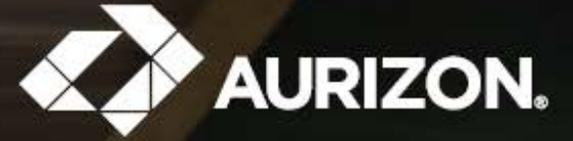


Shared Care

A NEW INITIATIVE FOR PARENTS TO SHARE CARING RESPONSIBILITIES.



Aurizon puts women on track to workplace equity

EXCLUSIVE
NATASHA RITA

Rail giant Aurizon will pay new dads to stay home for six months while their partners return to work. The ASX 50 company will offer all its workers six months' leave to care for their partners. The scheme is a first in Australia. Aurizon chief executive Lance Hockidge resolved to local the company's "flexible" culture after consulting on female management candidates in the US about where they wanted to work. "It's about the work culture where they want to work."

There were examples of women being told to be seen and not heard, that they could just go off to have babies, and women. "The turnover rate for female leaders was around 20 per cent."

Mr Hockidge invoked a women first policy for recruitment and promotion, and within 18 months turnover fell to 5 per cent. Women now make up 11 per cent of the company's 15,000 workforce, compared with 14 per cent in 2014.

Nearly one in three senior managers is female, compared with 21 per cent in 2014, and the proportion of women engineers has jumped from 10 to almost 20 per cent.

Mr Hockidge's bold target of doubling the quota of women in his workforce to 20 per cent within four years has triggered a backlash from some of the industry's most prominent figures.

"That led to a lot of comment and criticism like, 'This is not a man's world', 'Last year the side of a locomotive engine was grinded with a diamond bit at another company'."

But he insists diversity will be good for his business, which is due to shifting commodity prices. "When I joined the workforce the key and critical skills were the 'hard skills', the technical skills,



Brisbane's Nick and Jenny Koskinen expect a baby girl in May, when Aurizon manager Jenny will make use of the new flexible arrangements.

"I'll have six months at home and then I can come in to work and at home with the little one and she'll be in good hands. Ms Koskinen said yesterday.

The scheme lets a new mother and then pocket 85 per cent of pay for up to six months. Employees work for Aurizon, each can take six months off work. Mr Hockidge, 61, has two daughters and admits they gave him insight into the social value of gender equality at work.

But he insists diversity will be good for his business, which is due to shifting commodity prices. "When I joined the workforce the key and critical skills were the 'hard skills', the technical skills,

and there was an assimilation of power through being like your boss," he said. "Only you still need those capabilities in this competitive global environment are the soft skills of leadership and EQ (emotional quotient)."

"We are an innovative and commercial company and we need people who can think outside the box and challenge tradition."

A recent survey of nearly 22,000 publicly traded companies in 51 countries, by the Peterson Institute for International Eco-

nomics, linked the presence of more women in senior management to increased profitability. Former Sen. Dianne Feinstein hailed the scheme "for too many years for men."

Workplace Gender Equality Agency director Libby Latta said Aurizon had "tamed the bar" on parental leave.

Department of Social Services data shows that mothers made up 99.4 per cent of the 156,145 parents who took paid parental leave in the taxpayer-funded scheme.

INQUIRER P22

Why tackle equalisation of caring?

Liz Broderick (former sex discrimination commissioner):

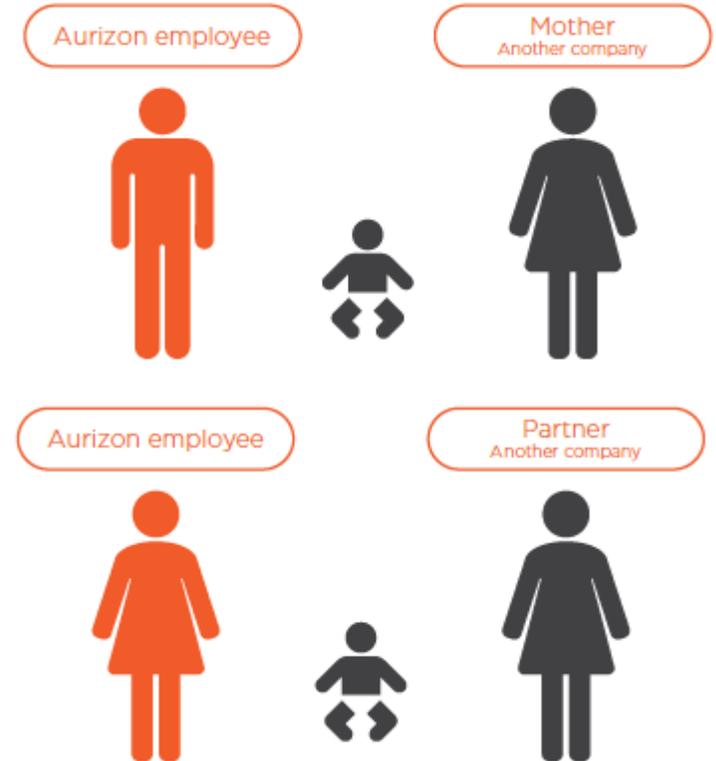
“If I had to choose one thing to change, it would be for caring responsibilities to be shared equally between men and women.”





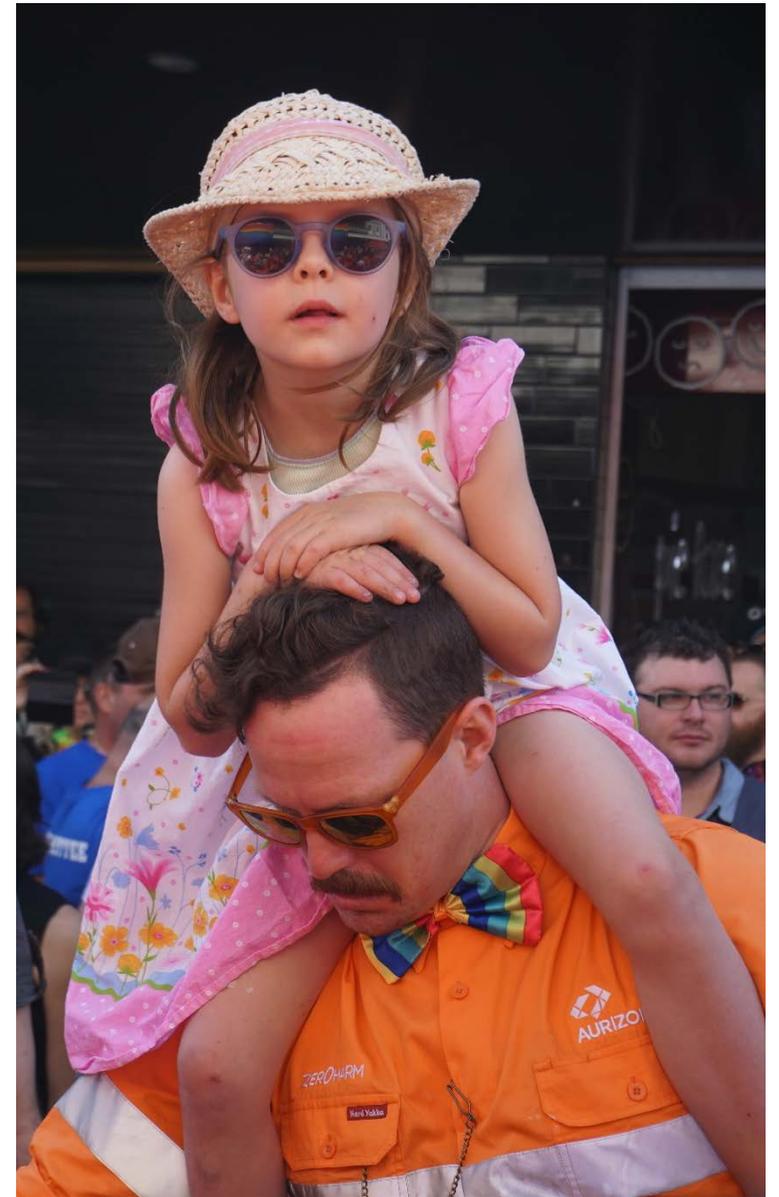
How does shared care work?

- For Aurizon 'mums'
- For Aurizon 'dads'



Key equity considerations

- Applies to same sex couples and adoptive parents
- Requires leave from a full-time role for 'dad'
 - Requires return to a full-time position for 'mum'
- Based around 50% pay for 'dad'
- Must be taken within the first year



Costings

Last financial year 4.8% of Aurizon’s workforce took some form of paid parental leave. This includes mothers and fathers. With ABS data indicating around 2% of working women having a child every year, the Aurizon experience is likely to be typical of most employers. Based on the projections below and Aurizon’s FY15 labour costs – we believe that Shared Care will have a wages impact of just over 0.1% after 3 years. The steps and the table below (and on the following slide) outline how Aurizon estimated the costs of the ‘Shared Care’ initiative.

Eligibility for ‘Shared Care’ is for families in which both partners work full-time and both partners can access a period of unpaid leave. It is also available to single parents who work full-time.

Eligibility	Determine how many men and women took parental leave in the past 12 months – if everything else is equal this provides you with a rough guide as to how many employees may be eligible each year. Based on what we know from internal data and the ABS we determined the likely eligibility rate for Shared Care was 60% of parental leave instances. This is based on the percentage of men whose partners are employed and the percentage of women whose partners are likely to have access to extended unpaid leave from their employer.
Participation	Given the lack of equivalent programs, the estimation of participation rates was more difficult to ascertain. Given however the program is implemented in response to prevailing financial and cultural norms, Aurizon has projected participation rates potentially beginning at 10% of eligible parental leave instances and growing to 30% by year 3.
Calculation	Identify average salary of the women who took parental leave and identify average male salary. Use these as the average weekly cost for women and men respectively.
Duration	For each of the men and women - multiply the number of people you have estimated will take this up (C and G respectively) by 26 (the maximum number of weeks) by 50% of average weekly wages to obtain your estimated total cost for men (D) and women (H) and then add these together to obtain total estimated cost.

Costings (CONT'D)

Key

A	Represents the number of men in your organisation who took parental leave in FY15
B	Sum of A multiplied by projection of 60% eligibility
C	Sum of B multiplied by projected participation rates
D	Sum of C x 26 weeks x 50% of avg. weekly wages
E	Represents the number of women at your company who went on maternity leave in FY15
F	Sum of E multiplied by projection of 60% eligibility
G	Sum of F multiplied by projected participation rates
H	Sum of G x 26 weeks x 50% of avg. weekly wages

	Projected eligible men	Projected participating Men	Calculation (Men)	Projected eligible women	Projected participating women	Calculation (Women)	Total est. costs
Year 1	$60\% \times A = B$	$B \times 10\% = C$	$C \times 26 \times 50\% \text{ avg. weekly wages} = D$	$60\% \times E = F$	$F \times 10\% = G$	$G \times 26 \times 50\% \text{ avg. weekly wages} = H$	D + H
Year 2	$60\% \times A = B$	$B \times 20\% = C$	$C \times 26 \times 50\% \text{ avg. weekly wages} = D$	$60\% \times E = F$	$F \times 20\% = G$	$G \times 26 \times 50\% \text{ avg. weekly wages} = H$	D + H
Year 3	$60\% \times A = B$	$B \times 30\% = C$	$C \times 26 \times 50\% \text{ avg. weekly wages} = D$	$60\% \times E = F$	$F \times 30\% = G$	$G \times 26 \times 50\% \text{ avg. weekly wages} = H$	D + H



Benefits of Shared Care

For Aurizon families

- More satisfaction for men.
- Happier and healthier children who do better at school.

For Aurizon

- Attraction and retention and utilisation of talent
- Childcare and flexibility no longer a 'women's issue'



Impacts so far

Take up - Seven men and four women (in six months).

Feedback

- Positive employee feedback at launch.
- Positive feedback from participants.

Research - long range study on the impact of shared care to be undertaken.

