



# GENDER DIVERSITY REPORT

Australia



# Technology transformation and gender diversity

Our analysis of the Australian workforce reveals the unprecedented impacts of emerging technologies and the COVID-19 crisis on gender diversity in the workplace. The pandemic has accelerated the pace of technology transformation across most industries, and along with the economic impacts of the crisis, the result is a loss of gender diversity across the Australian workforce. Organisations will be better equipped to fill new and evolving jobs after the pandemic, and into the future, if they start now to support and grow gender diversity in their workplace.

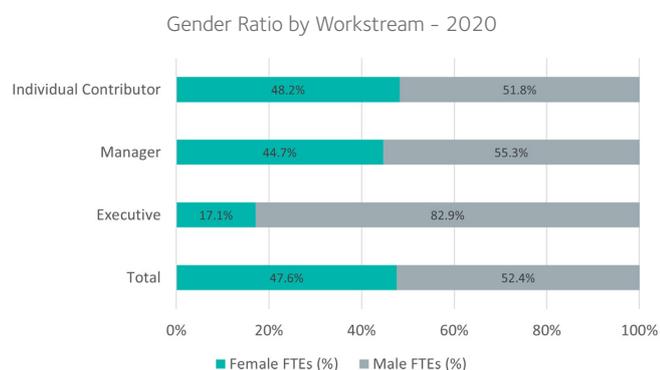
In this report we will refer to automation, which is defined as the capacity of technologies to entirely replace a task or large components of a task, creating the need to redefine jobs and/or re-deploy people. We also refer to augmentation, which we define as the capability of technologies to supplement a task, create efficiency and enabling a worker to gain capacity to do higher value work. We define total impact as the combined impact that automation and augmentation have on an FTE.

The Australian Census shows there are over 12.7 million full time equivalent (FTEs) jobs across a broad range of industries. FTE is a measure of the amount of time worked in a 40-hour full-time week, where 1 full-time workload (40 hours) is equivalent to 1 FTE. In this report, we'll explore the census data on gender diversity in Australia's workforce and crunch the numbers over the next five, ten and fifteen years to see the total impact of automating and augmenting technologies on gender diversity. We've calculated gender impact by FTE.

# Present day breakdown

The Australian Census data shows a fairly even gender split in the workforce, with slightly more male FTEs at 52.3%. Despite this relatively even gender split of the overall workforce, the gender parity isn't seen across all levels of seniority. In fact, at the most senior level, only 17.1% of FTEs are women.

At the lowest seniority level, which we call the Individual Contributor, there's an almost equal split between male and female FTEs but as seniority levels rise, the gender gap increases. Managerial positions are filled by 55.3% male FTEs and executive positions are primarily filled by male FTEs at 82.2%.



While 54.1% of all jobs in the Australian workforce are at high risk of being impacted by the decline in economic activity resulting from the COVID-19 pandemic, the vast majority (82.5%) of these at-risk jobs are Individual Contributor jobs.

A breakdown of gender gap by age group reveals that female FTEs are underrepresented in senior levels in every age group. As we've seen earlier, less senior jobs, particularly those at the Individual Contributor level, are most vulnerable to the economic impacts caused by the current pandemic. This breakdown shows that female FTEs of any age in Individual Contributor jobs are disproportionately affected.

AGE RANGE	WORKSTREAM	FEMALE	MALE
15-24	Individual C.	50.5%	49.5%
	Manager	53.2%	46.8%
	Executive	<b>30.0%</b>	70.0%
25-34	Individual C.	46.8%	53.2%
	Manager	49.0%	51.0%
	Executive	<b>20.3%</b>	79.7%
35-44	Individual C.	47.3%	52.7%
	Manager	43.3%	56.7%
	Executive	<b>17.8%</b>	82.2%
45-54	Individual C.	50.1%	49.9%
	Manager	43.1%	56.9%
	Executive	<b>18.1%</b>	81.9%
55-64	Individual C.	48.7%	51.3%
	Manager	41.3%	58.3%
	Executive	<b>16.7%</b>	83.3%
65+	Individual C.	40.4%	59.6%
	Manager	<b>34.3%</b>	65.7%
	Executive	<b>9.2%</b>	90.8%

# Will automating and augmenting technologies impact genders evenly?

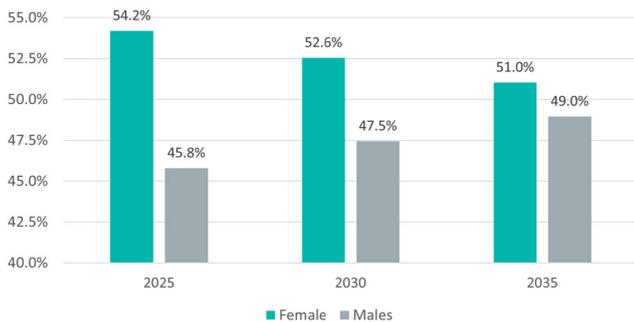
To maintain growth and reduce risk in the face of uncertainty, organisations are speeding up their technology adoption. The pace of this digital transformation is motivated by many factors, including the need to find cost savings and to increase workplace resilience and agility.

An outcome of fast-tracking technology adoption is a larger gender gap. Within five years, 10.7% of total FTEs in the Australian workforce are likely to be impacted by automation. In ten years, this will rise to 21.4%. Most tasks likely to be automated require low to medium skill levels and are repetitive and manual – tasks typically undertaken in Individual Contributor jobs. A further 6.23% of all FTEs are likely to see their jobs augmented within five years. This will rise to 14.2% within ten years and 21.1% within 15 years.

While female FTEs will experience a greater impact from technology adoption, over time this will decrease. In the next five years, female FTEs will make up 54.2% of all FTEs impacted by automating or augmenting technologies. This will decrease to 52.6% within ten years and then to 51.0% within 15 years.

INDUSTRY	SHARE OF INDUSTRY	SHARE OF TOTAL IMPACT YEAR 5	% DIFFERENCE
Elec/Energy	19.0%	27.4%	8.4%
Public Admin	46.5%	53.5%	7.0%
Admin & Support	54.0%	60.8%	6.9%
Manufacturing	24.9%	31.6%	6.7%
ProfSciTech	45.1%	51.8%	6.6%
Transport	20.7%	27.1%	6.4%
Info & Comms	37.6%	43.1%	5.4%
Arts/Ent/Rec	48.3%	53.5%	5.2%
Construction	10.4%	15.2%	4.9%
Real Estate	53.5%	58.2%	4.7%
Other Services	46.2%	50.6%	4.4%
Accom/Food	55.2%	59.5%	4.3%
Retail/Wholesale Trade	53.5%	57.6%	4.2%
Fin & Ins	51.3%	54.6%	3.3%
Human Health & social	80.4%	83.6%	3.2%
Mining	12.2%	14.4%	2.2%
Agriculture	28.3%	29.8%	1.5%
Education	73.0%	73.2%	0.2%

Workforce Impacted by Technology by Gender - 15 Years (%)



Across industries, female FTEs experience a disproportionate impact from augmenting and automating technologies as compared to male FTEs. The difference between the share of impacted female FTEs and the total share of female FTEs varies across industries. For example, female FTEs share 73.0% of all FTEs in the Education industry but will contribute 73.2% of all impacted FTEs over the next five years. This small difference will not impact the gender balance within that industry, whereas in the Electricity/Energy industry female FTEs share 19.0% of all FTEs but will contribute 27.4% of all impacted FTEs after year five, which will widen the gender gap within that industry.

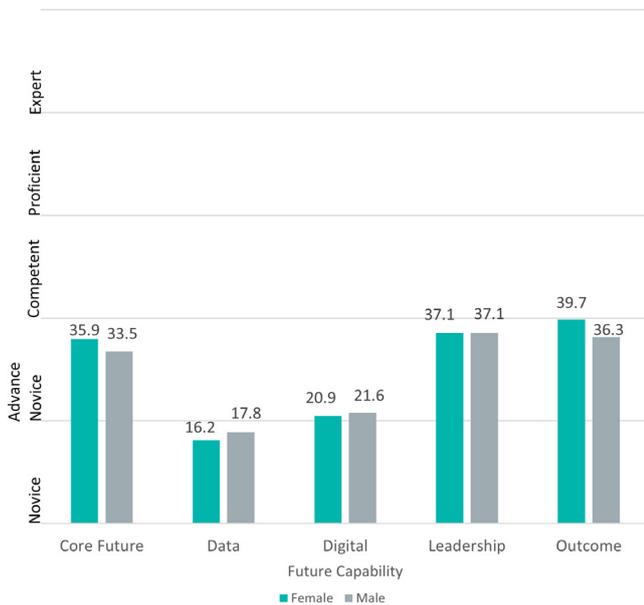
What is clear is that the share of impacted female FTEs is always higher than the share of impacted male FTEs, irrespective of the share of female FTEs in that industry. This unequal impact further reduces the representation of female FTEs across all industries, increasing the gender gap across the entire Australian workforce.

Currently, women make up almost half of Australia's workforce. However, because the jobs that are often performed by women are more likely to be impacted by augmenting and automating technologies, the percentage of female FTEs across all seniority levels - but primarily in Individual Contributor jobs - will also be at greater risk

To improve gender diversity, organisations should implement programs and policies to boost workforce capabilities for the future of work. These are what we call Future Capabilities. They are attributes that no robot can replicate with any value and literacies that will be needed as the workplace grows increasingly digitised and data driven.

*Benefit from better decision making when you have gender diversity at all levels of seniority in your organisation.*

Future Capability for Australia by Gender - Current State



Faethm's Future Capabilities Report provides an overview of current and future capability levels. It focuses on cohorts at high risk of automation in a short-term scenario and can provide a deep dive into the workforce by different groupings, for example by organisational unit or job family. Future Capabilities are classified in five major groups, with Core Future, Outcome and Leadership categorised as Human Attributes and two literacies, Data and Digital. Focusing solely on training technical or discipline-related skills alone is inadequate, as skills requirements change too fast and their shelf-life is too short. This report can be used by organisations to design specific learning and upskilling pathways to ensure capability gaps on typically human attributes are decreased, and employees can thrive in the future of work.

There are no large gender gaps in the future capabilities of the Australian workforce. In fact, women are stronger in two future capabilities, Core Future and Outcome. This shows that women are prepared for the future of work. Companies should analyse their future capabilities to find ways to better utilise their workforce.

## Forewarned is forearmed – You need a diverse workforce

Just a few years ago, it would have been unthinkable to have rolled out new technologies and digitisation at the pace we saw in 2020. While this rapid adoption ensured organisations could weather the impacts of the COVID-19 crisis, it's been hugely disruptive to the workforce. Gender diversity continues to decrease as women's employment drops.

To mitigate these issues, organisations can implement training to upskill employees for productivity improvements and reskill employees for the skills they need to transition to new jobs. These efforts are most needed at the less senior job levels, particularly Individual Contributor, because these jobs are more susceptible to automation.

While Diversity, Equity and Inclusion remains a high priority for many organisations, it should be because gender parity helps the bottom line, and is not just good for business but good for our economy and society as a whole.



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