



Pay Equity and Associated Issues Related to Increasing Female Participation in the Workforce.

Electrolux is a global market leader in home appliances for professional use, selling more than 40 million products to customers in 150 countries every year. In Australia our brands include Electrolux, Simpson, Westinghouse, Chef and Dishlex.

Electrolux respects and encourages diversity of background, knowledge and approach. We are committed to all legislative requirements of Equal Opportunity and Non Discrimination as outlined in our Workplace Code of Conduct. All recruitment decisions are made on the basis of merit and fairness and the matching of applicants with role requirements and competencies alone.

There has been a pro active approach in attracting and securing a diverse candidate pool at lower levels of the business (for example Graduates). In time these employees, through succession planning and training, will likely progress into more senior roles within our business. Currently our workforce at Electrolux:

- Consists of 74% males with the average salary of males being 30% higher across each job band. Electrolux has a formal policy which requires all roles to be benchmarked to the role competencies not to the incumbent holding the position. Selection is based on merit alone. The difference in salary can be attributed to the length of tenure for males and/or by males holding more senior positions within each job band.
- With regards to our local board of Directors, the Chairperson and one Board Member are prominent female executives representing 50% of the Board.
- There are currently no female executives in Australia while 36% of Senior Managers and 12% of Management are female. However, reflecting progress at lower levels, as of April 2008 60% of new Management roles, 75% of new Supervisor roles and 100% of graduate roles were filled by women.
- Of the 7 member Executive team leading the Australian business, three report to female Senior Executives at Regional level.
- 66% of Sales Account Manager vacancies were filled by women.
- 65% of general, lower level recruitment was filled by women, mainly due to the high female candidature within our call centre.
- Up until April 2008, 45 requests were made and granted for changes in working conditions, including changing from full time to part time (and vice versa) as well as the introduction of 'compressed work weeks' within our call centre. Of these 45 requests, 98% were made by females, including 3 women returning from maternity leave into part time working arrangements. 78% of the above requests for changes in work status were at the "Service Staff" level and below. There are a relatively low percentage of part time and casual workers within EHP (4%, the majority of which are female).

Electrolux comprises of a workforce which is 70% manufacturing, traditionally a male dominated environment. This fact can be a challenge in the attraction and retention of females within our business. Although approximately 50% of our hiring managers within our corporate head office are female, our Executive team are all male.

Within Electrolux pay equity differences between male and female staff, although evident, is only due to length of tenure and or specialisation of job role. It is associated issues which affect the female participation within our workforce.

Electrolux Home Products Australia does not currently offer paid parental leave. The introduction of a paid maternity leave policy (potentially both a government and employer initiative) would make us a more competitive employer within the whitegoods industry and would aid in the attraction of females to our business. However, if paid maternity leave was government policy, it would be up to the employer to offer benefits above and beyond to gain a competitive edge in attracting employees. Child care facilities, potentially Electrolux and or Government subsidised (or corporate discounts to local child care centres) is another practical initiative which would encourage a higher participation of females and or primary care takers in our workforce.

Although all requests for flexible work hours are considered at Electrolux, the majority of approvals are at lower levels of our business. The need for greater flexibility generally with regards to work hours cannot be emphasised enough and must continue to flow through to more senior levels of our business. This can be achieved through such technologies as remote access and virtual offices. This initiative is gaining weight at Management level however a formalised policy would be advantageous.

Electrolux training programs are offered on a full time basis and often interstate. The accessibility to this training for women on maternity leave, working flexible hours or those women who are primary care givers proves difficult. Moving forward our training programs (like our normal work hours) need to be as flexible as possible. This can be made possible by utilising such tools as e-learning (formally launched in 2008) and developing training programs that do not see women (or the primary care takers) being away from their homes and family for long periods of time. Similarly, our Global Mobility programs (which see staff members experience working overseas for periods of time) need to be tailored to fit the personal circumstances of all employees.

For those employees on maternity leave the absence within our business results in a disadvantage for career progression, due to a lack of exposure and development opportunities. The speed of career progression is then negatively impacted. Currently at Electrolux more needs to be done to remain in contact with women on maternity leave. Such tools as email, newsletters, invitations to corporate events and access to our company intranet can aid with this challenge. This initiative would ensure women who are not physically in the office, yet still vital members of our workforce, have access to such things as job vacancies, promotions, training and general updates about our company and products.

Although our company intranet does promote employee 'success stories' (including the backgrounds and visions of females at more senior or specialised areas of our business), more formal activities, such as Mentoring programs, specifically designed for

working women can encourage female participation and retention in our workforce.

The education of all staff members regarding the challenges women (and other minorities within a diverse work force) face and ways in which to address these challenges would be beneficial. This training could be subsidised and supported by the Government.

Legislative reform such as lowering tax thresholds for parents working more than one job (to subsidise the loss of income of the primary care giver) would help allow the primary care taker to return to work only when he/she wants to not because they have to. In turn, this would allow for a more satisfied and productive employee.

Electrolux has addressed pay equity differences between male and female employees through independent role benchmarking. Electrolux is striving to address associated issues affecting female participation in our workforce in order to remain a competitive employer and attract and sustain a diverse workforce. Such practical initiatives include paid parental leave and subsidized or discounted childcare facilities (potentially an Electrolux and or Government subsidized). Lowered tax thresholds for people working more than one job to compensate the loss of income of a primary care giver should also be considered. The importance of flexible work hours, including training, must continue to be a focus. We must continue to educate all staff members with regards to the challenges working women face and make a concerted effort to remain in contact with those on maternity leave in order for them to have access to training, promotions and general business updates should they want to. Employer and government initiatives need to reward and promote initiatives that encourage female participation in the work force, not merely mandate the bare requirements.