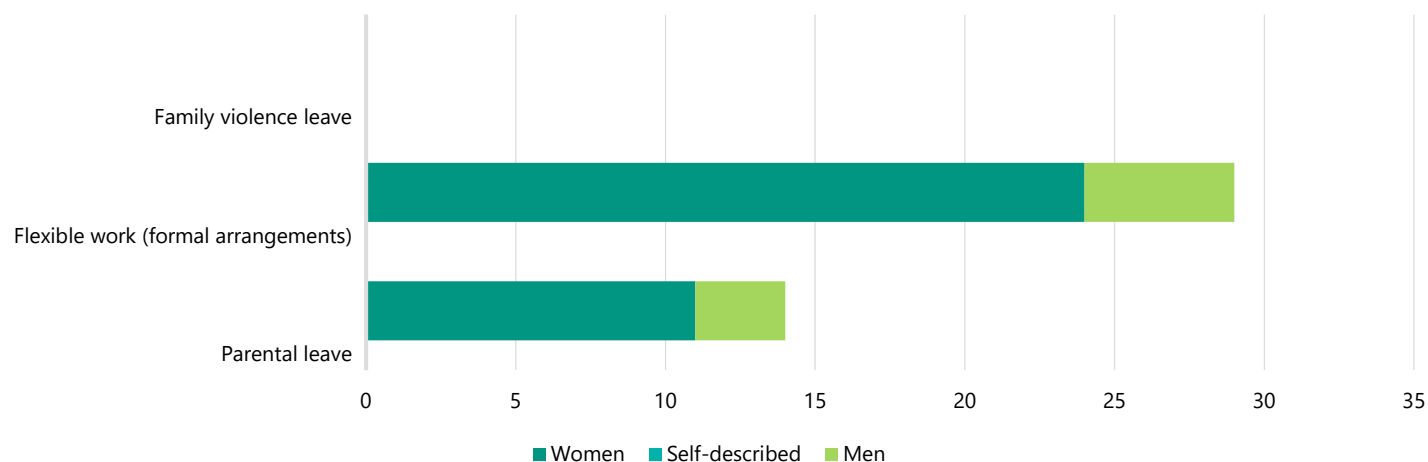
# Indicator 6: leave and flexibility

## VAGO audit findings

During the reporting period (1 July 2020 to 30 June 2021), only 29 employees (out of our 195 employees) had formal flexible work (such as part time or compressed hours) arrangements in place, which women were significantly over-represented in (24 women and five men).

However, our employees have access to significant informal flexible working options as a cultural norm, which is unrepresented in this data. For example, working from home as a standard practice, flexitime accrual and flexible start and finish times.

During the reporting period, 11 women and three men took parental leave. No employees took family violence leave.



## Objective

Increase the support of flexible work arrangements.

## Strategy and actions

- We will continue to provide development opportunities through flexible means to give all staff an equal opportunity to participate.
- We will continue to be innovative through our commitment to our better normal principles by offering every employee exceptionally flexible work-life balance options. We will continue to provide best practice equipment and set-ups in employees' homes. We will monitor the impact of these changes on our employees through our better normal review processes.
- We will continue to work with employees to support them through perimenopause or menopause, such as by using the provisions within our [better normal principles](#) or broader flexible work policies to adapt their work schedule or role.
- In 2022, HR will roll out our 'how to work remotely' and 'how to manage remotely' training as an already agreed action for our better normal principles project and People Matter Action Plan.
- In 2022, HR will undertake our 'people manager principles' project. In the gender space, this will include topics such as:
  - encouraging flexible working arrangements for all employees (not just employees who have parenting or care responsibilities)
  - career support
  - keeping in touch with employees who are on long-term leave to ensure that managers are equipped to support them to better understand career opportunities and access flexible work arrangements.



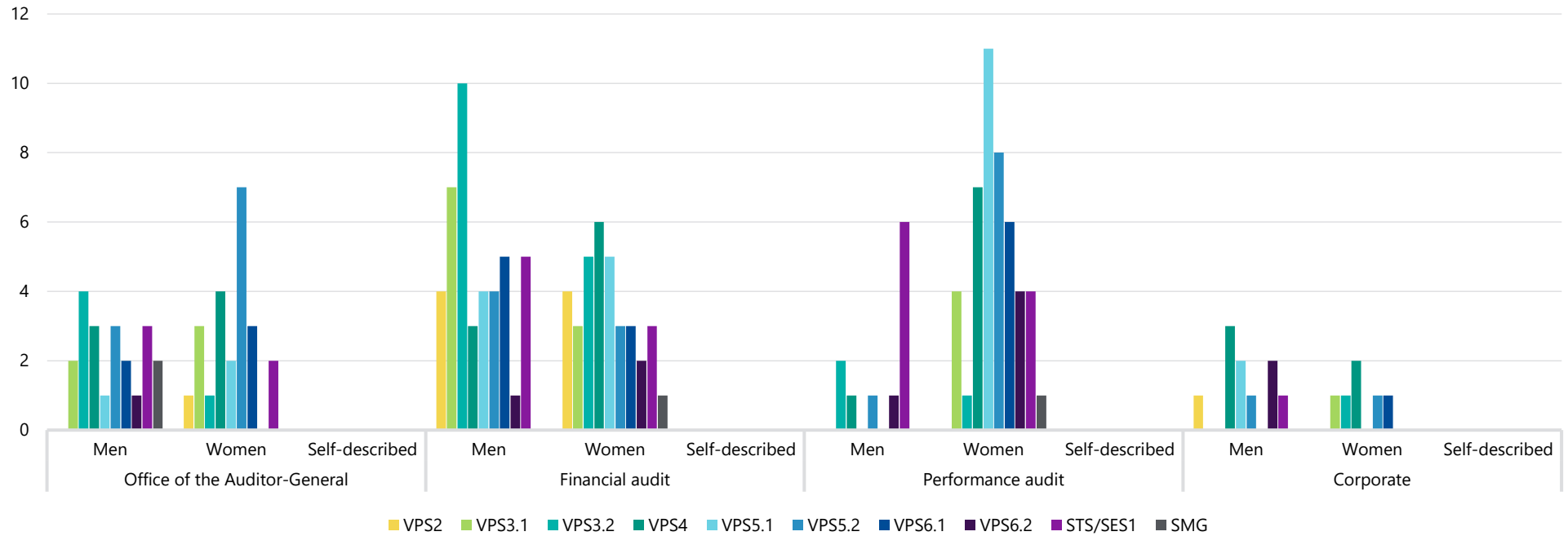
# Indicator 7: gendered work segregation

## **VAGO audit findings**

In addition to the data we submitted to the commission, we also considered gender segregation across our different business units and VPS classifications. The data indicated that at 30 June 2021, women had greater representation in VPS5 and VPS6 classifications in our Performance Audit and Office of the Auditor-General business units compared to our Financial Audit business unit.

In addition, there was a higher proportion of men in the junior classification in Financial Audit, which suggests there will be a male-dominated pipeline of future talent in that business unit.

## Gender by work unit and classification



## Objective

Increase gender and intersectionality awareness and support.

## Strategy and actions

- We will continue to engage with employees to support informal learning and build awareness of gender equality and intersectionality with our program of activities and events, including International Women’s Day, LGBTIQ+ festivals and events, and significant cultural events, including National Reconciliation Week and NAIDOC week.

- We will continue to stay connected with various VPS networks and promote opportunities for staff to participate where appropriate.
- We will continue to deliver our mandatory 'diversity and inclusion—unconscious bias' training.
- Our Financial Audit and Performance Audit business units will continually engage with clients and audit service providers to promote our Gender Equality Action Plan and our expectations about client interactions.
- In 2023, HR will review all of our HR policies, procedures and forms to ensure they contain gender-neutral language and are free from gender bias.
- The actions we are undertaking against indicator 5 (specifically the graduate recruitment action), will help us provide a more gender-equitable talent pipeline in Financial Audit.
- The leadership development action we are undertaking against indicator 1 will also help to provide greater gender equality at senior levels in Financial Audit.