



Equality Rights Alliance

Women's Voices for Gender Equality

economic

S4W

Lifelong
Economic
Wellbeing
for Women

Submission of economic Security4Women and Equality Rights Alliance to the inquiry of the Senate Community Affairs References Committee into the Adequacy of Newstart and related payments and alternative mechanisms to determine the level of income support payments in Australia

13 September 2019

This submission is endorsed by:



This submission is endorsed in whole or in part by the following members of ERA:

- 2020Women
- Aboriginal Legal Rights Movement
- Alevi Federation of Australia
- Australasian Council of Women and Policing
- Australian Baha'i Community – Office of Equality
- Australian Centre for Leadership for Women
- Australian Federation of Graduate Women
- Australian Federation of Medical Women
- Australian Motherhood Initiative for Research and Community Involvement
- Australian National Committee for UN Women
- Australian Women's Health Network
- CARE Australia
- Children by Choice
- COTA Australia
- FECCA Women's Committee
- Feminist Legal Clinic
- Fitted for Work
- Gender Equity Community of Practice
- Girl Guides Australia
- Good Shepherd Australia New Zealand
- Homebirth Australia
- Human Rights Law Centre
- Immigrant Women's Speakout Association NSW
- International Women's Development Agency
- JERA International
- Jessie Street National Women's Library
- Justice Connect
- Maternity Choices Australia
- Migrant Women's Lobby Group of South Australia
- Multicultural Women's Advocacy ACT
- National Association of Services Against Sexual Violence
- National Council of Churches of Australia Gender Commission
- National Council of Jewish Women of Australia
- National Council of Single Mothers and Their Children
- National Council of Women of Australia
- National Foundation for Australian Women
- NSW Council of Social Services
- National Union of Students (Women's Department)
- Older Women's Network NSW Inc
- Project Respect
- Public Health Association of Australia (Women's Special Interest Group)
- Reproductive Choice Australia
- Safe Motherhood For All Inc
- Sexual Health and Family Planning Australia
- Soroptimist International
- Sisters Inside
- Union of Australian Women
- United Nations Association of Australia Status of Women Network
- Victorian Immigrant and Refugee Women's Coalition
- VIEW Clubs of Australia
- Women in Adult and Vocational Education
- Women in Engineering Australia
- Women on Boards
- Women with Disabilities Australia
- Women's Equity Think Tank
- Women's Electoral Lobby
- Women's Environment Network Australia
- Women's Housing Ltd
- Women's Information Referral Exchange
- Women's International League for Peace and Freedom
- Women's Legal Services Australia
- Women's Property Initiatives
- Women Sport Australia
- Working Against Sexual Harassment
- YWCA Australia
- Zonta International Districts 22, 23 and 24

Introduction

economic Security4Women and Equality Rights Alliance welcome the opportunity to provide this submission to the Senate Community Affairs References Committee inquiry into the *Adequacy of Newstart and related payments and alternative mechanisms to determine the level of income support payments in Australia*.

Economic Security4Women

economic Security4Women (eS4W) is a national women's alliance, funded by the Australian Government through the Office for Women in the Commonwealth Department of Prime Minister and Cabinet.

It is an alliance of women's organisations united in the belief that economic wellbeing and financial security are essential for women and will enable women of all ages to have an equal place in society.

The role of eS4W is to:

- bring together women's organisations and individuals from across Australia to share information, identify barriers to women's economic security and to identify solutions by prioritising the key issues for action to bring about change.
- engage actively with the Australian Government on policy issues as part of a better more informed and representative dialogue between women and government.

Equality Rights Alliance

Equality Rights Alliance (ERA) is Australia's largest network advocating for women's equality, women's leadership and recognition of women's diversity. We bring together 64 non-government organisations and social enterprises with a focus on the impact of policy or service delivery on women.

ERA believes the advancement of women and the achievement of equality are matters of fundamental human rights and advocates for gender equality, women's leadership and government policy responses that support women's diversity.

We are one of the six National Women's Alliances, funded by the Commonwealth Office for Women. ERA is auspiced by YWCA Australia.

Executive Summary

This submission calls upon the Committee to bring an intersectional gender analysis to the adequacy of Newstart and related payments, and to consider the gendered implications of income support payments. It responds to the terms of reference a), b), c), d) f), h), i), j), l), n), o) and r).

Poverty in Australia must be considered through a gender lens. Women are over-represented as recipients of income support payments generally and are more likely than men to be receiving Newstart for long periods.¹ Newstart Allowance and income support payments provide an important social security net for women who perform the majority of unpaid work and care in Australia, which in 2015 was worth \$60 billion to the Australian economy every year² to the Australian economy every year.

Gendered structural factors, such as barriers to and discrimination in the workforce, women's over-representation as low-income single parents, and domestic and family violence increase the vulnerability of women receiving Newstart and exacerbate long term economic and housing insecurity. These factors

¹ Data on recipients of Newstart Allowance by Age and Gender, by Rate, Duration on Payment and Earnings provided by Department of Social Services, 30/03/2018.

² Carers Australia, Deloitte Access Economics. 2015. *The economic value of informal care in Australia in 2015*. Australia: Carers Australia, available from: <https://www.carersaustralia.com.au/storage/access-economics-report3.pdf>, accessed 29 August 2019.

compound over the life course, leading women to be an emerging cohort experiencing poverty, housing insecurity and homelessness in ageing. ERA and eS4W strongly recommends the increase of Newstart payments by \$75 a week as a measure to ensure that our welfare floor does not contribute to the broader economic disadvantage experienced by women.

Further, ERA notes the importance of safe, secure and appropriate housing to an adequate standard of living for women. Access to housing in Australia is gendered, with women making up the majority of people relying on housing support systems. Even a significant increase to Newstart will make little impact on gendered poverty in Australia if there are insufficient affordable housing options for women. We recommend the strengthening of housing support alongside reform of Newstart and income support payments, including further investment in a range of housing support systems, including social housing, to support women's diverse housing needs.

The design and delivery of Newstart and income support payments is currently gender blind, even though the global trend is for Governments to incorporate a gender analysis when making budgetary and other decisions. Given the critical role played by our welfare system in supporting women's economic welfare, ERA calls on the Committee to bring a gender lens to its consideration of Newstart Allowance, and to consider the implementation of Gender Responsive Budgeting (GRB) when setting payment levels and entitlement criteria.

Summary of Recommendations

- 1. Apply an intersectional gender lens to this review of Newstart, and its role in an acceptable standard of living.**
- 2. Increase Newstart payments by at least \$75 per week and increase other income support payments to be consistent with a living wage.**
- 3. Restore access to the parenting payment single for single parents who have a dependent child of 16 years.**
- 4. Implement the recommendations made by Good Shepherd in its submission into the *Inquiry into ParentsNext*.**
- 5. Remove all requirements that link payments to compliance with job search or parenting activities, without consideration of hardship.**
- 6. Ensure that payments, and associated employment activities are designed with sufficient flexibility to support women's unpaid care work responsibilities, including parenting.**
- 7. Implement recommendations made by Good Shepherd Australia New Zealand in the "*Outside systems control my life*" report.**
- 8. Redesign the Cashless Debit Card (CDC) program as opt-in only.**
- 9. Strengthen employment support for migrant and refugee women.**
- 10. Enshrine the right to appeal unreasonable refusals of flexible working requests for caring purposes.**
- 11. Ensure basic benefits such as paid leave, superannuation and protection from unfair dismissal for casual, part-time, "gig economy" and other forms of precarious employment positions.**
- 12. Consider the contribution of unpaid work and care to the Australian economy when reforming Newstart and other income support payments.**

13. **Implement a comprehensive Federal Government Strategy to address the underlying causes of gendered economic inequality, including reviewing and rectifying inequities in superannuation policy and legislation and examining the national income support system and Commonwealth Rent Assistance with a view to improving financial outcomes for women.**
14. **Develop a gender-responsive national housing and homelessness strategy which includes ambitious, gendered goals to reduce homelessness and increase affordable housing stock and which includes actions and measurable targets to create additional permanent social and affordable housing options for women in each State and Territory, and particularly for older women.**
15. **Ensure services that are appropriately specialised, competent, inclusive, accessible and culturally safe are resourced, including to meet the needs of older women, single mothers, young women, women with disability, Aboriginal and Torres Strait Islander women and women experiencing domestic and family violence and their children.**
16. **Recognise ‘appropriateness of housing’ as a relevant factor when determining acceptable standards of living.**
17. **Retain a diversity of housing support and assistance options alongside an increase to Newstart, including the provision of income-based rent setting and public housing, to meet the diversity of women’s housing needs.**
18. **Reform housing assistance, including Commonwealth Rent Assistance (CRA), including by providing a diversity of housing assistance measures which are made available through assessment of individual need, rather than solely by assessment of source of income.**
19. **Reform the base rate and indexation of CRA to address the fact that over 40% of recipients remain in housing stress.**
20. **Undertake tax reforms to curb negative gearing, such as limiting negative gearing to income from investment, and reduce the capital gains tax exemption. Redirect revenue generated from reform to housing support systems for low-income households.**
21. **Implement National Minimum Standards on tenancy reform to protect victims/survivors of domestic and family violence.**
22. **Investigate and consult on models of Gender Responsive Budgeting for integration into the budget process, including design of and changes to income support payments such as Newstart.**

Introduction - Australia’s international human rights obligations

Through international human rights frameworks, Australia has committed to a gender-responsive approach to social security and protections, which seeks to respond to and transform those inequalities between women and men which render women more vulnerable to poverty. It is in the context of these commitments in which we call the Committee to bring an intersectional gender lens to its analysis of Newstart.

The right to social security is set out in article 9 of the Convention on Economic, Social and Cultural Rights, to which Australia is a signatory. Article 9 is significant, because it establishes social security as a human right, as opposed to an optional grant or endowment by States.

Under the Convention on the Elimination of Discrimination Against Women, Australia has committed to “take all appropriate measures to eliminate discrimination against women in the field of employment... in particular... the right to social security”,³ and under Goal 5 of the Sustainability Development Agenda, to:

*recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility with the household...*⁴

In early 2019, the sixty-third session of the UN Commission on the Status of Women (CSW63) negotiated Agreed Conclusions on the theme of *social protection systems, public services and sustainable infrastructure for gender equality and the empowerment of women and girls*. In adopting the conclusions, Australia agreed to:

*Ensure the right to social security in national legal frameworks, as well as ensure universal access to social protection, supported by national strategies, policies, action plans and adequate resources, to enhance gender equality and the empowerment of women and girls;*⁵

Australia has also made significant commitments to social protections for unpaid work and carers, including mothers, older women, and on welfare conditionality. Under the 2030 Sustainable Development Agenda, Australia committed specifically to social protection schemes which support unpaid workers and carers, with a view to recognising and valuing unpaid work and care:

*Ensure access to social protection for unpaid caregivers of all ages, including coverage for health care and pensions, and in this regard strengthen social protection schemes that promote, as appropriate, the economic, social and legal recognition of unpaid care and domestic work, and allow such work to be valued within contributory schemes;*⁶

Further, at CSW63 Australia committed to social protections which safeguard older women’s economic security, and reduce economic inequalities, namely to

*Promote legal, administrative and policy measures that strengthen unemployment protection schemes and ensure women’s full and equal access to pensions, including access to income security for older women... and reduce gender gaps in coverage and benefit levels;*⁷

Finally, we note that this review takes place in circumstances where the Australian Government has committed to:

*Assess the need for and promote the revision of conditionalities, where they exist, related to cash transfer programmes, inter alia, to avoid reinforcing gender stereotypes and exacerbating women’s unpaid work; and ensure that they are adequate, proportional and non-discriminatory and that non-compliance does not lead to punitive measures that exclude women and girls who are marginalized or in vulnerable situations;*⁸

³ Convention on the Elimination of All Forms of Discrimination Against Women – Part II, (Art.11.1, (e)), A/RES/34/180, available at <https://www.ohchr.org/en/professionalinterest/pages/cedaw.aspx>

⁴ General Assembly, *Transforming our world: the 2030 Agenda for Sustainable Development - Goal 5. Achieve gender equality and empower all women and girls*, (5.4), A/RES/70/1, available at https://www.un.org/en/ga/search/view_doc.asp?symbol=A/RES/70/1&referer=http://www.un.org/en/documents/index.html&Lang=E

⁵ United Nations Economics and Social Council, *Commission on the Status of Women Sixty-third Session – Strengthen normative, legal and policy frameworks*, (para.47, (f)), E/CN.6/2019/L.3/, available at <https://undocs.org/en/E/CN.6/2019/L.3>

⁶ *ibid* para.47, (l)

⁷ *ibid* para.47, (jj)

⁸ *ibid* para.47, (mm)

We note that many of our current forms of welfare conditionality cannot be said to be adequate, proportional or non-discriminatory. By way of example, the ParentsNext program discriminates against single mothers and Aboriginal and Torres Strait Islander women, and rests upon problematic assumptions about parenting and the value of unpaid work. We note that welfare conditionality measures associated with the Targeted Compliance Framework, and the subsequent suspension of payments are punitive measures which have not produced any positive demonstrable benefits.

We ask the Committee to consider how Newstart and related income support payments sit in the context of Australia's human rights obligations under international conventions and agreements.

Response to Inquiry terms of reference

a) Consideration of what constitutes an acceptable standard of living in Australia, including the cost of safe and secure housing

We support the call by ACOSS to increase Newstart, Youth Allowance and related payments for single people by at least \$75 a week⁹, and encourage the Committee to bring a gender lens to its review of Newstart.

According to ACOSS and UNSW, 3.05 million people in Australia (13.2% of the population) are living in poverty. Poverty among people in households relying mainly on Newstart Allowances rose from 61% to in 199 to 78% in 2015, an increase of 17%.¹⁰ According to Deloitte Access Economics, Newstart is the equivalent to living on \$38.99 a day, and constitutes 36% of average wage after tax and little over half of the full-time minimum wage.¹¹ We draw the attention of the Committee to the considerable body of personal testimony that Newstart is inadequate to meet current living costs.

Women make up 49.3% of people in receipt of Newstart and although the Australian Government has designed Newstart as a temporary payment, are more likely to be in receipt of Newstart for longer periods, making up 52% of people in receipt of Newstart for 2-5 years and 54% of people in receipt for 5+ years. This reflects a broader trend of women experiencing poverty for longer periods than men.¹² Women also make up 66% of part-rate recipients of Newstart and make up 65% of the one fifth of Newstart recipients reporting employment earnings. This shows that Newstart is a crucial supplement for the low income, part-time and casual work in which women are over-represented.¹³

ERA and AWAVA's analysis of the 2018 Women's Economic Statement noted that "*an intersectional analysis, which recognises that gender is one component of economic disempowerment*"¹⁴ needs to be brought to bear on economic policy. The use of an intersectional gendered analysis is particularly important in any review of income support, given the role played by our income support system in reducing the economic fallout from inequalities experienced elsewhere in life. In this context, we note that:

- Trans people are more likely to experience poverty and more likely to be discriminated against in employment;¹⁵
- Aboriginal and Torres Strait Islander women are paid an annual average of \$11 200 less than non-Indigenous women;¹⁶

⁹ ACOSS, "Myth Busting Newstart," 2018 <http://www.acoss.org.au/raisetherate/> (accessed 15/11/18)

¹⁰ ACOSS and UNSW Sydney, *Poverty in Australia 2018*. (Sydney, 2018). 12

¹¹ <https://www.acoss.org.au/wp-content/uploads/2018/09/DAE-Analysis-of-the-impact-of-raising-benefit-rates-FINAL-4-September-...-1.pdf>

¹² Australian Government, "Indicator 1.2.1 Proportion of population living below the national poverty line, by sex and age" *Sustainable Development Goals Data*. 17 July 2018, <https://www.sdgdata.gov.au/goals/no-poverty/1.2.1> (accessed 24/10/18)

¹³ 2018 data on Newstart commissioned from Department of Social Services by ERA.

¹⁴ Equality Rights Alliance, Australian Women Against Violence Alliance, 'Unpacking the Women's Economic Security Statement', 21 January 2019, available at <http://www.equalityrightsalliance.org.au/unpacking-the-womens-economic-security-statement/> (Accessed 8 August 2019).

¹⁵ NSW Council of Social Services, *Beyond the myth of 'pink privilege': Poverty, disadvantage and LGBTI people in NSW* (NSW: NCOSS, 2015).

¹⁶ Howlett, M, M Gray and B Hunter, 2016, 'Wages, Government Payments and Other Income of Indigenous and Non-Indigenous Australia', *Australian Journal of Labour Economics*, vol 19, no.2 pp. 53-76.

- Some women (especially Aboriginal and Torres Strait Islander women) are forced to use cashless debit cards instead of having access to cash, with impacts on their ability to get free of domestic violence.¹⁷
- Between 38-41% of people living in poverty are people with a disability;¹⁸
- Women from culturally and linguistically diverse backgrounds are over-represented in insecure employment fields;¹⁹
- Extended waiting periods for migrants to access social security increase migrant women's dependence on partners and families, making them more at risk of controlling and violent behaviour.²⁰

ERA calls on the Committee to bring an intersectional gender lens to its consideration of the Newstart Allowance and what constitutes an acceptable standard of living.

Newstart Allowance must be increased by at least \$75 a week, in recognition of the fact that for many women, including the 52% who receive payments for longer than 2 years,²¹ and other vulnerable groups including people who identify as trans, Aboriginal and Torres Strait Islander women, people with a disability, women from culturally and linguistically diverse backgrounds, and women with migration experiences, Newstart constitutes an important social protection floor and a realization of the right to social security²².

Safe, secure and appropriate housing

Adequate housing is a human right²³, and ERA welcomes the inclusion of safe and secure housing as a consideration of an acceptable standard of living. However, the *appropriateness* of housing must be considered in addition to safety and security. It is our view that the combination of Newstart and Commonwealth Rent Assistance Payments (CRA) at current levels are insufficient to ensure women's access to safe, secure and appropriate housing, and do not constitute an adequate substitute for a properly funded public housing system.

Women are the main beneficiaries of housing support systems; the majority of public housing tenants are women,²⁴ as are Commonwealth Rent Assistance recipients²⁵ and specialist homelessness services clients.²⁶ As a result, the under-resourcing of housing safety nets disproportionately impacts women and undermines the Australian Government's gender equality objectives.²⁷ Women are 14% more likely to report discrimination in the rental market than men²⁸ and are *“especially susceptible to changes in the cost or*

¹⁷ 'Submissions Received by the Senate Community Affairs Legislation Committee into the Social Services Legislation Amendment (Cashless Debit Card) Bill 2017, available at https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/CashlessDebitCard/Submissions Accessed 8 August 2019.

¹⁸ Australian Council of Social Services, *Poverty in Australia 2018* (NSW: ACOSS, 2018), 58.

¹⁹ Federation of Ethnic Communities' Councils of Australia, 2017. 'Submission to Independent Inquiry into Insecure Work', (ACT: FECCA). Available at http://fecca.org.au/wp-content/uploads/2017/07/Independent-Inquiry-into-Insecure-Work-submissionv_02.pdf

²⁰ Harmony Alliance, 'Open Letter to Female Members of Parliament and Senators', 22 May 2018, Available at http://fecca.org.au/wp-content/uploads/2017/07/Independent-Inquiry-into-Insecure-Work-submissionv_02.pdf, Accessed 8 August 2019.

²¹ Data on recipients of Newstart Allowance by Age and Gender, by Rate, Duration on Payment and Earnings provided by Department of Social Services, 30/03/2018

²² Article 9 International Convention on Economic, Social and Cultural Rights

²³ Article 11 International Convention on Economic, Social and Cultural Rights

²⁴ Australian Institute of Health and Welfare (2016) Housing Assistance in Australia 2016 Supplementary Data Table 6: Number of tenants in social housing by age, sex and program, at 30 June 2015

²⁵ Data on rent assistance income units by sex provided by Department of Social Services

²⁶ Australian Institute of Health and Welfare (2016) Specialist homelessness services 2015-16 supplementary data National Table CLIENTS 1

²⁷ CEDAW/C/AUS/8 Australia's eighth periodic report to the Committee on the Elimination of Discrimination against Women, http://tbinternet.ohchr.org/Treaties/CEDAW/Shared%20Documents/AUS/CEDAW_C_AUS_8_5910_E.pdf

²⁸ CHOICE, National Shelter, The National Association of Tenant Organisations (NATO), *Unsettled: Life in Australia's private rental market*, (Australia: CHOICE, National Shelter, NATO, 2017).

*affordability of housing – across all tenures.*²⁹ Due consideration of the relationship between access to housing and an acceptable standard of living is crucial to a gender lens on Newstart.

ERA is concerned that limiting discussion on housing to safety and security does not account for the importance of housing that is *appropriate* for women, with implications for achieving an acceptable standard of living. Women's access to housing is influenced by a diverse range of factors and intersectionalities, including mother, older woman or domestic and family violence survivor status. For example, unpaid work and care, including parenting, is overwhelmingly undertaken by women in Australia. This means that women require housing that is close to services, workplaces and easily accessible through public transport and may require additional space to accommodate people to whom care is provided. When subject to pricing in the private rental market, women are required to sacrifice the accessibility of services and workplaces to affordability, effectively deferring costs of housing to transport and other life expenses, and so putting further pressure on income, including Newstart.

Recommendations:

- 1. Apply an intersectional gender lens to reviewing Newstart, and its role in an acceptable standard of living.**
- 2. Recognise 'appropriateness of housing' as a relevant factor when determining acceptable standards of living.**

b) The labour market, unemployment and under-employment in Australia, including the structural causes of long-term unemployment and long-term reliance on Newstart

ERA and eS4W draw the attention of the Committee to the gendered nature of unemployment in Australia. In 2017-18, the employment rate was 64% for women, in comparison with 75% for men aged 20-74. Women are more likely to be working part-time and more likely to be working in casual jobs. Women aged 30-34 years old are three times more likely than men to be out of the labour force. Further, the gender pay gap persists in Australia, with a gap of 14.0% for 2018-2019.³⁰ According to WGEA, drivers of the gender pay gap include the undervaluation of 'women's' jobs, barriers to higher-paid male-dominated industries, conscious and unconscious bias and discrimination, women's higher rates of part-time work, women's disproportionate share of unpaid work and care and the lack of workplace flexibility to accommodate caring responsibilities.³¹ Gendered norms such as domestic and family violence, and economic abuse further increases women's vulnerability to economic insecurity.

Women are the primary performers of unpaid work in Australia both within households and in the broader volunteering community, and they also perform the majority of unpaid work which is for the benefit of others.³² There are 2.7 million unpaid carers in Australia, two-thirds of these are women. Women spend 62.6%³³ of their average weekly working time on unpaid care work in comparison to 36.1% for men, meaning that women face greater time constraints and inflexibility when pursuing full-time employment. For single people and

²⁹ Baker, E, and Tually, S (2008) Women, Health and Housing Assistance: Implications in an Emerging Era of Housing Provision. *Australian Journal of Social Issues*, 43(1) 123-138.

³⁰ WGEA, 'Australia's Gender Pay Gap Statistics', Commonwealth of Australia, 15 August 2019, available at: <https://www.wgea.gov.au/data/fact-sheets/australias-gender-pay-gap-statistics>, accessed 5 September 2019.

³¹ WGEA, 'The gender pay gap', Commonwealth of Australia, 2018, available at <https://www.wgea.gov.au/topics/the-gender-pay-gap>, Accessed 15 August 2019.

³² Lyn Craig and Abigail Powell, "Shares of Housework Between Mothers, Fathers and Young People: Routine and Non-routine Housework, Doing Housework for Oneself and Others," *Social Indicators Research*, 136. No. 10 (2016)

³³ Financy Women's Index, June 2019 Report, available at <https://financy.com.au/financy-womens-index/>

single parents, the barriers to full time work created by unpaid care work are particularly significant. We note that single parents are overwhelmingly female (83% of one parent families with dependents are single mother families).³⁴

ERA and eS4W call on the Committee to consider women's unemployment in the context of these figures and trends, and to take note that women's home, caring and parenting responsibilities constitute unremunerated work, rather than unemployment. It is very difficult to place an exact value on the unpaid work performed by women in Australia. Economic Security 4 Women found that if all hours of informal care provided in 2015 were replaced with services purchased from formal care providers, the replacement value of informal care would be \$60.3 billion (equivalent to 3.8% of gross domestic product and 60% of the health and social work industry)³⁵. More recently, Deloitte Access Economics costed the value of unpaid care work in Victoria in 2017-2018 at \$205.6 billion and noted that women spend 13.8 more hours a week on unpaid work and care than men (where men spent an average of 19.8 hours and women 32.9 hours).³⁶ In 2017, PWC found that applying a conservative (market replacement) value to unpaid work increased the size of Australia's economy by a third compared with the calculation in the national accounts.

Although their role in the Australian economy is vital, the inequitable gendered distribution of unpaid work comes at a significant cost to women's economic security. The social security system plays a critical role in ensuring that women with unpaid caring responsibilities have some limited protection from poverty and economic insecurity. Women are the majority of income support recipients³⁷ and tend to require income support payments, including Newstart, for longer periods than men.³⁸ Working-age women in receipt of income support also draw a larger proportion of their income from income support payments.³⁹ But decreases in the real value of Newstart and associated payments and changes to the Single Parenting Payment have conspired to undermine this security net for women, while the imposition of onerous conditionality, excessive waiting periods and punitive approaches to social security affect women's access to the social protection floor and in many cases breach women's right to social security. Indeed, women are more likely than men to be receiving income support payments as their primary source of income, and are more likely to be single with dependents, when declaring bankruptcy.⁴⁰

Recommendations:

- 1. Increase Newstart payments by at least \$75 per week and increase other income support payments to be consistent with a living wage.**

c) The changing nature of work and insecure work in Australia

Less than half of employed Australians now hold a "standard" job: that is, a permanent full-time paid job with leave entitlements.⁴¹ This new working landscape is highly gendered: women make up nearly 70% of people

³⁴ ABS 6224.0.55.001 Labour Force, Australia: Labour Force Status and Other Characteristics of Families, June 2016.

³⁵ Carers Australia, Deloitte Access Economics, 2015.t, *The economic value of informal care in Australia in 2015*. Australia: Carers Australia available from: <https://www.carersaustralia.com.au/storage/access-economics-report3.pdf>, accessed 21 August 2019.

³⁶ Deloitte Access Economics, *Modelling the value of unpaid work and care* (Victoria: Office for Women, Department of Health and Human Services, 2018).

³⁷ data.gov.au, "DSS Demographics June 2018," *Australian Government data.gov.au*. June 2018 <https://data.gov.au/dataset/ds-dga-cff2ae8a-55e4-47db-a66d-e177fe0ac6a0/distribution/dist-dga-57c91779-cce6-4ec4-b94f-50464ca55a77/details?q> (accessed 14/11/18)

³⁸ Roger Wilkins, *The Household, Income and Labour Dynamics in Australia Survey: Selected Findings from Waves 1 to 15* (Melbourne: Melbourne Institute Applied Economic & Social Research, 2017). 41

³⁹ Ibid.

⁴⁰ Lucinda O'Brien, Ian Ramsay and Paul Ali, 'The Distinctive Features of Women in the Australian Bankruptcy System: An Empirical Study', *Australian Journal of Social Issues*, 54, No.2 (2019)

⁴¹ Carney, T. and Stanford, J. 2018. *The Dimensions of Insecure Work: A Factbook*. (ACT: The Australia Institute, Centre for Future Work, 2018), available from:

in part-time employment;⁴² with many of these positions also categorised as ‘precarious’ – referring to lower paid positions with few or no benefits, reliant on short-term contracts, and holding little power in the organisational context.

It is important to note that women from culturally and linguistically diverse backgrounds are over-represented in insecure employment fields,⁴³ and that Australian women from culturally and linguistically diverse (CALD) backgrounds face a range of specific challenges which often impact negatively on their economic and financial security, such as barriers in obtaining formal recognition of education and other qualifications and skills.⁴⁴ Immigration contributes positively to Australia’s economic and social development,⁴⁵ but must be supported with education, settlement assistance, and legal protections. Caring responsibilities and migration or visa status should not mean lesser workplace conditions or greater vulnerability. We refer the committee to Harmony Alliance’s calls to provide additional support, flexibility and visibility of employment support and processes for women of migrant and refugee backgrounds,⁴⁶ including extending the timeframes for eligibility to access the Australian Migrant English Program (AMEP).⁴⁷ Caring responsibilities and migration or visa status should not mean lesser workplace conditions or greater vulnerability.

Recommendations:

1. Strengthen employment support for migrant and refugee women.

d) The appropriateness of current arrangements for support for those experiencing insecure employment, inconsistent employment and precarious hours in the workforce

The current rates of Newstart are grossly inadequate to cover basic costs of living, with impacts for those experiencing insecure employment, inconsistent employment and precarious hours in the workforce. The changing world of work presents myriad challenges and opportunities for women’s economic wellbeing. In its 2016 report on the future of work, CSIRO suggests that Australia faces ‘a perfect storm’ of conditions that are unprecedented in our labour force history, namely:⁴⁸

- Our labour market is yet to see the exponential growth and impact of emerging technologies that after 2020 will make their significance felt in relation to job automation;
- The nature of work is changing as the “peer-to-peer” (P2P) economy⁴⁹ and platform marketplaces ascend in prominence, and disrupt our traditional employment models;

https://d3n8a8pro7vhmx.cloudfront.net/theausinstitute/pages/2807/attachments/original/1528337971/Insecure_Work_Factbook.pdf?1528337971, accessed 29 August 2019.

⁴² WGEA, 2019.

⁴³ Federation of Ethnic Communities’ Councils of Australia, 2017. ‘Submission to Independent Inquiry into Insecure Work’, (ACT: FECCA). Available at http://fecca.org.au/wp-content/uploads/2017/07/Independent-Inquiry-into-Insecure-Work-submissionv_02.pdf

⁴⁴ economic Security4Women, 2019. Discussion Paper: *Issues confronting Australian women from culturally diverse backgrounds*. NSW: economic Security4Women, available from: <https://www.security4women.org.au/wp-content/uploads/eS4W-Discussion-Paper-Issues-confronting-Australian-women-from-culturally-diverse-backgrounds-20190205.pdf>, accessed 28 August 2019.

⁴⁵ See, for example: Gardiner, L. and Costello, C. 2019. Stronger Together: *The impact of family separation on refugees and humanitarian migrants in Australia*. (Victoria: Oxfam Australia), 2, available from: https://www.oxfam.org.au/wp-content/uploads/2019/08/2019-AC-012-Families-Together-report_FA2- WEB.pdf, accessed 29 August 2019.

⁴⁶ Harmony Alliance. 2018. Media release: Migrant and refugee women must be supported to participate in the workforce, 20 November 2018, available from: <https://www.harmonyalliance.org.au/wp-content/uploads/2018/11/Media-Release-Womens-Economic-Security-Statement-2018-Harmony-Alliance.pdf>, accessed 29 August 2019.

⁴⁷ Harmony Alliance. 2019. 2019-20 Pre-Budget Submission, available from: <http://harmonyalliance.org.au/wp-content/uploads/2019/03/Harmony-Alliance-Pre-budget-submission-2019-20.pdf>, accessed 29 August 2019.

⁴⁸ Hajkowicz, S., Reeson, A., Rudd, L., Bratanova, A., Hodggers, L., Mason, C. and Boughen, N. 2016. Tomorrow’s Digitally Enabled Workforce: Megatrends and scenarios for jobs and employment in Australia over the coming twenty years. (Brisbane: CSIRO).

⁴⁹ Uber and Airbnb, for example.

- The demographic structure of Australia is shifting significantly, bringing a prospect of a more diverse workforce, with resulting expectations around increased female participation and the aspiration of a secure retirement; and
- Australia seeks a post-mining boom diversification into the knowledge, service and innovation sectors

The nexus between digitalisation and the increasing precarity of work⁵⁰ signals a significant departure from the conditions and benefits associated with decent work.⁵¹ At present, the low rate of Newstart payments means some women are forced to take casual or part-time contract jobs without paid sick leave or superannuation payments, inhibiting their ability to find long-term, meaningful employment.⁵² It is crucial that Newstart and income support payments are strengthened to provide a social protection floor which meets an adequate standard of living, in consideration of emerging changes to the nature of work and threats to the conditions and benefits associated with decent work.

Recommendations:

- 1. Enshrine the right to appeal unreasonable refusals by employers of flexible working requests for caring purposes.**
- 2. Ensure basic benefits such as paid leave, superannuation and protection from unfair dismissal for casual, part-time, “gig economy” and other forms of precarious employment.**

f) The impact of the current approach to setting income support payments on diverse groups of Australian women

Single mothers

We are concerned at the impact of the current rate of Newstart payments on single mothers and their children. We are particularly concerned about the transfer from Single Parenting Payment to Newstart Allowance when a recipient’s youngest child turns 8. This resulted in a reduction of weekly income for transferred single parent families of up to \$86.70 each week. According to the most recent release of the HILDA survey, poverty rates for single parents are relatively high at 16-20%. Child poverty rates are disproportionately higher in single parent households.⁵³ Given that women make up the vast majority of single parents, single parent household poverty is clearly gendered.

In 2018, Juanita McLaren and the National Council of Single Mothers and their Children lodged the first individual complaint by an Australian under CEDAW to the UN Special Rapporteur on Extreme Poverty and Human Rights, regarding the practice of moving single parents to Newstart Allowance when their youngest child turns 8. Importantly, only 62.3% of single jobless parents have a youngest dependent under 9 years old, meaning that as many as 40% of jobless one parent families are ineligible for the payment. McLaren argued the changes violated her rights to social security, family benefits and non-discrimination. At the 63rd

⁵⁰ Sheen, Veronica, 2017. *The Future of Work and Digitalisation: Further Fragmentation of Employment and Integration into Employment*. Submission 119 to Senate Select Committee on the Future of Work and Workers.

⁵¹ Hunt, Abigail and Samman, Emma. (2019). *Gender and the gig economy: critical steps for evidence-based policy*. Overseas Development Institute. Retrieved from <https://www.odi.org/publications/11272-gender-and-gig-economy-critical-steps-evidence-based-policy>

⁵² Juanita McLaren, Susan Maury and Sarah Squire. “Outside systems control my life”: The experience of single mothers on Welfare to Work (Victoria: Good Shepherd Australia New Zealand, Women’s Research, Advocacy and Policy Centre, 2018), available at https://www.goodshep.org.au/media/2179/outside-systems-control-my-life_experience-of-single-mothers-on-w2w_web.pdf, access 19 August 2019.

⁵³ Wilkins, Roger and Inga Lass, *The Household, Income, and Labour Dynamics in Australia Survey: Selected Findings from Waves 1 to 16*. (Melbourne: Melbourne Institute: Applied Economic & Social Research, 2018).

Session of the UN Commission on the Status of Women McLaren spoke about how the process devalued her unpaid work as a mother.⁵⁴

ERA and eS4W support the recommendations put forward by Good Shepherd Australia's report "*Outside systems control my life*" *The experience of single mothers on Welfare to Work*:⁵⁵

- Align Welfare to Work policy to client needs
- Ensure jobactive and Centrelink staff are equipped to build on clients' own motivation and capability, and to provide holistic, person-centred support to vulnerable clients
- Strengthen accountability and participatory structures between the jobactive providers and the clients
- Adapt Welfare to Work policy so that it supports long-term goals and meaningful educational and employment outcomes
- Mutual obligation requirements should encourage meaningful educational, volunteer and employment activity
- Redesign Welfare to Work to lessen punitive conditions elements and assist people out of poverty

Further, while Newstart can provide support to some women performing unpaid care work, the National Council of Single Mothers and their Children points out that Newstart is not a payment that is structured for sole parent families.⁵⁶ The single parenting payment recognises the care work of single parenting and the competing demands of paid work and unpaid work navigated by single parents.

Recommendations:

- 1. Implement recommendations made by Good Shepherd Australia New Zealand in the "*Outside systems control my life*" report.**
- 2. Restore access to the parenting payment single for single parents who have a dependent child of 16 years.**

h) The adequacy of income support payments in Australia and whether they allow people to maintain an acceptable standard of living in line with community expectations and fulfil job search activities (where relevant) and secure employment and training

ParentsNext

We are concerned generally at the rapid growth of welfare conditionality in Australia, and the linking of income support payments to the fulfilment of job search or other activities. A clear and concerning example of this trend is the ParentsNext program, which is a compulsory program with a discriminatory⁵⁷ gendered design and consequences. Such arrangements reduce the time and resources available to single mothers to undertake unpaid work and care, and to pursue relevant and meaningful work aspirations. We draw the

⁵⁴ Henriques-Gomes, L. 'Like in Mission Impossible': the Australian mum raising single parents' plight at UN, 16 March 2019, The Guardian, Available at: <https://www.theguardian.com/australia-news/2019/mar/16/like-in-mission-impossible-the-australian-mum-raising-single-parents-plight-at-un>, Access 8 August 2019.

⁵⁵ Juanita McLaren, Susan Maury and Sarah Squire. "Outside systems control my life": The experience of single mothers on Welfare to Work (Victoria: Good Shepherd Australia New Zealand, Women's Research, Advocacy and Policy Centre, 2018), available at https://www.goodshep.org.au/media/2179/outside-systems-control-my-life_experience-of-single-mothers-on-w2w_web.pdf, access 19 August 2019.

⁵⁶ National Council of Single Mothers and their Children, "A Small Investment for a Significant Gain – Budget Submission" 2016 <http://www.ncsmc.org.au/wp-content/uploads/2016/02/Budget-Submission-2016.pdf> (accessed 6.11.18)

⁵⁷ Goldblatt, Beth, 'More than unpopular. How ParentsNext intrudes on single parents' human rights', *The Conversation*, 16 January 2019, available at <https://theconversation.com/more-than-unpopular-how-parentsnext-intrudes-on-single-parents-human-rights-108754>, accessed 15 August 2019.

attention of the committee to the submission by Good Shepherd⁵⁸ to the *Inquiry into ParentsNext, including its trial and subsequent broader rollout* conducted by this Committee.

As noted by Good Shepherd in their submission, ParentsNext is problematic for its narrow focus on mothers and parenting skills, and for resting on a partial understanding of 'work' and the value of unpaid work and care. Indeed, all Australian mothers carry a heavy load of unpaid caring work which limits their capacity to engage in the labour market, else or in other activities, as do intersecting and complex forms of disadvantage such as housing insecurity, poverty, health issues, and current or former experiences of domestic violence. Inflexibility in the program delivery of ParentsNext is concerning when considered through a gender lens, as the limited options for and schedule of activities fail to take account for the complexity of parentings and unpaid work and care and which are primarily performed by women.

We draw the attention of the committee to recent evidence which indicates that employment services are acting in unnecessarily punitive ways toward ParentsNext participants. Recent claims from whistleblowers in the employment services industry indicate that caseworkers have been pressured to keep participants in the program to meet reporting requirements, and to refuse exemptions to retain clients, regardless of their individual needs or vulnerability.⁵⁹ We draw attention to our submission⁶⁰ to the Inquiry into Parents Next, where we raised concerns about the lack of compatibility of ParentsNext with Australia's international human rights obligations, specifically rights to social security without discrimination as protected in the International Covenant on Economic, Social and Cultural Rights.⁶¹ There is a strong argument the targeted compliance frameworks undermine social security rights through the use of payment suspensions which, accordingly to the UN Committee on Economic, Social and Cultural Rights, "should be circumscribed, based on grounds that are reasonable, subject to due process, and provided for in national law."⁶² While 42SB of the Social Security (Administration) Act 1999 provides a legal framework, there are serious questions about the provision of due process in the application and process of payment suspensions which, according to the official evaluation, has seen almost 10 per cent of participants have their income suspended. These figures are more concerning in light of this emerging evidence that employment services are suspending payments with the intent of forcing vulnerable participants to remain in the program in order to accrue additional services fees and meet reporting requirements.

Further, a recent study by Cook and Noblet of the job satisfaction of Australian single mothers receiving income support with mandatory employment requirements found high levels of job dissatisfaction among single mothers in mandated employment programs, primarily in relation to job security, total pay and hours of work.⁶³ Based on their findings that a great deal of mandatory employment positions are casual and unrelated to future job prospects, Cook and Noblet issued a challenge to policy-makers to "consider initiatives that may assist single mothers [to] enhance their longer-term employment prospects."⁶⁴ Given the 2018 research from Good Shepherd found that Jobactive providers were unable "to support long-term career goals

⁵⁸ Good Shepherd Australia New Zealand, *Response to the Inquiry into ParentsNext including its trial and subsequent broader rollout*, February 2019, available at https://goodshp.org.au/media/2245/g sanz_parentsnext-inquiry-submission_20190201.pdf, accessed 15 August 2019.

⁵⁹ Andy Burns, "Whistleblowers say some employment service providers are exploiting the ParentsNext welfare scheme" ABC News, 2 August 2019, <https://www.abc.net.au/news/2019-08-02/whistleblowers-criticise-parentsnext/11363874?pfmredir=sm> (accessed 8 August 2019).

⁶⁰ Equality Rights Alliance, *Submission to the Inquiry into ParentsNext, including its trial and subsequent broader rollout*, February 2019, available at <http://www.equalityrightsalliance.org.au/wp-content/uploads/2019/02/ERA-ParentsNext-Submission-Final.pdf>, accessed 15 August 2019.

⁶¹ Beth Goldblatt, "More than Unpopular. How ParentsNext Intrudes on Single Parents' Human Rights" The Conversation Australia, 16 January 2019, <https://theconversation.com/more-than-unpopular-how-parentsnextintrudes-on-single-parents-human-rights-108754> (accessed 29 January 2019).

⁶² COMMITTEE ON ECONOMIC, SOCIAL AND CULTURAL RIGHTS, General Comment No. 19 –The Right to Social Security (art. 9). E/C.12/GC/19. <http://socialprotection-humanrights.org/wpcontent/uploads/2015/06/CESCR-General-Comment-19.pdf> (2008)

⁶³ Kay Cook and Andrew Noblet. "Job satisfaction and 'welfare-to-work': Is any job a good job for Australian single mothers?" Australian Journal of Social Issues, 47, No. 2 (2012): 203.

⁶⁴ Ibid, 213.

and aspirations” of participants because “available jobs were limited to the providers’ existing contracts, such as those in manufacturing and hospitality,”⁶⁵ the call from Cook and Noblet remains applicable.

Recommendations:

- 1. Implement the recommendations made by Good Shepherd in its submission into the *Inquiry into ParentsNext*.**
- 2. Remove all requirements that make payments conditional on the fulfilment of job search or parenting activities.**
- 3. Ensure that payments, and associated employment activities are designed with sufficient flexibility to support women’s unpaid and care work responsibilities, including parenting.**

i) The economic cost of long-term unemployment, underemployment, poverty, inequality and inadequate income support payments

ERA reiterates the important role played by income support payments as a social protection floor to support women who have limited ability to work due to unpaid work and care. In accepting the longer-term importance of payments to addressing economic inequity, we are concerned that the current low rate of Newstart has negative implications for women and economic costs to the Australian government in the long term. The cost to the community of providing supports and services to women experiencing gendered inequality, poverty and inadequate social security accumulates over the course of a women’s life and has recently become particularly evident in the increasing risk of older women becoming homeless.

Homelessness among women aged 55 and over has grown by 31%⁶⁶ as a result of accumulating poverty over the life course. As the Women’s Information and Referral Exchange (WIRE) note, “there are structural issues which mean that, even where a policy framework is apparently gender neutral, there is discrimination against women which impacts on their financial security. The discrimination derives from the ways in which women are able to participate in the labour market...”⁶⁷ Structural factors affecting women during their income-earning years include the gender pay gap, women’s over-representation in unpaid work and care, the resulting superannuation gap and domestic and family violence increase women’s economic insecurity later in life.⁶⁸ Low-income women who receive income support payments such as Newstart for longer periods, including while performing unpaid work and care, are more vulnerable to these compounding factors in ageing.

Long term housing insecurity and homelessness comes at a significant cost in services. A 2012 report found that the life course costs of individuals, including women who have experienced domestic and family violence, in conjunction with complex needs and cycling in out of both the criminal justice system and homelessness, aged 23-25, ranged from \$900,000 to \$5.5 million for the 11 individuals who were the subjects of the study.⁶⁹ Social security, including increasing the rate of Newstart, in addition to funding for social housing should be seen as a social protection floor to alleviate this pressure on services.

⁶⁵ Juanita McLaren, Susan Maury and Sarah Squire, “Outside Systems Control my Life” The Experiences of Single Mothers on Welfare to Work – Findings at a Glance (Abbotsford: Good Shepherd Australia New Zealand, 2018), 1.

⁶⁶ Retiring in Poverty? Where does this figure come from?

⁶⁷ WIRE, *Women’s Financial Literacy Research Report* (Victoria: WIRE, 2007).

⁶⁸ Cerise, Somali. Accumulating poverty? Women’s experiences of inequality over the lifecycle. (Sydney: Australian Human Rights Commission, 2009).

⁶⁹ Eileen Baldry, Leanne Dowse, Ruth McCausland and Melissa Clarence, Lifecourse institutional costs of homelessness for vulnerable groups (NSW: University of New South Wales, 2012).

A gender-responsive approach to housing and homelessness policy in Australia is needed to engage effectively with the structural disadvantage experienced by women generally as well as the particular situations of different groups of women facing housing insecurity and unaffordability, including older women and single mothers. Increasing the rate of Newstart and income support payments must form part of this approach, by providing a social protection floor which responds to gendered structural factors faced by women in achieving economic security.

Recommendations:

- 1. Implement a comprehensive Federal Government Strategy to address the underlying causes of gendered economic inequality, including reviewing and rectifying inequities in superannuation policy and legislation and examining the national income support system and Commonwealth Rent Assistance with a view to improving financial outcomes for women.**
- 2. Develop a gender-responsive national housing and homelessness strategy which includes ambitious, gendered goals to reduce homelessness and increase affordable housing stock and which includes actions and measurable targets to create additional permanent social and affordable housing options for women in each State and Territory, and particularly for older women.**

j) The economic benefits – including job creating, locally and national – of increasing and improving income support payments and supports, and decreasing of poverty and inequality

Increasing Newstart and the social security floor it provides is an opportunity to promote gender equality, by addressing the inequalities produced by the gender-segregation of work and women's over-representation in unpaid work and care. ERA reiterates women's role in performing in unpaid work and care in the Australian economy, and the importance of income support payments in remunerating this work. We refer the Committee to the recent costing of unpaid work and care in Victoria at \$205.6 billion in 2017-18 by Deloitte Access Economics.⁷⁰ We note that the benefits of women's unpaid work and care are currently under-remunerated and increasing the rate of Newstart and strengthening the social security floor is one step toward addressing gendered economic inequality, and towards acknowledging the importance of unpaid work and care.

Increasing Newstart and other income support payments and strengthening social security is a matter of fairness and equality. In addition, there is an economic case for valuing unpaid work and care. According to Deloitte Access Economics, failure to appropriately cost unpaid work and care leads to its undervaluing, and subsequently to gender gaps in workforce participation.⁷¹ Recent figures show the Australian gender gap in workforce participation is 9.6%,⁷² and female workforce participation rates are lower than the OECD average.⁷³ According to the Workplace Gender Equality Agency (WGEA), lifting women's participation in the labour force in Australia will be critical to offsetting the effects of Australia's ageing population.⁷⁴

⁷⁰ Deloitte Access Economics, *Modelling the value of unpaid work and care* (Victoria: Office for Women, Department of Health and Human Services, 2018).

⁷¹ Deloitte Access Economics, *Modelling the value of unpaid work and care* (Victoria: Office for Women, Department of Health and Human Services, 2018).

⁷² Workplace Gender Equality Agency (WGEA), *The Business Case for Gender Equality* (NSW: WGEA, 2018).

⁷³ OECD Data Centre 2018, *Employment Rate: Women's employment rate*, viewed 18 September 2018, available <https://data.oecd.org/emp/employment-rate.htm>

⁷⁴ Workplace Gender Equality Agency (WGEA), *The Business Case for Gender Equality* (NSW: WGEA, 2018).

Recommendations:

1. Consider the contribution of unpaid work and care to the Australian economy when reforming Newstart and other income support payments.

I) The interactions with other payments and services, including the loss of any increased payments through higher rents and costs

An increase to Newstart payments is essential to reduce poverty. However, an increase to Newstart should be additional to and not at the expense of government provision for housing support, including public and social housing, or Commonwealth Rent Assistance (CRA) payments.

ERA notes that the existing Newstart and CRA payments which are designed to support recipients in the private rental market are insufficient to prevent housing stress, and do not account for women's needs for appropriate housing. Low-income women and women of all ages on income support payments such as Newstart Allowance and Commonwealth Rent Assistance (CRA) are over-represented in indicators of housing stress. Of the people in receipt of the maximum rate of CRA, 47.5% are single women (25% single men and 27.4% couples). Of the people who remain in housing stress *after* receiving CRA, 50% are single women (30.3% single men and 19.6% couples).⁷⁵ Further, women aged 15+ make up 63% of people assisted by specialist homelessness services, but 70% of unassisted requests for homelessness services.⁷⁶

In 2017, the NSW IPART found that "*basin tenant rent contribution on anything other than household income is likely to make social housing unaffordable for most tenants*" and "*income-based rent contribution is the best option to ensure affordability for tenants.*"⁷⁷ While individualised housing assistance such as CRA is a key component in supporting people's housing needs, it must form part of a broader response which encompasses direct Government service provision. Responses to housing affordability must recognise the Government's responsibility in managing social and structural risks such as housing stress and homelessness.⁷⁸

The Government's role in public housing provision is key to recognising and correcting market failure; capped and set rents in the public system shelter tenants from extreme unaffordability.⁷⁹ Moreover, the role of the Government in providing public housing at income-based rent "*offers something to the dominance of the private rental sector*"⁸⁰ shielding against increased competition and increased rents in the private rental market.⁸¹ Further, the notion that rent assistance is an acceptable replacement for income-based rent setting in public housing runs the risk of framing the housing problem for low-income and disadvantaged groups as one of affordability alone.

Finally, public housing plays a critical role in women's safety with public housing a key exit point for specialist homelessness services and crisis accommodation.⁸² Domestic and family violence is the biggest driver for homelessness for Australian women and their children. Homelessness Australia estimates that 2,800 women

⁷⁵ 2018 data on Commonwealth Rent Assistance commissioned from Department of Social Services by ERA.

⁷⁶ Australian Institute of Health and Welfare, "Specialist homelessness services annual report 2016-17 – Data Tables National" *Data*, 12 February 2018, <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-2016-17/data> (accessed 10.10.18)

⁷⁷ Independent Pricing and Regulatory Tribunal News South Wales (2017) Draft Report - Review of rent models for social and affordable housing,

⁷⁸ Hamilton, M. (2004) The 'new social contract' and the individualisation of risk in policy. *Journal of Risk Research*, 17(4), 453-467.

⁷⁹ Baker, et al/

⁸⁰ Murphy

⁸¹ Baker et al.

⁸² Baker et al.

fleeing domestic violence were turned away from refuges in the year 2014-2015.⁸³ A lack of safe, affordable and appropriate housing means women are not able to exit the crisis system, which is a major factor putting additional pressure on services.⁸⁴

Recommendations:

- 1. Retain a diversity of housing support and assistance options alongside an increase to Newstart, including the provision of income-based rent setting and public housing, to meet the diversity of women's housing needs.**
- 2. Ensure services that are appropriately specialised, competent, inclusive, accessible and culturally safe are resourced, including to meet the needs of older women, single mothers, young women, women with disability, Aboriginal and Torres Strait Islander women and women experiencing domestic and family violence and their children.**
- 3. Reform housing assistance, including Commonwealth Rent Assistance (CRA), including by providing a diversity of housing assistance measures which are made available through assessment of individual need, rather than solely by assessment of source of income.**
- 4. Reform the base rate and indexation of CRA to address the fact that over 40% of recipients remain in housing stress.**
- 5. Implement National Minimum Standards on tenancy reform to protect victims/survivors of domestic and family violence.**

n) The relative merits of alternative investments in health, education, housing and other programs to improve outcomes

In addition to an increase to Newstart, we recommend further investment in social housing to improve outcomes of the social security system for women. ERA welcomes the National Housing Finance and Investment Corporation, recognising the bond aggregator as a critical measure to increase housing supply. It is vital that the bond aggregator is understood as part of an overall housing affordability response to generate supply. The Senate's 2015 majority report into housing affordability made it clear that housing supply bonds are complementary and must fit into a broader housing strategy and not replace existing government funding for social housing.⁸⁵ In order to generate housing for people on the lowest incomes and in the greatest housing need, the bond aggregator must be underpinned by additional resources to cover the financing gap.⁸⁶ The public subsidy or direct government investment required to bridge this funding gap could take a number of forms *"including through examining the levels of direct subsidy needed for affordable low-income rental housing, along with the use of affordable housing targets, planning mechanisms, tax settings"* as canvassed in the Affordable Housing Working Group's reporting on complementary measures.⁸⁷ Direct government investment in the National Housing Finance and Investment Corporation is required.

⁸³ Homelessness Australia (2015) New analysis shows additional \$33.8m needed to address domestic violence service gap <http://www.homelessnessaustralia.org.au/index.php/42-news/125-new-analysis-shows-additional-33-8m-needed-to-address-domestic-violence-service-gap>

⁸⁴ Australian Women Against Violence Alliance (2016) Policy Brief The role of specialist women's services in Australia's response to violence against women and their children <https://awava.org.au/wp-content/uploads/2016/01/AWAVASpecialistWomensServicesPolicyBrief2016-1.pdf>

⁸⁵ Senate Economics References Committee, *Out of Reach? The Australian housing affordability challenge* (Canberra: Parliament House, 2015), 405-408.

⁸⁶ Judith Yates, *Overview- Housing Australia* (Melbourne: Committee for Economic Development Australia, 2017), 29

⁸⁷ Affordable Housing Working Group, *Supporting the Implementation of an affordable housing bond aggregator* (Canberra: Council on Federal Financial Relations, 2017), 2

Funding must be allocated for specialist community housing providers with expertise in the housing needs of women in their diversity. Funding must also be made available to build stock in rural and remote areas. According to the Australian Institute of Health and Welfare there are approximately 815 community housing organisations (mainstream and Indigenous) in Australia, and yet we estimate that only 7 gender specialist and women specific community housing organisations in Australia provide long-term housing.⁸⁸ With the Bond Aggregator, the community housing sector is projected to continue its expansion. Women’s housing agencies are critical in meeting women’s housing needs and priority should be given to funding projects by specialist women’s services.

Recommendations:

- 1. Undertake tax reforms to curb negative gearing, such as limiting negative gearing to income from investment, and reduce the capital gains tax exemption. Redirect revenue generated from reform to housing support systems for low-income households.**

o) Other countries’ approaches to setting income support payments, minimum wages and awards

Public policy research has established that government policies are not gender neutral. This research shows that consideration of the gendered effects of policies can be a powerful means to promote gender equality as well as more efficient policymaking. A common technique used in this process is Gender Responsive Budgeting (GRB). GRB analyses whether and how revenue collection and policy expenditure will affect women and men differently.⁸⁹ It takes many forms and can be implemented at different stages within the policy process.⁹⁰ GRB aims to ensure that policies either produce gender equal outcomes or redress current gender inequalities.

GRB is widely accepted internationally as a means of assessing whether a country’s resource allocations match its gender equality goals.⁹¹ More than half of the OECD countries have implemented it or are in the process of considering or implementing it.⁹² Globally more than 90 countries have tried some form of GRB.⁹³ Moreover, while the different forms and contexts of GRB make it difficult to evaluate, recent studies show that in some countries GRB has contributed to gender-oriented changes in health, education and infrastructure budgets.

In this submission, we have demonstrated that Newstart Allowance and related payments are gender blind to women and men’s different and unequal experiences of poverty, its structural causes and longer-term implications. GRB is one mechanism, employed globally, through which governments can consider the impacts and costs of different approaches to setting income support payments, minimum wages, awards.

Recommendations:

- 1. Investigate and consult on models of Gender Responsive Budgeting for integration into the budget process, including design of and changes to income support payments such as Newstart.**

⁸⁸ Based on desk research by ERA from State and Territory Government websites

⁸⁹ Stotsky, *Gender Budgeting: Fiscal Context and Current Outcomes*, 4.

⁹⁰ Hodgson and Morrissey, *Gender Budgeting – Governments, Civil Society and Gender Bias in Tax Policy*, 2.

⁹¹ Sharp and Broomhill, *Budgeting for Equality: The Australian Experience*, 26.

⁹² Downes, von Trapp and Nicol, *Gender budgeting in OECD countries*.

⁹³ Sawyer & Stewart, *Gender Innovation: The Global Movement for Gender Budgeting*.

r) and other related matters

Cashless Debit Cards

ERA is concerned that the Cashless Debit Card program discriminates against Aboriginal and Torres Strait Islander people and communities. The Australian Government introduced Cashless Debit Cards (CDCs) to manage income support payments “in places where high levels of welfare dependence co-exist with high levels of social harm” such as alcohol, gambling and drug use.⁹⁴ The program has been rolled out in parts of regional Queensland, regional South Australia, and remote Western Australia, with extensions to the Northern Territory planned.⁹⁵ Over half of participants identify as Aboriginal or Torres Strait Islander, which is massively disproportionate to the numbers of Aboriginal or Torres Strait Islander people in the Australian population. Further the program disproportionately affects women, who represent 59% of participants.⁹⁶

Australia’s Joint Parliamentary Committee on Human Rights, the Australian Human Rights Commission, and the UN Committee on the Elimination of Racial Discrimination have all raised concerns about the discriminatory nature of CDCs for unjustifiably limiting the right to social security.⁹⁷ Compulsory deduction of debts further impinges on the right to social security.

There are also concerns about the impacts of CDCs on women experiencing domestic and family violence. We refer the committee to the issues raised in AWAVA’s *Submission to the Senate Inquiry into the Social Security (Administration) Amendment (Income Management and Cashless Welfare) Bill 2019*.⁹⁸ We note that being unable to withdraw cash significantly curtails women’s ability to leave violent relationships and risks a level of financial hardship which may force women back into violent relationships. Cashless Debit Cards must not be enforced in such a way that discriminates against Aboriginal and Torres Strait Islander people, that curtails individuals’ rights to social protection floors, and which curtails women’s right to live free from violence.

Recommendation:

- 1. Redesign the Cashless Debit Card (CDC) program as opt-in only.**

We thank the committee for the opportunity to provide a submission to its inquiry into the *Adequacy of Newstart and related payments and alternative mechanisms to determine the level of income support payments in Australia*.

For further information or to discuss the content of this submission, please contact Helen Dalley-Fisher at ERA on 0413 065 822 / era@ywca.org.au or Sharen Page at eS4W on 1300 918 273 / coordinator@security4women.org.au

⁹⁴ Department of Social Services, 2019. ‘Cashless Debit Card’, (website), available from: <https://www.dss.gov.au/families-and-children/programmes-services/welfare-conditionality/cashless-debit-card-overview>, accessed 28 August 2019.

⁹⁵ National Aboriginal & Torres Strait Islander Legal Services, Human Rights Law Centre, 2019. Submission to the Inquiry into the Social Security (Administration) Amendment (Income Management and Cashless Welfare) Bill 2019, available from: https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/IncomeManagementCashless/Submissions, accessed 28 August 2019.

⁹⁶ Ibid.

⁹⁷ Ibid.

⁹⁸ AWAVA, 2019. Submission to the Senate Inquiry into the Social Security (Administration) Amendment (Income Management and Cashless Welfare) Bill 2019. Canberra: AWAVA, available from: <https://s3-ap-southeast-2.amazonaws.com/awava-cdn/awava/wp-content/uploads/2019/05/14141719/AWAVA-submission-on-the-Cashless-Debit-Cards-Trials.pdf>, accessed 28 August 2019.