

# BUILDING EQUALITY POLICY











## A note from the Minister

**The Victorian Government is committed to achieving gender equality in the workplace. We are making progress in many ways, but we are not seeing significant changes in construction workplaces.**

More women are active in the Victorian labour market now than in the past, yet women make up only a fraction of workers in Australian construction. We must put initiatives in place to ensure women can become fully qualified, well-paid tradespeople, managers and supervisors.

Construction has always been a male-dominated industry, but that needs to change.

That is why the Victorian Government has developed Australia's first Building Equality Policy. We recognise that there will only be equal numbers of men and women working in construction if we take steps to attract, recruit and retain women.

By setting targets, the policy guarantees jobs for women on state building, infrastructure, civil engineering and capital works projects. The requirements for suppliers to develop Gender Equality Action Plans will help to remove some of the ingrained cultural and structural barriers that have historically prevented women from entering the construction industry and retaining employment.

The policy has been developed after extensive consultation with employers, industry associations and unions on the Building Industry Consultative Council (BICC). The BICC acts as a forum for dialogue between Government, employers, industry associations and unions on

significant issues affecting the building and construction industry.

Government has invested \$3.5 million to support the implementation of the policy and a further \$1.5 million for the delivery of medium and long-term actions in Victoria's first Women in Construction Strategy 2019-22, which will complement the Building Equality Policy.

As Victoria's economy recovers from the COVID-19 pandemic we must not go back to the way things were. The pandemic has taught us that workplaces can adapt and change, and this policy will help us use the recovery to improve conditions for women in construction.

I would like to acknowledge and thank those who have provided their time and expertise to support the development of this new policy, especially the BICC.

Greater diversity in our workplaces makes them stronger and greater representation of women in construction will benefit everyone in the industry.

The Building Equality Policy will help deliver just that.



**Tim Pallas MP**  
Minister for Industrial Relations







# Message from the Building Industry Consultative Council

**The Building Industry Consultative Council (BICC) was established in 2001 as a high-level advisory council to the Minister for Industrial Relations. It is made up of employers, industry associations, unions and government. The BICC provides advice on economic and industrial relations issues affecting the building and construction industry.**

The BICC comprises experienced people that are committed to working together to implement positive change in the building and construction industry.

The BICC identified a real need for serious steps to be taken to increase the number of women employed in the industry. As such, we have been pleased to work with the Victorian Government to develop the Building Equality Policy.

The BICC would like to thank all stakeholders who have worked tirelessly with a high degree of consensus on this ground-breaking new policy. It will create lasting change not only for women in construction, but for the industry as a whole.

The policy has the unanimous support of the BICC and provides a solid foundation for sustainable change and a more inclusive building and construction industry.

We acknowledge the support and assistance provided by the Victorian Government to develop the policy and look forward to supporting its implementation.

The BICC is made up of the following organisations:

---

Air Conditioning and Mechanical Contractors' Association

---

CEPU – Electrical Division

---

CFMMEU – Construction and General Division

---

CFMMEU – Forestry and Furnishing Products Division

---

Department of Environment, Land, Water and Planning

---

Development Victoria

---

Lend Lease

---

Master Builders Victoria

---

Master Plumbers and Mechanical Services Association of Australia

---

---

Multiplex

---

National Electrical and Communications Association, Victorian Chapter

---

National Fire Industry Association

---

Office of Projects Victoria

---

PETU – Plumbing and Pipe Trades Employees Union

---

Probuild

---

Property Council of Australia

---

Victorian Trades Hall Council

---

WorkSafe

---

# Building Equality Policy

## Objectives

1. The Victorian Government will create training and employment opportunities for women through government procurement on building, infrastructure, civil engineering and any other capital works projects.
2. The Victorian Government is committed to increasing the targets and requirements in the Building Equality Policy (BEP) to create a more gender inclusive industry.

## Building equality through procurement

3. The BEP seeks to disrupt the existing gender stereotypes, norms and roles in the construction sector. The BEP is comprised of three actions that seek to address the structural and cultural barriers women face. Suppliers are required to:

Action 1 –  
meet project  
specific gender  
equality  
targets



Action 2 –  
engage women  
as apprentices  
and trainees



Action 3 –  
implement  
Gender  
Equality Action  
Plans



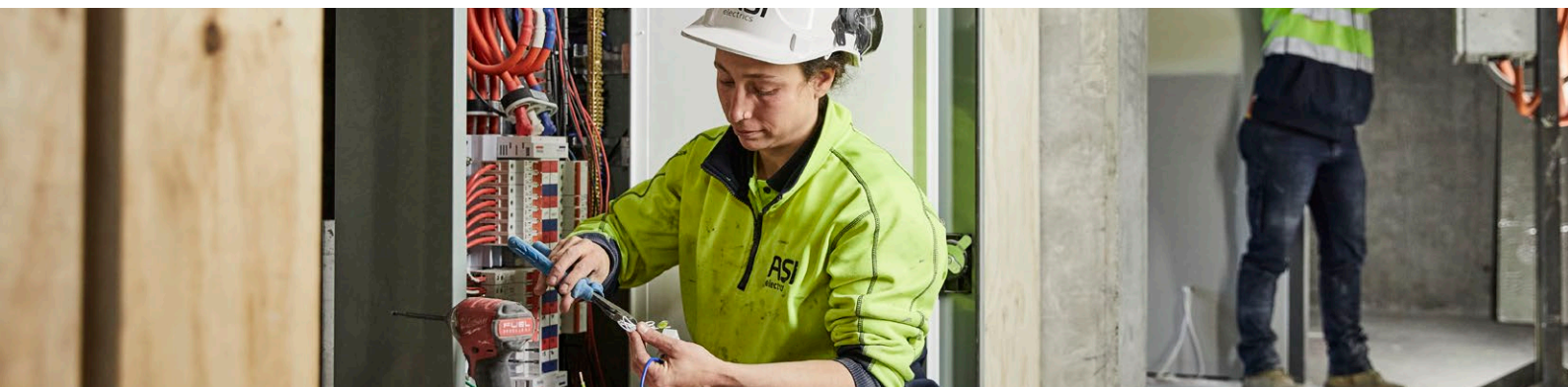


## Application

4. The BEP applies to all entities defined as either a public body or a department under Section 3 of the *Financial Management Act 1994*.
5. The BEP applies to all publicly funded construction projects valued at \$20 million or more. The financial thresholds refer to the total budget allocated over the life of the project excluding GST and not the value of individual contracts.
6. The BEP applies to construction procurement activities that meet the financial threshold and commence from **1 January 2022**. It will not apply retrospectively to projects that have already been contracted, or invitations to supply that have been issued before 1 January 2022.
7. Principal contractors have a contractual obligation to ensure participants in their supply chains are contributing to the overall targets across the project.

## Implementation, compliance and monitoring

8. The BEP will be implemented through the Social Procurement Framework (SPF). The targets and requirements in the BEP will be incorporated in SPF buyer guidance, model clauses/templates and invitations to supply for construction projects.
9. The Building Industry Consultative Council will provide a consultative forum for advice to government on the development of the procurement-related templates and guidelines.
10. Compliance and monitoring of the BEP will be overseen by the Social Procurement Assurance Function which was established to create employment and training outcomes for women and young people in all procurement activities valued at \$20 million or more under the SPF.



## Transitional compliance period

11. Over the 2022 and 2023 calendar years the BEP will be subject to a transitional compliance period on all applicable government procured projects. A facilitative approach to managing non-compliance with the BEP is proposed over this time with a focus on education and awareness.
12. From 1 January 2024, contract provisions will provide remedies for non-compliance. Model contract clauses will be developed to reinforce a graduated approach to compliance.
13. The transitional compliance period will enable government, employers, employees, industry associations and unions to work collaboratively to improve the supply pipeline of women and identify workable solutions and best practice approaches to inclusive workplace cultures.

## Annual evaluation

14. To ensure the BEP keeps pace with the supply of women workers, an annual evaluation will be undertaken in 2022 and 2023. This will ensure that the changes to the targets and requirements in the BEP are realistic, achievable and reflect the needs of women. The evaluation will also assess any impacts the BEP has on project delivery.
15. An increase in the participation rate of women in onsite roles is expected to be slow initially but is expected to accelerate as the supply of skilled women workers grows.

The results and learnings from the evaluation will be used to:

- increase the annual percentage requirements for trade covered labour, non-trade Construction Award covered labour, management/supervisory and specialist labour
  - increase the annual percentage requirements for the engagement of women apprentices and trainees to perform building and construction work
  - identify changes that are required to the GEAPs.
16. An independent person drawn from academia will be appointed to develop the monitoring and evaluation framework.





## Action 1: Project Gender Equality Targets



17. Targets alone will not address the cultural and structural barriers women face in the construction industry. However, effective long-term change will arise from setting targets at the trade, non-trade, onsite managerial/supervisory and specialist roles.
18. The implementation of the targets will be supported by Action 3 – GEAPs below, and the actions in the Women in Construction Strategy.
19. Suppliers must meet the following minimum onsite gender equality targets:
- **trade covered labour**<sup>1</sup>: women are required to perform at least **3 percent** of the contract works' total estimated labour hours for each trade position
  - **non-trade Construction Award covered labour**<sup>2</sup>: women are required to perform at least **7 percent** of the contract works' total estimated labour hours for each non-trade Construction Award covered labour position
  - **management/supervisory and specialist labour (staff)**<sup>3</sup>: women are required to perform at least **35 percent** of the contract works' total estimated labour hours for each staff position.
20. Suppliers are required to provide women with equal access to the diverse roles available onsite. Suppliers are encouraged to set aspirational targets that exceed the minimum requirements in the BEP.



- 1 Trade covered labour means: building /construction qualified trades and apprentices engaged by the Principal Contractor or sub-contracted to perform work.
- 2 Non-trade covered labour means: trainees and ancillary workers engaged by the Principal Contractor or sub-contracted to perform work.
- 3 Onsite managerial, specialist and supervisory means: People that spend 80 per cent of their time dedicated to a specific project, they may be engaged by the Principal Contractors or sub-contracted to perform the work. Backoffice workers, managers and other professionals who are not onsite project-based workers of Principal Contractors or subcontractors are not to be counted towards the targets.

## Action 2: Require suppliers to engage women apprentices or trainees to perform building and construction work



21. Suppliers are required to engage women who are registered apprentices or trainees to perform building and construction work for at least **4 percent** of the contract works' total estimated labour hours for apprentices and trainees.
22. This will help build a diverse pipeline of qualified women thereby creating a strong and sustainable construction industry and vocational training culture.

## Action 3: Require Gender Equality Action Plans (GEAPS)



23. Suppliers are required to provide a project specific GEAP when submitting an expression of interest or tender for government funded construction work.
24. Suppliers are required to provide an organisation wide GEAP when submitting an expression of interest or tender for government funded construction work.
25. The GEAP's will form part of the procurement contract if the tenderer is successful.

### Workplace Gender Equality Audit and Reporting

26. To promote consistency with the reporting requirements across the public and private sectors, the GEAP requirements will broadly align with existing reporting obligations under the *Gender Equality Act 2020* (GE Act) and the *Commonwealth Workplace Gender Equality Act 2012*.





27. Suppliers are required to undertake a project specific and organisation wide gender workplace audit to assess the state and nature of gender inequality in the workplace. The audit will need to address the specific issues facing women in the construction sector. The results of the audit must be included in the GEAP and the strategies and measures to promote gender equality must be based on the audit's results.

### Workplace Gender Equality Indicators

28. Project specific and organisation wide GEAPs must include the following workplace gender equality indicators:
- **Workplace prevention and responses:** introduce a strong organisational stance against workplace sexual harassment, family violence and other forms of gendered violence. Raise awareness about gender violence and family violence including leave entitlements. Promote the organisations sexual harassment and family violence policies to ensure all workers are aware of their legal obligations and rights.
  - **Inclusive and respectful workplace:** provide respectful workplace training to all workers throughout the subcontracting supply chain. Identify actions to promote diversity of thinking, to challenge the status quo and achieve innovative outcomes. A gender inclusive and equitable workplace culture acknowledges the complementary strengths that women and men bring to an organisation.
  - **Flexible and empowering workplace:** implement actions to ensure different types of flexible work arrangements are available to all workers. Ensure women have equal access to secure employment and overtime hours. Flexibility is essential to attract, recruit and retain a gender diverse workforce, allowing women to equally participate and perform when opportunities are made available.
  - **Diverse and representative workforce:** identify benchmarks and actions to measure and strive for gender diversity and representation. A gender balanced workforce will maximise team and business performance across all levels of an organisation.
  - **Improve leadership, representation and accountability:** increase the visibility of women in leadership, in management meetings, in interactions with staff and with external stakeholders. Create a strategy for achieving gender balance in leadership and gender balance across the organisation.
  - **Collect and report data about gender equality and gender pay gap:** review the workforce gender composition to identify opportunities to improve performance on gender equality and use payroll data to determine if there is a gender pay gap.

## Background

### Women's workforce participation

29. COVID-19 is having a disproportionate impact on women's workforce participation, employment and economic security, with a significant number of women being displaced. At the same time there is demand for workers in male-dominated industries including construction, transport and logistics that will form part of recovery efforts and experience growth.
30. Women have consistently comprised only 2 percent of field-based workers in the Australian construction sector over the past 30 years. Action is needed to address the gender imbalance in the industry to ensure that women displaced by COVID-19 do not fall even further behind in economic terms relative to men.
31. Key benefits of making male-dominated industries accessible to women include:
  - drawing from a wider talent pool, broadening perspectives and ideas, stimulating innovation, improved staff retention, a better reflection of the consumer base, improved reputation and greater profitability
  - increased representation of women would assist in addressing the medium to longer term skills gap that the construction industry is facing based on current workforce settings
  - addressing occupational segregation, which has been relatively static over the last two decades, with the potential to narrow the gender pay gap and strengthen the economic security for women and their families.

### Gender Equality Act 2020

32. The GE Act requires Victorian public sector organisations, universities and local councils to develop plans and implement measures to promote workplace gender equality, and publicly report on progress against key indicators such as equal pay, recruitment and promotion and workplace gender composition.
33. Organisations may also need to make progress against tailored targets and quotas that may be prescribed on the basis of each industry and sector's baseline positioning, point-in-time analysis and international best practice.
34. The GE Act also provides a platform to influence the private sector through gender-ethical procurement and funding reforms and the development of gender equality industry strategies.
35. While there are strong benefits to engaging women in construction, and other male dominated industries that form part of Victoria's economic recovery, women's retention longer term will be contingent on supporting workplace gender equality within these industries (for example ensuring they are set up to offer flexible working arrangements, parental leave and offer a culture that supports women's progression).
36. Gender ethical procurement is a key lever to achieve this intent.





## Building Equality - Women in Construction

**37.** The Women in Construction Strategy Work Plan item 4.1 provides for the use of procurement practices to promote gender equality as a point of intervention.

## Government Procurement and Industry Participation Policies

**38.** Victorian Government procurement is one of the largest drivers in the Victorian economy. Collectively, the decisions that organisations make throughout the procurement process have a significant impact on the economy, the environment and the community. Annual infrastructure spending alone will average \$9.6 billion from 2017-18 to 2020-21 to deliver the current pipeline of projects.

**39.** Value for money underpins these procurement decisions, and the Victorian Government recognises environmental, social and economic factors as a core component of value for money.

**40.** Various procurement and industry participation policies aim to use the Government's purchasing power to deliver broader policy objectives including:

- Social Procurement Framework - governs how the Government undertakes social procurement. The SPF has seven social and three sustainable objectives that include improving workplace gender equality and promoting women's workforce participation. It applies to departments and agencies procuring goods, services and construction.
- Local Jobs First - Victorian Industry Participation Policy, focuses on providing opportunities for local suppliers to compete for work on all types of government contracts, helping to create and sustain opportunities for Victorian businesses and workers. This policy is administered by the Department for Jobs, Precincts and Regions (DJPR), with implementation in construction projects supported by the Ministerial Directions and Instructions for Public Construction Procurement.
- Local Jobs First - Major Projects Skills Guarantee, focuses on providing opportunities to Victorian apprentices, trainees and cadets to work on high value government construction projects. This policy is administered by DJPR, with implementation in construction projects supported by the Ministerial Directions and Instructions for Public Construction Procurement.
- Major Transport Infrastructure Authority projects have a target of 2.5% Aboriginal employment hours as a proportion of total hours, which is mandated through contractual provisions.



**USHER  
GROUP**  
Your project partner