

Melbourne Teaching Health Clinics and the Workplace Gender Equality Amendment (Closing the Gender Pay Gap) Act 2023

The MTHC Journey

MTHC is a wholly owned subsidiary of the University of Melbourne with the Faculty of Medicine, Dentistry and Health (MDHS) Sciences (Faculty) providing strategic oversight. It was inaugurated in 2017 and six clinics have transitioned under its governance over the last five years.

MTHC provides high quality primary healthcare in both metropolitan and regional areas of Victoria. It also provides world class clinical placements, largely in a private practice setting, for Faculty's health students. There are six clinical areas that are central to this service, and they are general medical practice, dentistry, optometry, audiology, speech pathology and psychology. MTHC's Mission is to provide sustainable, high quality, comprehensive clinical training and patient care for the University of Melbourne and the wider community.

As a relatively newly created entity MTHC is maturing and evolving its organisational values and structures. Much progress has been achieved both operationally and strategically but there is further scope for improvements in gender and diversity issues in general and closing the gender gap in particular.

The first step in this process is to understand the current situation and what we are doing to improve our performance.

Current Situation

A workplace that is both diverse and inclusive reflects the community we serve and the staff with whom we work. Our ambition is to reflect this diversity and inclusivity allowing us to better serve our clients and contribute to a more equal society.

Achieving our ambition depends on understanding where we stand and using that understanding to drive improvements.

It is important to understand that MTHC does not pay people differently based on their gender. The gender pay gap is a result of having more males in the most senior leadership positions and a higher proportion of females making up the majority of the workforce and in lower paid roles.

To grasp gender pay gap data fully it is crucial to know the meanings of 'mean' and 'median.' These two metrics, the 'mean' and the 'median,' are essential indicators that should be examined together.

The 'mean' pay gap shows the difference in the average earnings (wages / salaries) of two groups of employees, in this case men and women.

The average ('mean') total remuneration gender pay gap in 2021 was 33.5% and this has improved somewhat to 30.2% in 2023.

The 'median' represents the middle person within a group. In other words, there are the same number of people above the 'median' (middle) person as there are below the 'median' (middle) person. The 'median' pay gap is the difference in the earnings (wages / salaries) of the middle woman (of all in the women in the workforce) compared to the earnings (wages / salaries) of the middle man (of all the men in the workforce).

The median total remuneration pay gap rose from 28.2% in 2021 to 38.1% in 2023. Upon analysing our data, we have identified three key factors contributing to this increase. Firstly, a significant portion of our new hires were female, employed in roles with salaries below the total remuneration median, thereby elevating the overall figure. Secondly, a higher number of female employees took unpaid parental leave during the reporting period, particularly before the implementation of MTHC's paid parental leave scheme in January 2023. Lastly, discrepancies in data integrity were observed, particularly regarding inactive casual employees who no longer have formal roles at MTHC but were included in our reporting dataset.

Looking at further data there is substantial improvement in the gender pay gap for our managers. In 2021 the gender pay gap for all managers was 48%; whereas in 2023 the gap was 23%. This represents an improvement of 51% and is a result of more women being appointed to management roles during that time.

We recognise and acknowledge there is a lot more that done to be done to address the gender pay gap in our organisation. Overcoming the barriers standing in the way of a more equal workplace will take time and perseverance. Nonetheless, we are strongly committed to further and stronger action.

What are we doing

Knowing why we are in the current situation is an important first step to fixing the gender pay gap.

As a primary healthcare provider, we have a predominantly female workforce which is reflective of the broader healthcare sector. In 2023 we have more females in management roles. However, our overall workforce comprises a prevalence of female workers whose remuneration is more closely aligned with the bottom 25% pay bracket.

As discussed earlier the gender pay gap has reduced within our management group (by 51%) and the proportion of women appointed to management positions has increased by 17% over the past 12 months.

Recruitment and Progression

Women will benefit from recruitment and internal promotion opportunities. Our internal and external recruitment practices require a gender balance on all hiring panels to ensure a diverse perspective when recruiting to positions. Our managers will be provided with training and resources to support inclusive recruitment practices and reduce unconscious bias in recruitment and interviews. All our job advertisements will include statements encouraging women and those from diverse groups and backgrounds to apply for available positions. All positions at MTHC will be advertised with transparent salary details.

Diversity, Equity and Inclusion

The launch of a Diversity, Equity and Inclusion Framework where gender equity is highlighted is a high priority area for 2024. Additionally, there will be promotion of days of significance organisation-wide to celebrate women in the workplace. MTHC also undertakes to ensure all senior management undertake 'Respect at Work' training.

Retention and Attraction

Managers will be provided education and resources to support requests for flexible working arrangements and there is paid parental leave of 10 weeks (plus superannuation) available to all primary caregivers. Our leaders will actively role model flexible working arrangements to support and promote a culture of flexible work practices. Our progress towards gender equity is a journey; one we hope will not take too long or present too many potholes, to use a road trip analogy! We know there will be times when we hear the well-worn echo 'are we there yet?' but we anticipate it will not be long before we can say ... yes, we are there!

For more detailed information you are able to review the '*Executive Summary (Gender Equality Reporting).pdf*' and the '*Industry Benchmarking Report – Submission Group MTHC 2023.pdf*' on our website www.mthc.com.au