

# Challenges for Women Leaders

*by*

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You're sitting in a powerhouse —a powerhouse of women leaders from around the world. A group that has great energy, strength, talent, and influence.

And energy, strength, talent, and influence are very much at the heart of this annual meeting.

Welcome to Australia and the gathering of the 12<sup>th</sup> Women Leaders Network.

Today I want to talk about economics. The economics of being female.

There's an increasing amount of important literature being published about our gender, and with good reason.

The world is beginning to wake up to the impact women have on the economy, which is why more and more academics, scholars, researchers, economists, politicians, and media are focussing, and sometimes even acting, on this important topic.

The themes for this Network meeting have been deliberately chosen to complement APEC Australia 2007 and its theme: 'Strengthening our community, building a sustainable future.'

Over the next couple of days we'll share insights and expertise on important issues such as how we, as women leaders, can:

- make better use of technology, education and training to enhance business activities,
- help develop the next generation of leaders, and
- work together to meet today's and tomorrow's challenges, including climate change.

I want to begin with the topic 'women and economics' because it underlies virtually every discussion we'll have here, in Port Douglas.

We must keep this topic in mind when formulating recommendations for APEC Ministers and Leaders.

We'll want to be well versed on it when we leave here and return to our respective governments and communities.

It's a topic we'll want to promote at every opportunity because, while we're leaders in our own right, we must influence other leaders around us, male and female.

One strategy for attracting the attention of and influencing other leaders — whether political or in industry — is to focus on the business case of women and economics and how to balance the gender imbalance.

Many of you, as senior women leaders, may have read *The Global Gender Gap Report* for 2006, a collaboration between some big thinkers and heavy hitters — Harvard University, the London Business School and the World Economic Forum.

This report concludes that no economy in the world has yet reached equality between women and men in any of these critical areas.

It clearly states that a persistent societal and economic challenge is the gap between women and men in their access to resources and opportunities.

The women in the 115 economies covered in the index represent more than five billion of the world's population. Yet these women have only 15 per cent of the political empowerment endowed to men.

The Gender Gap report presents the important link between gender imbalance and economic performance.

As Klaus Schwab, Founder and Executive Chairman of the World Economic Forum, says in the report's preface:

*This gap not only undermines the quality of life of one half of the world's population, but also poses a significant risk to the long-term growth and well-being of nations: economies that do not capitalize on the full potential of one half of their human resources may compromise their competitive potential.*

This room is full of senior leaders from 21 APEC economies who, together, are helping close the gender gap and, in doing, so helping to sustain our region's economic prosperity.

The results of another major research exercise — the 2007 Economic and Social Survey of Asia and Pacific — lists key economic issues on the global 'watch list' that are also of interest.

And, again, it comes as no surprise that gender inequality is on this list, right up there with other major issues such as:

- vulnerability to currency crises,
- boosting domestic demand through private investment,
- managing urban growth, and
- promoting green growth to sustain development.

The 2007 Economic and Social Survey of Asia and Pacific concludes what every woman leader knows full well —gender discrimination has widespread economic and social costs.

The survey concludes that, while the Asia-Pacific region has made good progress in reducing gender discrimination in recent years, ‘appalling disparities’ remain.

The survey also clearly states that barriers to employment for women are currently costing the region up to US\$47 billion a year, with a further US\$16-30 billion lost due to gender gaps in education.

These are just economic costs, by the way. Added to them are social and personal costs.

Surely you can’t get a stronger business case than this?

It’s no wonder we more and more read phrases and headlines like:

- “Women are now the most powerful engine of global growth.”
- “The future of the world economy lies increasingly in female hands.”, and
- even the coining of a new term —‘womenomics’— which describes this phenomenon.

Early this year, one of Australia’s most reputable business magazines, the Australian Financial Review, ran a story called “The Why Chromosome” —that’s W..H..Y Chromosome.

The writer quoted Giam Swiegers, a Deloitte Chief Executive, who said Deloitte’s corporate scene was much stronger because of their deliberately designed strategy to attract, promote and retain female talent.

Deloitte’s has woven this into their Key Performance Indicators and all leaders who work there —male and female —are measured on the KPIs.

Five years after the company adopted this strategy the percentage of female partners had almost tripled, from 6% to 16%, and they have a target of 25% in the next two years.

Deloitte’s had latched on to the business case we’re talking about today and learned that it makes sound economic sense to embrace women into the workforce.

The Economist, in April 2006, published a serious article entitled *A guide to womenomics* stressing that women are becoming more important in the global marketplace and not just as workers, but as consumers, entrepreneurs, managers, and investors.

The womenomics article pointed out that women:

- now have more money of their own to spend
- now make more consumer buying decisions

- consistently get better grades at school
- are awarded half of all university degrees in most developed economies
- make better investors in many ways than men do, and last, but not least,
- will take more top jobs in future.

The research on women and economics, no matter where you turn, is conclusive and points to trends that can't be denied.

Despite the facts, however, and despite the great progress made to date, it remains very true that more work must be done.

And it's not about 'the big fix'. It's about multiple 'little fixes' that will close the gender gap around the world, including in our region.

The reality is that Asia Pacific has a long way to go before we can put this issue to bed.

So what is the challenge for us as members of the Women Leaders Network?

We represent so many industries and so many parts of the world. And, as I said at the beginning of my talk, we're a powerhouse—a group that has great energy, strength, talent, and influence.

I want to acknowledge the progress made by the APEC Women Leaders Network since it was founded in 1996, especially by those who have been involved for the entire journey.

Our progress reflects the great tenacity and commitment of these women and the strength of this important Network.

We need to move ahead with confidence and use our collective thinking to formulate ways APEC Ministers and leaders, policy and decision makers, and business influencers can initiate change.

We also need to monitor closely our own experiences and learn from one another.

In Australia, for example, we have enjoyed many successes, while remaining aware that we have further to go.

Thanks to a great deal of hard work Australia is now seen as a leading economy internationally ...a stable, secure democracy where the position of women continually improves.

The Australian economy is in the midst of its longest economic expansion since Australia's Federation in 1901. Australia has its lowest unemployment rate in 32 years and, since 1996, real wages have increased by 20.8%.

Our success is largely because women today are participating in the workforce and contributing to the economy more than they ever have before.

Around one-third of small business owners and operators in Australia today are women. Australian women are making a larger and larger mark on trade and exporting —Australia is now a great place for women to do business.

As few as 20 years ago, exporting here was a daunting prospect for many businesses, characterised by risk and venturing into the unknown.

Today this is no longer the case —a host of passionate entrepreneurs now deliver Australian goods and services throughout the world.

In 2006 the total value of Australian exports rose by 16%to \$210 billion, with exports now accounting for 20% of the total value of Gross Domestic Product (GDP).

While in dollar terms women have not traditionally commanded a high profile in the export community, they are becoming an increasingly important force and continually look for ways to increase their export knowledge.

The Australian Government has played a vital role in this and continues to do so.

In 2006, for example, the Government took the initiative to hold a series of *Women in Export* seminars to help women —particularly in small to medium enterprises — to address critical information gaps and barriers and give them access to export advisors.

The seminars were well attended, attracting more than 1,000 women across Australia.

Case study after case study demonstrates how women here make excellent exporters who have contributed to the rise of our exports. In this very audience we have many examples of what I am talking about:

- Mary Nenke is founder and principal of Cambinata Yabbies in Western Australia, which started off as a small family concern but has evolved into a sophisticated and integrated business, marketing yabbies on behalf of a large group of growers across the Western Australia wheat belt and exporting to Europe, Asia, the Middle East and US.

Businesses like Mary's offer rural women financial independence through the pursuit of new business ventures and alternate farm enterprises. I know that Mary is passionate about regional Australia and encouraging others, particularly women, to export.

- Barbara McGeoch is co-owner and director of McGeoch's Birkdale Nursery, which exports ornamental plants to clients throughout Asia and the Middle East, such as the Sultan of Brunei, the Emperor of Japan and Disneyland in Hong Kong.

Birkdale Nursery has the exclusive rights to market the Wollemi Pine, which dates back to the Jurassic period and has become an Australian icon, raising the importance of conservation globally.

As I mentioned earlier, there is still work to be done in Australia. For example, improving the lives of Indigenous Australians is a priority for the Australian

Government and Indigenous women, in particular, often carry significant responsibility for the well-being of their communities, but are severely underrepresented in formal positions of influence.

You may not be aware that almost one quarter of the Australian population was born overseas and that Australia is one of the top three resettlement countries for refugees in the world, so helping women from all cultural backgrounds to reach their full potential is very important for us.

It's a fact that women are succeeding on the international stage more than ever before and this important trend is not going to slow down.

As a collective here today we can learn from the progress different APEC economies have made.

It will help us be creative and forward thinking about the ongoing role of the APEC Women Leaders Network.

It's important for us to ask how we should go forward. It's important to ask how we should focus our talent. And it's important to ask how best can we influence the APEC agenda in future.

While we're already seasoned leaders accustomed to thinking about the future, we need to inspire those younger than us to close the gender gap in future.

We should also talk openly about the well researched and authoritative literature we've touched on today, and how we can use it to convince other leaders around us to wake up to the gender gap and contribute to closing it.

Let's research even further and use the findings to target and promote change. Let's learn from those who are closing, or have closed, the gap. Let's benefit from their experiences and apply their practices for a better tomorrow.

In its *The Why Chromosome* article The Australian Financial Review Magazine reported one estimate for the time it could take for change. The article said it could take about "150 years to close the gender gap at the current glacial pace".

As women leaders representing 21 APEC economies we're not going to let this happen. We're too much of a powerhouse for that.