



Sir Edward 'Weary' Dunlop Asia Lecture

by

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ASIAN AUSTRALIANS: BREAKING THE BAMBOO CEILING

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CHECK AGAINST DELIVERY

As a proud recipient myself of the Weary Dunlop Asialink Medal in 2016, I could not be more delighted to have this opportunity to congratulate my successor Peter Varghese on his richly deserved achievement, and could not feel more privileged to have been invited again to give the Dunlop Lecture, 25 years after my first outing in this role back in 1994. Asialink has a long and proud record of nurturing and enriching Australia's relations with our Asian neighbours, and deserves the strongest continuing support from government, business, the academy, the media and the wider Australian community for all the outstanding work it continues to do.

And of course in honouring Weary Dunlop, as tonight's medal award and lecture both do, we are recognising not only a wonderful man, but a magnificent Australian pathfinder in Asia – someone not embittered by the horror of his wartime experiences, but persuaded by them that Australia's future depended on our learning to live in, and with, Asia; a pioneer of the Colombo Plan; an adviser to Thailand, Sri Lanka and India; someone who constantly spoke and wrote in Asia about Australia, and in Australia about Asia; and someone who made a real personal difference to the way in which Asians and Australians began to think about each other.

The award of the 2018 medal to one of our most distinguished Asian-Australians seems to me an opportune moment to revisit the question of whether we as a nation are making the most – in terms of both our external relations and our internal national development – of the vast store of talent that exists in the multiple



Asian-Australian communities that now make up such a large proportion of our overall Australian community: the Chinese-Australians, Indian-Australians, Vietnamese-Australians, Malaysian and Indonesian and Cambodian and Filipino-Australians, Afghan and Sri Lankan-Australians, Korean-Australians and all the rest who have done so much to enrich the life of this nation, intellectually, culturally and socially, over the last few decades.

The reality is that there are *many* Peter Vargheses out there – men and women of Asian ancestry and cultural background, who have the kind of intellectual capacity, integrity, values, and passionate commitment to this country which Peter has so amply demonstrated during the course of his career – but who are simply not showing up in leadership positions in our public institutions in anything like the proportions that their numbers should lead us to expect, whether we be talking about politics and the public service, the courts, publicly listed companies, the mainstream media or our universities.

The concept of *gender* equity, and the absolute necessity to be intolerant of anything resembling a 'glass ceiling', is now firmly embedded in the Australian psyche, across all the sectors I have mentioned (or almost all of them, with a couple of our political parties still struggling to join the 21st century in this respect...). But we do still seem to have some distance to go in recognizing that *cultural* diversity in the leadership of our public institutions, particularly in the context of Asian-Australians, is an equally compelling necessity.

So let me take this opportunity to try to restart the debate – which has periodically stuttered to life but never really taken off in this country since the concept was first articulated in the United States in 2005^1 – as to whether we do in fact have in Australia a 'bamboo ceiling'; if so, why; and what strategies we should embrace to ensure that more Asian-Australians break through it.

The Reality of Diversity. I have been for the whole of my public life a strong advocate for a genuinely multicultural Australia, and one which reflects, in particular, the reality of our Asian geography rather than our European history. The very first article I ever published in a mainstream, non-student magazine – I'm alarmed to say 47 years ago, back in 1972 – was titled 'The Browning of Australia', in which I argued passionately for our multicultural society to evolve to the stage where the mainstream national skin colour was no longer pinky-white.

To an extraordinary extent that dream for which I argued, and which then seemed so fanciful, is now becoming a reality. We may not yet quite be a *Eurasian* country,

¹ By Jane Hyun in *Breaking the Bamboo Ceiling: Career Strategies for Asians* (Harper Collins, 2005).



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as George Megalogenis likes to describe us,² but we are on our way. It is now the case that 28 per cent of our people were born overseas, and another 20 per cent have at least one overseas-born parent. We have more overseas-born than Canada with its 22 per cent, and double the percentage in the United States – with an ever-increasing proportion of them coming from Asia, more now in fact than from Europe.

Although it is not easy to extract precise data on the ethnic or cultural composition of our whole population, on the basis of the Census data which *is* collected by the Australian Bureau of Statistics on place of birth, languages spoken at home and self-identified ancestry, the best current estimates – in recent reports from both the Australian Human Rights Commission (AHRC) and PwC/Asialink³ – are that Asian-Australians now constitute 12 per cent of our people (within a larger cohort of 21 per cent Non-Europeans), with those of Anglo-Celtic background making up 58 per cent, other European background 18 per cent, and Indigenous Australians 3 per cent.

When one looks, however, at how those numbers translate into leadership positions in our public institutions, it is clear that Asian-Australians are being left a long way behind. The best statistical, as distinct from anecdotal, evidence we have of this comes from the AHRC *Cultural Diversity Leadership Blueprint*, updated in April 2018. Examining first the cultural backgrounds of chief executive officers of ASX200 companies, federal government ministers, heads of federal and state government departments and vice-chancellors of universities, the Commission found that just 1.6 per cent of them were Asian-Australians.

And even when the enquiry was broadened out to cover leadership positions one level below this – group executives of ASX companies, elected members of the Commonwealth Parliament, deputy heads of government departments and deputy vice-chancellors – the proportion of Asian-Australians is just 3.3 per cent. Which is a long way below the 12 per cent that their numbers in the broader community would suggest should be the norm. Only Indigenous Australians fare worse, occupying just 0.4 per cent of senior leadership positions against their share of the total population of 3 per cent.⁴

² George Megalogenis, 'The Changing Face of Australia', *Australian Foreign Affairs*, Issue 1 (Black Inc, October 2017)

³ Australian Human Rights Commission, *Leading for Change: A blueprint for cultural diversity and inclusive leadership revisited*, April 2018; PwC and Asialink Business, *Match Fit: Shaping Asia Capable Leaders*, August 2017.

⁴ To complete the picture, other non-Europeans (from the Middle East, Africa and elsewhere) with 7 per cent of the population occupy 1.7 per cent of leadership positons; Anglo-Celtics occupy 75.7 per cent of positions, over-representing by 17.7 per cent their share of the population, and other Europeans holding 18.9 of positions, very closely mirroring their population share of 18 per cent.



The Value of Diversity. This should speak for itself, but let me spell it out. In a corporate context, for a start, McKinsey research in Europe and the Americas⁵ has shown that more culturally diverse leadership teams achieve better financial performance: companies in the top quartile for diversity were 35 per cent more likely to have financial returns above the national industry median. The reason is apparently simply that better decision making occurs within groups that are not homogenous, when propositions are challenged and advocates confronted by others who don't think or have life experiences just like us.

In an Australian context it seems obvious that we are denying ourselves a competitive commercial advantage by excluding from senior positions those very Australians who know Asia best. In the Diversity Council of Australia's 2014 report, *Cracking the Cultural Ceiling: Future Proofing your Business in the Asian Century*, the biggest indicator of Asia capability – apart from establishing a head office based in the region – was whether the organisation made a priority of workforce cultural diversity and was free from diversity-related stereotypes and biases.

I can't forbear here from making the point that not only in a commercial context, but in that of diplomatic, professional and media outreach as well, we have right in our midst a massive pool of native Asian-language speakers – 900,000 fluent in Chinese dialects for a start, a great many of them highly trained professionals – from whom we can draw all the linguistically-skilled and culturally sensitive talent we need. While of course it is important for Australians of non-Asian origin to learn Chinese and other Asian languages at school or university – if for no other reason than the wider cultural exposure that comes with any decent language teaching – we should not be overly anxious at the paucity of really fluent speakers those programs are now producing. We have all the resources we need in front of our eyes.

Internationally, if it is the case that our future is going to be far more determined by our geography than our history, it seems hard to even begin to contest the proposition that our interests would be optimally-served by having many more Asian-Australians, like Peter Varghese, representing us abroad. This is one area in which – I suspect significantly to do with Peter's leadership of the Department of Foreign Affairs and Trade in recent years – the penny does seem to have dropped. I am delighted to see, as I move around, the number of heads of mission and others in senior positions who don't begin to conform to the Anglo-European norm: ambassadors and high commissioners and consuls general like James Choi in Korea, Harinder Sidhu in India, Gita Kamath in South Africa, Ridwaan Jadwat in Saudi Arabia and Christopher Lim in Chengdu. And is there any unbiased observer

⁵ Hunt V, Layton D and Prince S, *Why Diversity Matters* (McKinsey & Company, 2015), cited in Australian Human Rights Commission, *Leading for Change: A blueprint for cultural diversity and inclusive leadership*, July 2016, p. 9.



in the country who does not think that our Australian-Malaysian Chinese Senator Penny Wong will make a brilliant Australian foreign minister?

In a parliamentary context, again, who is there who does not think that our increasingly extraordinarily diverse electorates would not be more sensitively and effectively served by having many more (as is the case now already with non-Anglo-Celtic Europeans) Asian-Australian members of parliament– just four now in the federal Parliament⁶ and no more in any of the States.

And, given the centrality of the rule of law and of a manifestly independent and unbiased judiciary to the kind of country that we are, who could believe that our long term national interests in community cohesion and confidence is being best preserved by a judiciary and magistracy in which at all levels, in the last figures I can find, for 2015, there were among 1,057 office holders nationwide just 8 Asian-Australians?⁷ Things may be beginning to move: two barristers of Chinese descent were made silk in Victoria last December. That they were the first in 200 years, however, does not suggest that the time is exactly ripe for an orgy of self-congratulation.

Why the Under-Representation? This is the question we must ask, and try to answer, if we are ever to begin as a nation to turn things round.

One answer, unpalatable though it may be for our self-image as a tolerant, triumphantly multicultural nation (and given all the countering legislation that I, for one, have been party to passing), is that there is still a significant amount of outright racial discrimination. I suspect this is not remotely as true as it might have been once for senior leadership appointments, but it may still be uncomfortably real at lower levels. An oft-cited field experiment by ANU economists in 2010, in which they sent out more than 4000 fake applications for entry-level jobs, using the same ethnically-distinct qualifications but different names, found substantial discrimination by employers in their hiring,. In order to get as many interviews as an applicant with an Anglo-Saxon name, someone with a Middle Eastern name had to submit 64 per cent more applications, and with a Chinese name 68 per cent more.

A second answer is that while at the senior leadership level there might not be much, if any, outright racial discrimination, there may still be a great deal of instinctive stereotyping about the qualities that Asian-Australians bring to these roles. As Peter Cai has described it in *Business Spectator*, 'Asians are typically seen as maths or IT nerds with good quantitative skills. So often they end up as

⁶ Per Capita, *The Way In: Representation in the Australian Parliament*, January 2019

⁷ Asian Australian Lawyers Association *The Australian Legal Profession: A Snapshot of Asian-Australian Diversity in 201.* April 2015

⁸ A.Booth, A.Leigh and E.Varganova, 'Does Racial and Ethnic Discrimination Vary Across Minority Groups: Evidence from a Field Experiment', July 2010 CEPR Discussion Paper DP7913, cited in Tim Soutphommasane, 'Unconscious Bias and the Bamboo Ceiling', AHRC, 10 June 2014. Someone with an Italian name, by contrast, had to submit only 12 per cent more applications.



quants at banks on in R&D roles at technology companies. These perceptions can be career limiting for Asians who aspire to leadership positions. People see Asian deference to elders as a sign of their unwillingness to challenge authority and hence their lack of leadership potential.⁹ Former Race Discrimination Commissioner Tim Soutphommasane has made the same point: 'What one person may regard as the laudable qualities of being inoffensive, diligent and productive can, for another person, sound a lot like passivity, acquiescence and subservience'.¹⁰

A third answer involves very sensitive terrain on which to tread, particularly for a non-Asian, but is one regularly acknowledged by those of Asian background themselves, viz. that there may genuinely be some cultural characteristics they share, particularly in Confucian cultures, which do make it more psychologically difficult for many of them to pursue and achieve leadership roles. The point is made by the Asian-American Jane Hyun in her seminal book on *Breaking the Bamboo Ceiling.* In highly individualistic societies, she says, those who speak or shout the loudest get noticed the most or rewarded: 'The squeaky wheel gets the grease'. Yet, within Asian cultures, a different norm may prevail: 'The loudest duck gets shot.'¹¹ Individuals of course vary enormously, but I have had many conversations over the years with Asian-Australians who have described how instinctively inhibited they have felt about asserting themselves to the extent that might be seen to be the Anglo-Celtic cultural norm, and how they feel this has held them back.

A fourth answer relates specifically to Chinese-Australians, and is a distressing new element on the scene. It is the sense that in the current environment of hyper-anxiety in some quarters about baleful Chinese, and particularly Chinese Communist Party, influence in Australian business, politics and universities, Chinese-Australians are going to find it even more difficult than they do at the moment to aspire to leadership positions, especially in any fields that are seen as even remotely security sensitive.

My own Executive Officer, and Manager of the ANU's Melbourne office, Jieh-Yung Lo, has written movingly of the more hostile atmosphere he and other members of his community are increasingly sensing: 'The increased questioning of Chinese-Australians' sense of belonging and commitment to Australia, and distrust of anything and anyone who looks Chinese or associates themselves with its culture has resulted in us being seen and treated as second-class citizens... A new form of Sinophobia is emerging, unlike the racism and xenophobia experienced by Chinese-Australians and migrants before and during the days of the White Australia

⁹ Peter Cai, 'Is there a bamboo ceiling in Australia', Business Spectator, 14 June 2014

¹⁰ Soutphommasane, op cit note 9.

¹¹ Hyun, op cit note 1, pp 38-9, cited in



Policy. It is more subtle, as it goes beyond just hate speech and racism and seeks to undermine confidence and trust.¹²

Probably the most egregious single example of the kind of 'fifth column' characterization my colleague fears is the story in *The Australian* last December headed 'WA Labor MP Pierre Yang served aboard suspected China spy ship', highlighting the role of Yang - who had served in the Australian Army Reserve for a decade – as a liaison officer and Mandarin-speaking linguist sent aboard a Chinese ship assisting in the search for Malaysian Airlines flight MH370. Instead of praising his language ability, military service and use of both to play a cooperative role on Australia's behalf, the picture was painted that his loyalties lay with another power.¹³

A fifth and final factor contributing to the under-representation of Asian-Australians in leadership positions may be simply that the existing leadership of organizations and institutions where the bamboo ceiling problem should have been visible simply haven't had the bandwidth – or at least haven't *felt* they had the bandwidth – to deal with it. Cultural diversity seems to be twenty years or more behind gender diversity as an issue that institutional leaders seem prepared to address. A Vietnamese-Australian lawyer Tuanh Nguyen, makes the point in a recent SBS publication: 'I worked at the law firm Baker and McKenzie for ten years. When I first started talking about cultural diversity issues, they said there's only so much oxygen for diversity, and it is all being taken up by gender'.

Strategies for Breakthrough. If we do have a bamboo ceiling problem in this country, and the evidence seems undeniable, what strategies should we embrace to ensure that more Asian-Australians break through it?

The first need is to better understand the scale of the problem, which means better and more accessible data on the ethnic and cultural composition of our population as a whole – which at the moment has to be painfully laboriously compiled from less than complete Census data – and of all our public companies and institutions. There are always understandable sensitivities about gathering information on race or ethnicity, but good policy at both the macro and micro level has to be evidence driven, and policymakers at both levels simply don't have all the readily available data they need.

The second need is to use that data to set realistic targets and timelines, countrywide, sector by sector, institution by institution. Some consensus needs to be reached on the familiar debate about quotas, targets and tokenism which always flares up around any effort to redress apparent inequity in the context of gender, race, ethnicity or anything else. Given the very early stages of debate about cultural

 ¹² Jieh-Yung Lo, "As Canberra's ties with Beijing come under pressure, Chinese-Australians are facing a new kind of discrimination", South China Morning Post, 29 September 2018
¹³ Andrew Burrell, WA Chief Reporter, The Australian, 6 December 2018

¹⁴ Quoted in Malcolm Knox, 'Battle of the Bamboo Ceiling', SBS, November 2016



diversity, any talk of formal quotas would seem counterproductive, but carefully thought out targets can be operationally very useful.

Much will need to be done at the micro level, company by company and institution by institution, but it will be important at the macro-level that there be an accepted source of strategic guidance. The obvious candidate for such a role, given its excellent reporting on this subject so far, is the Australian Human Rights Commission, but its effectiveness in this space will significantly depend on the degree of cross party support that the whole bamboo ceiling breakthrough enterprise commands.

A third need is to identify the kind of detailed strategies and programs that are going to be necessary to actually change mindsets and get any targets implemented. What will help organizational leaders recognize they simply have to find the bandwidth to address lack of cultural diversity: that not doing so is as unsconcionable, and as big a lost opportunity as not getting it about gender equity? Would the functional equivalent of Male Champions of Change add any value here? What kind of training programs could be introduced to help employers recognize their stereotyped perceptions for what they are, and help encourage Asian-Australians to overcome such diffidence they might have about doing what it takes to climb the leadership ladder? Couldn't we do much more along the lines of the mentoring program for aspiring female company directors run by the Australian Institute of Company Directors?

I don't have the answers now to all the questions I have raised and the challenges I have sought to identify. But I strongly believe it's time for us as a nation to get moving on finding them. In that spirit, I am delighted to announce tonight that Asialink, The Australian National University and PricewaterhouseCoopers (PwC) have agreed to join forces and be the initial co-conveners in Melbourne on 12-13 September this year, of an Asian-Australian Leadership Summit to do just that. We aim to invite to the Summit around 60 key Asian-Australians and an equivalent number of leading non-Asian Australians from the business, government, academic, media and NGO communities, with a sharply-focused practical agenda aimed at both energising and implementing a new national commitment to both recognizing and breaking through the bamboo ceiling in all the key institutional areas where it presently exists.

This is a major opportunity to reset the national agenda, and we at ANU, Asialink and PwC hope that we will be joined now by additional partners and supporters – including from a number of the businesses and organizations and media groups represented here this evening – to help us not only ensure that next September's Summit will have the maximum impact, but drive the program of change that must necessarily follow it.



Breaking the bamboo ceiling is an issue on which we have ducked and weaved and dithered for too many years. The Asian century is off and running and we have in our midst a fantastic resource with which to take maximum advantage of all the opportunities it offers. Asian-Australians have been under-appreciated and under-utilised in our listed companies and public institutions for far too long. It's time to move beyond rhetoric to action, and I hope and expect every one of you here tonight, who are so obviously committed to Australia's Asia future, to be very much part of that action.

<u>The Sir Edward 'Weary' Dunlop Asialink Lecture</u> encourages eminent Australians and Asians to present their vision for Australia-Asia relations into the 21st century and to commemorate the life and vision of Sir Edward 'Weary' Dunlop.