



Pre-budget submission

January 31, 2023

Lead author and contact:

Toni Hassan

Era.projects@ywca.org.au

0435 919 077

Convenor:

Helen Dalley-Fisher

era@ywca.org.au

0413 065 822

Equality Rights Alliance

Equality Rights Alliance (ERA) is Australia’s largest network of organisations advocating for women’s equality, women’s leadership and recognition of women’s diversity. We bring together 67 non-government organisations and social enterprises with a focus on the impact of policy or service delivery on women. We are one of the six National Women’s Alliances, funded by the Commonwealth Office for Women.

The following ERA member organisations endorse this submission in whole or in part:

Aboriginal Legal Rights Movement	Of One Mind
Alevi Federation of Australia	Project Respect
Amnesty International Australia	Public Health Association of Australia (Women’s Special Interest Group)
Australasian Council of Women and Policing	Reproductive Choice Australia
Australian Baha’i Community – Office of Equality	Safe Motherhood For All Inc
Australian Centre for Leadership for Women	Sexual Health and Family Planning Australia
Australian Council for International Development	Sisters Inside
Australian Federation of Medical Women	Soroptimist International of Australia
Australian Graduate Women	United Nations Association of Australia Status of Women Network
Australian Women’s Health Network	UN Women Australia
CARE Australia	Victorian Immigrant and Refugee Women’s Coalition
Children by Choice	VIEW Clubs of Australia
COTA Australia	Women’s Equity Think Tank
FECCA Women’s Committee	Violence Prevention Australia
Feminist Legal Clinic	Women’s Housing Ltd
Fitted for Work	Women in Adult and Vocational Education
Girl Guides Australia	Women’s Information Referral Exchange
Good Shepherd Australia New Zealand	Women in Engineering Australia
Homebirth Australia	Women’s International League for Peace and Freedom
Human Rights Law Centre	Women on Boards
Immigrant Women’s Speakout Association NSW	Women’s Legal Services Australia
International Women’s Development Agency	Women Sport Australia
Jessie Street National Women’s Library	Women’s Property Initiatives
Justice Connect	Women With Disabilities Australia
Maternal Health Matters Inc	Working Against Sexual Harassment
Maternal Scholars Australia	Women’s Climate Congress
Maternity Choices Australia	YWCA Australia
Migrant Women’s Lobby Group of South Australia	Women’s Electoral Lobby
Multicultural Women Victoria	Zonta International Districts 22, 23 and 24
MSI Australia	
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	
NGO Women’s Rights & Gender Equality Network	
NSW Council of Social Services	
National Older Women’s Network	
National Union of Students (Women’s Department)	

Executive Summary

The Equality Rights Alliance welcomes the government's efforts in the October budget to strengthen paid parental leave, make childcare more accessible and to recognise the main causes of the gender pay gap as low pay and poor conditions in care sectors like aged care where the vast majority of workers are women. It can build on those measures with structural change that further builds the economic security and wellbeing of women while exercising fiscal and ethical responsibility.

Improving gender equality is smart economics, enhancing productivity and improving social and fiscal outcomes for this and future generations. Continuing to build back better in the shadow of the pandemic requires seeing and improving the big picture: how taxes and transfers, childcare, housing and all areas of policy interact.

ERA urges a broad sweep of measures that address the underlying drivers of poverty, namely low-income and gender biases that exist to keep women from doing as well as men. Our evidence-based submission calls for measures that aim to strengthen women's economic security with better income-support, better transitions into work, fairer housing supports, and more gender-responsive climate policy.

Recommendations

- 1. Reform superannuation:**
 - a. Extend superannuation payments to government-funded parental leave.**
 - b. Amend the Superannuation Guarantee (Administration) Act 1992 to include employer-paid parental leave entitlements as ordinary time earnings.**
 - c. Provide for a superannuation carers' contribution.**
 - d. Review existing tax concessions within the superannuation system with a gender lens to identify amendments which would increase the superannuation of women with low superannuation balances.**
- 2. Reduce out-of-pocket costs that are preventing women from accessing the health care they need.**
- 3. Refocus Stage 3 tax cuts to benefit low to middle income earners and restore a progressive income tax system.**
- 4. Improve housing security:**
 - a. Boost and better target Commonwealth Rent Assistance.**

- b. **Resource a consultation and engagement process to develop the new National Housing and Homelessness Plan (the Plan) ensuring it aligns it with the new National Housing and Homelessness Agreement (the Agreement) and the National Plan to End Violence against Women and Children**
 - i. **Include specific targets relating to the housing needs of women – young women, single mothers, older women at risk of homelessness and those at risk of or experiencing domestic and family violence.**
 - ii. **Include new investment to build social housing in the National Action Plan to End Violence Against Women and Children.**
 - c. **Halve the 50 per cent capital gains tax discount and quarantine negative gearing from wages.**
- 5. Build a fairer and stronger social security system that supports women in unpaid care work:**
- a. **Permanently increase JobSeeker in line with costs of living and link the ongoing rate to wage growth.**
 - b. **Review the Parenting Payment Single (PPS) for sole parents with the explicit aim of reducing poverty.**
 - c. **Investigate the feasibility of replacing all current existing social security payments with a ‘basic income’ payment, supplemented by additional allowances for groups with identified needs.**
- 6. Improve access to childcare and early learning:**
- a. **Phase out the activity test for the Childcare Subsidy.**
 - b. **Review childcare access for women on temporary visas.**
- 7. Provide additional funding to Office for Women to build capacity within Departments to support Gender Impact Analysis on their policy and spending proposals.**
- 8. Improve prevention, preparedness and responses to climate change:**
- a. **Produce a gender analysis of all climate change and energy related policies as part of a national climate change plan.**
 - b. **Fund a Gender Impact Analysis for the development of the Disaster Relief Australia workforce and investigate participation payments.**
 - c. **Fund leadership opportunities for women in the clean energy sector.**

- d. **Link subsidies for decarbonising and transitioning industries to gender equity objectives.**
- e. **Fund a delegation of diverse women from Australia and the Asia-Pacific region to attend COP 28 in the United Arab Emirates.**

Recommendations in detail

1. Reform superannuation

a. Superannuation payments are extended to government-funded parental leave

As of late 2022, Australia's national gender pay gap was 14.1 per cent.¹ By the time women get to retirement gap is on average around 47%.² It's one of the reasons why an increasing number of older single, retired women now live in poverty and experience economic insecurity in retirement.³ Women over 55 years are the fastest growing homeless people in Australia.⁴ Women continue to miss out on crucial years of superannuation accumulation due to career breaks to undertake unpaid care work.

To address this, two of the government's own advisory bodies recommended extending the superannuation guarantee to the Paid Parental Leave (PPL) scheme: the Productivity Commission's 2009 report into PPL and the 2013 Australian Human Rights Commission's *Investing in Care* report.⁵

Applying a superannuation guarantee to the Commonwealth PPL scheme will help address foregone earnings from interrupted paid work and better safeguard women's economic security.⁶

b. Ensure employer-paid paid parental leave is included in the definition of ordinary time earnings.

Some women are entitled to PPL through their employer. While many enterprise agreements ensure that superannuation guarantee is payable on PPL, not all employees are covered under these enterprise agreements. PPL is excluded from the definition of ordinary time earnings, whereas other leave entitlements including annual leave, long service leave, and annual leave loading are all included in the calculation of entitlements under the superannuation guarantee. Failing to include PPL penalises women for providing unpaid care and contributes to the retirement income gap. The Superannuation Guarantee (Administration) Act 1992 should be amended to specifically include employer-PPL entitlements as ordinary time earnings.

c. Provide for a superannuation carers' contribution.

¹ Workplace Gender Equality Agency, (2022) [Gender pay gap data | WGEA](#). The pay gap widens for migrant, refugee and Indigenous women.

² Data from the [Association of Superannuation Funds of Australia Limited](#) (2022).

³ ASFA (2022-23) [Pre-budget submission](#)

⁴ Australian Human Rights Commission (2019) *Older Women's Risk of Homelessness: Background Paper*.

⁵ Australian Human Rights Commission, *Investing in Care: Recognising and valuing those who care Volume 1-Research Report*, Sydney, 2013, p15.

⁶ KPMG (2022) *She's Price(d)less: The Economics of the Gender Pay Gap*.

In addition to childcare, women also provide a disproportionate share of unpaid care for adults with disability, health or frail-age issues. Current policy settings fail to identify or value unpaid care work performed by women despite the considerable benefit we gain from its performance. ERA advocates for a more equitable distribution of unpaid care work between the genders. In the interim, a nominal contribution to superannuation for unpaid carers would contribute to the retirement incomes of those performing non-negotiable care work and would also acknowledge the social and economic benefits we all derive when women stop paid work to care for someone.

d. Review existing tax concessions within the superannuation system with a gender lens to identify amendments which would increase the superannuation of women with low superannuation balances.

Economic modelling shows that Australia's tax concession system is stacked against women.⁷ In the medium term and in line with government plans to outline the definition of the purpose of superannuation, super tax concessions should be reviewed for their distributional impacts and the system reformed.⁸ The taxation of superannuation funds not in retirement phase should be on a progressive scale, based on the member's total superannuation balance. We support the capping of balances.

Scaling back superannuation tax concessions for wealthy Australians is supported by some large super funds⁹, and is in keeping with gender equality and wellbeing budget objectives.¹⁰

2. Reduce out of pocket-costs that are getting in the way of women accessing the health care they need.

In general, Australia has a much higher reliance on out-of-pocket health costs compared with similar high-income countries.¹¹ Out of pocket costs are a problem when they reduce the propensity of people to get the care they need. The Grattan Institute reports that women are more likely than men to defer or skip the care they need.¹² Australian women often pay more out of their own pockets for healthcare services than men. They are also likely, as primary carer, to be the person who deals with health concerns of children.

⁷ Australia Institute (2021), Eliza Littleton and Matt Grudnoff, [Rich men and tax concessions](#).

⁸ In line with Grattan Institute analysis that shows the government would save about \$3B per year if it limited superannuation balances to \$2 million, a move that would affect 80,000 people, mostly older men. [Why super is a burden on the budget - Grattan Institute](#), Brendan Coates, 2021.

⁹ Read, Michael and Vickovich, Aleks *Big super backs tax crackdown on 'ludicrous' \$5m accounts* Australian Financial Review 8 Nov 2022 at <https://www.afr.com/politics/labor-urged-to-cut-super-tax-breaks-for-higher-earners-20221108-p5bwe8>

¹⁰ Australian Financial Review (2022) *Big super backs tax crackdown*.

⁹ The Commonwealth Fund (2021). [When costs are a Barrier to Getting Health Care: Reports from Older Adults in the United States and Other High-Income Countries](#).

¹¹ See the research work of the Grattan Institute and US think tank, the Commonwealth Fund. The Fund, drawing on a 2021 international health policy survey of older adults, concludes that Australians spend as much of their income on health care as older adults do in the United States. The same survey shows about one of six older adults in the United States, Australia, Canada, and New Zealand reported skipping a dental visit because of the cost.

¹² The Grattan Institute (2022), [Not so universal: How to reduce out-of-pocket healthcare payments](#).

Women are also more likely to face higher healthcare costs over time as they use healthcare services more often, particularly reproductive and maternal healthcare, and because more women than men have multiple chronic conditions. The average out-of-pocket payment for a Medicare-subsidised service has increased by 50% over the past decade, with Australia lagging behind its OECD counterparts when it comes to health care spending.¹³

ERA is pleased to see the 2022 announcement of a Strengthening Medicare Taskforce whose communique includes ‘providing universal health care and access for all through health care that is inclusive and reduces disadvantage’. However, we are concerned the work will not have a strong gender lens. ERA urges a cross-disciplinary, intersectional and gender responsive approach, more generally, as the government actions the Primary Health Care 10 Year Plan 2022-2032.

ERA also welcomes the establishment of the National Women’s Health Advisory Council to examine women’s health care and unconscious bias and addressing stark differences in health outcomes for men and women. We recommend this new body be sufficiently resourced to work with the Strengthening Medicare Taskforce to review health care costs and out-of-pocket costs for women compared to men. A gender impact analysis should be done to understand inequalities of outcome for genders and potential solutions, inclusive of the unique impacts of COVID-19 on women in the short, medium and long-term. There should be a clear mechanism to consistently contain the gap between what is charged for health care and people’s capacity to pay, to ensure Medicare remains a robust national health safety net.¹⁴

3. Refocus Stage 3 tax cuts to benefit low to middle income earners and restore Australia’s progressive income tax system.

The Stage 3 tax cuts are a mis-timed windfall for high income earners which will primarily benefit older men.¹⁵ When proposed in 2017, Stage 3 was framed as dealing with bracket creep and less about wages stagnation. The present Government went to the 2022 election making a raft of commitments to funding public services. The tax cuts as they are currently structured will make it harder to fund those commitments. The tax cuts are annually worth the equivalent of on the annual spend on the Pharmaceutical Benefits Scheme and two-thirds of what the nation spends on higher education.¹⁶ The latter measures are demonstrably better as social expenditure to improve intergenerational health and wellbeing, empowerment and gender equity.

ERA urges the Treasury to go back to the drawing board and redesign Stage 3 so the scheduled tax cuts benefit those Australians who most need a tax break: low-income Australians, many of them women. We know that women in Australia remain heavily employed in lower-paying jobs, are more likely to work part time, be subjected to gender discrimination and carry a disproportionate share of unpaid caring and domestic work.¹⁷ The government cannot claim to be putting gender equality at

¹³ Sydney Morning Herald (2022). [Out of pocket or out of care: Medical costs pile pressure on Australians.](#)

¹⁴ The Independent Health and Aged Care Pricing Authority (IHACPA) could also have an expanded remit to provide the Commonwealth with regular and systematic reviews of bulk-billing rates and Medicare Benefit Schedule (MBS) numbers with the explicit aim of reducing out-of-pocket healthcare costs and phasing in basic dental care.

¹⁵ The Australia Institute (2022). [New data shows how the Stage 3 tax cuts massively favour the wealthy.](#)

¹⁶ The Conversation (2022). [The stage 3 tax cut that will send middle earners backwards and give high earners thousands.](#)

¹⁷ Workplace Gender Equality Agency (2022) [Gender equality workplace statistics at a glance](#)

the centre of its program when the tax cuts in their current form will see a federal politician on a base salary of \$200,000 receive a tax cut of nearly \$10,000 while a registered nurse less feeling the effects of burn-out after three years of pandemic can expect less than \$1,000 benefit from the Stage 3 cuts.

4. Improve housing security:

a. Boost and better target Commonwealth Rent Assistance.

Housing is a basic human right that is fundamental to the overall health and wellbeing of Australians, but an increasing number of Australians can't afford a stable home. The proportion of households that are renting has increased, while incomes have not kept pace with rental prices.¹⁸ In June 2022, about 63 per cent of Commonwealth Rent Assistance recipients were still in rental stress despite the income supplement. The payment (75 cents for every dollar of rent above a threshold until a maximum, about \$73 a week for a single and \$69 for each member of a couple) has not kept up with rising private rents, while the number of people in social housing has fallen because of decades of underinvestment in public housing infrastructure.

ERA recommends lifting the maximum threshold to keep pace with actual rents.¹⁹ The Grattan Institute suggests CRA be boosted by 40%, (roughly \$1,450 a year for a single)²⁰ and ACOSS by 50%.²¹

CRA is poorly targeted. A reform package that combines better targeting, along with an increase in the maximum rate could be achieved without incurring a large fiscal bill.²² That reform package should apply to and be integrated with the new and welcome money allocated for family and domestic violence victim survivors to better transition them from crisis accommodation into long-term housing.

b. Resource a consultation and engagement process to develop the new National Housing and Homelessness Plan (the Plan) ensuring it aligns it with the new National Housing and Homelessness Agreement (the Agreement) and the National Plan to End Violence against Women and Children.

- i. Include specific targets relating to the housing needs of women – young women, single mothers, older women at risk of homelessness and those at risk of or experiencing domestic and family violence.**
- ii. Include new investment to build social housing in the National Action Plan to End Violence Against Women and Children.**

¹⁸ Australian Institute of Health and Welfare (2021), Housing affordability
SGS Economics and Planning (2022), [Rental-Affordability-Index \(sgsep.com.au\)](https://www.sgsep.com.au).

¹⁹ See also <https://www.corelogic.com.au/news-research/news/2022/residential-rents-hit-record-highs-as-national-vacancy-rates-plummet>.

²⁰ The Conversation, (2022) [Renters spend 10 times as much on housing as petrol. Where's their relief? \(theconversation.com\)](https://theconversation.com)

²¹ [ACOSS-BPS-2022-23-FINAL-220228.pdf](#)

²² Australian Housing and Urban Research Institute (2020) Rachel Ong VforJ, Hal Pawson, Ranjodh Singh and Chris Martin.
[Demand-side assistance in Australia's rental housing market: exploring reform options.](#)

ERA acknowledges the work the Commonwealth is doing to address Australia's complex housing supply and affordability crisis and is pleased that it is back at the centre of the reform agenda. The Agreement must align with and support the 10-year National Housing and Homelessness Plan, the first since the 2009 *The Road Home* plan. The Plan should also align with the 10-year *National Plan to End Violence against Women and Children 2022–2032*, which explicitly aims to increase the proportion of victim-survivors receiving suitable housing. Unaffordable or insecure housing is a major barrier for victim-survivors to re-establish their lives after leaving a violent situation and a key consideration in their decision to leave.²³

Women experience homelessness differently and are less visible than men. Older women who are homeless are often invisible to the public. Many live with physical or psychosocial disabilities, with homelessness exacerbating disability and chronic health conditions. They may not recognise their experiences as homelessness and are unlikely to have their needs met by existing homelessness services.²⁴ They typically move between temporary arrangements, staying with children, relatives or friends to keep a roof over their head. Some are adept at house-sitting whilst others sleep in their car when there is nowhere else to go. They are often unable to receive home care services available to other older people who are housed. Most concerning, many women do not report violence to police and remain in relationships to avoid homelessness, even when they are experiencing violence from their partner.²⁵

The Department of Social Services, tasked with developing the National Housing and Homelessness Plan, must widely consult experts and the women's sector to ensure all arms of government and the community are involved in developing an integrated and effective Plan. This consultation will need to be adequately resourced to include support for the homelessness sector to engage with the government and effectively contribute advice.

d. Halve the 50 per cent capital gains tax discount and quarantine negative gearing from wages.

Modelling shows high-income earners benefit the most from the capital gains discount and negative gearing tax regime.²⁶ The effect of these tax treatments is to encourage real estate investors to buy properties as investments that would have otherwise been bought as homes. Negative gearing encourages investors to 'debt finance' capital gains which risks exacerbating housing market volatility. Negatively geared investors are also prone to terminating rental leases, creating tenure insecurity for tenants.²⁷

In its submission to a 2021 federal housing affordability and supply inquiry, the NSW government said the federal policy sees "the displacement of owner occupiers (including first home buyers) from

²³ [National Plan to End Violence against Women and Children 2022-2032 \(dss.gov.au\)](#)

²⁴ Research based in testimonials from [Home at Last](#) clients, Housing for the Aged Action Group (HAAG).

²⁵ Journal of Interpersonal Relations, Intergroup Relations and Identity (2013) Brandon A. Dare, Rosanna E. Guadagno and Nicole Muscanell, [Commitment: The Key to women staying in abusive relationships](#).

²⁶ Australia Institute (2015), [Top Gears: How negative gearing and the capital gains tax discount benefit the top 10 per cent and drive up house prices](#).

²⁷ The Conversation (2015), Rachel Ong VforJ and Gavin Wood, [The real reasons negative gearing on housing should be phased out](#).

home ownership by tax-advantaged investors, predominantly those already on higher incomes”.²⁸ Even the Business Council of Australia recognises the measures distort the market.²⁹

As the government looks to boost new and affordable housing, this is an ideal time to wind back the capital gains tax discount and quarantine negative gearing so that rental losses can only be deducted against rental income, not taxable income from all sources.

5. Build a fairer and stronger social security system that supports women in unpaid and voluntary care work and transitions them into meaningful work as they choose to:

a. Permanently increase the Jobseeker payment, increasing it by at least \$73 a day as well as indexing the payment to wages rather than CPI alone.

While the JobSeeker daily rate has increased slightly from \$40 to \$46 the past two years, the payment is well down from the Coronavirus Supplement level of \$82 for a single unemployed person. The base rate has fallen from 84% to 66% of the poverty line, defined as half of median income, even after taking into account of the latest Jobseeker indexation increase. Jobseeker has also fallen further behind the minimum wage.³⁰

Women on Jobseeker are more likely than men to be over 45 and are more likely to spend more than one year on the benefit.³¹ They are also more likely than men to be the primary carers of dependent children while on Jobseeker. Interestingly, women are less likely than men to be receiving the full rate of Jobseeker and are more likely than men to be working at least 15 hours per week, meaning that Jobseeker is supplementing the income of a significant proportion of women who have employment.³² There is a real risk that women are increasingly using Jobseeker to mitigate the damage done by other structural barriers to women’s economic security, such as casualised, part-time and insecure employment, the assumption that unpaid care will be primarily provided by women, and industrial gender segregation.

Australian social security policy settings for people of workforce age can be harsh, with cumulative negative effects for women. Recipients often go without meals, struggle to afford heating and cooling and face the prospect of homelessness,³³ increasingly so given the escalating affordability crisis in the private rental housing market.³⁴ Jobseeker is so low that in many cases it is forcing women to return to their place of abuse and into the hands of their abuser.³⁵

²⁸ NSW Government [Submission](#) (2021), Standing committee on tax and revenue – Inquiry into housing affordability and supply in Australia.

²⁹ BCA (2015), [The Future of Tax Tax White Paper Initial Submission.pdf \(d3n8a8pro7vhmx.cloudfront.net\)](#)

³⁰ Australian Council of Social Service & UNSW, Sydney (2021), [Income-support-since-2000: Those-left-behind \(acoss.org.au\)](#)

³¹ Power to Persuade (2021), [The gendered nature of JobSeeker](#)

³² Parliamentary Budget Office (2020), Job Seeker Payment: Understanding Economic and Policy Trends Affecting Commonwealth Expenditure.

³³ Parliamentary Library Briefing, Don Arthur, [The Adequacy of Jobseeker Payments.](#)

³⁴ AHURI brief (2022), [Why does Australia have a rental crisis, and what can be done about it?](#)

³⁵ Pro Bono News Australia (2020), Cathy Humphries, [Poverty is trapping women in abusive relationships.](#)

The low level of current payments not only leaves recipients in poverty but also prevents them from finding work. Analysis by Good Shepherd Australia New Zealand shows the low rate of Jobseeker has acted as a barrier to women's employment, because of the financial outlay required to meet the obligations to seek employment.³⁶ We urgently recommend permanently increasing the rate of JobSeeker to at least \$73 a day as recommended by many anti-poverty advocates.³⁷ Increasing the rate would help the post-pandemic economic recovery and current labor force shortages by ensuring people have capacity to search for a job and are equipped to commence employment where available.

5b. Review the Parenting Payment Single (PPS) for sole parents with the explicit aim of reducing poverty.

The 2021 census revealed that there are 1 million one-parent families (1,068,268) in Australia. Four out of every five of those parents are female.³⁸ Of those one-parent families, up 30% ([an estimated 280,000](#)) are jobless families (families with dependents without work). It includes half a million children under the age of 15.

Poverty is prevalent among single parent families. The Parenting Payment Single used to be paid to low-income sole parent families until the youngest child reached 16. From 2006, the former Coalition Government lowered this to 6 to 8 years for new applicants for social security payments. New applicants with older children are now paid the lower JobSeeker payment and may be obliged to sign up to the ParentsNext program (currently under review and a program which ERA has advocated be scrapped) which involves much harsher activity tests than PPS. The emphasis has obscured the importance of parenting and care.

As a consequence of policy changes, the percentage of sole parents receiving JobSeeker has increased from zero in 2000 to 28% in 2021.³⁹ The income of sole parents with a child under eight has risen by 27.2% over the same period, whilst the income of those with children over eight has risen by just 7.9%.⁴⁰ Currently, there is a gap of around \$8,000 a year between sole parents on PPS and those on other payments and pensions.⁴¹

Analysis of Household, Income and Labour Dynamics (HILDA) survey data shows a deep erosion of the wellbeing of sole parents,⁴² with the latest report confirming increased financial stress and food insecurity. 40% of single parents reported that life was worse because of COVID-19.⁴³ While there is consensus around the value of paid work,⁴⁴ a high level of family joblessness in Australia and poverty

³⁶ Good Shepherd Australian & New Zealand (2019), [Submission](#) on the adequacy of Newstart and related payments and alternative mechanisms to determine the level of income support payments in Australia, Senate Community Affairs References Committee.

³⁷ [Home - Raise The Rate](#) (2023).

³⁸ Australian Bureau of Statistics (2022) [Household and families: Census, 2021 \(abs.gov.au\)](#).

³⁹ Australian Council of Social Service & UNSW, Sydney (2021), [Income support since 2000: Those left behind \(acoss.org.au\)](#)

⁴⁰ Ibid.

⁴¹ Bertina Cass (2022), Social Policy Research Centre UNSW, speaking during a webinar organised by Brotherhood of St Laurence: [Work, care and social security: making it work for children and families](#).

⁴² Sydney Morning Herald (2020), [Survey reveals decline in economic wellbeing of single-parent families](#).

⁴³ [HILDA Statistical Report \(2022\)](#), Melbourne University, pp 52,95.

⁴⁴ The Conversation (2016) Miranda Stewart and David Ingles, [For single parents, it pays to work \(theconversation.com\)](#).

in one-parent families appears to be linked to the design of the tax and transfer systems, the failure to maintain adequate payment levels for social security payments and the costs associated with looking for and maintaining employment including childcare, transport and housing costs.

Poverty is a policy choice of governments. ERA urges a review of the current PPS arrangements with the expressed objective of improving the employment prospects of parents and ensuring they are better off in employment (principal carer parents should not be required to accept a position where they can demonstrate that they will not be better off financially as a result). We urge a consideration of the approach taken in Norway and other Nordic countries, where there are low levels of joblessness in lone parent families due to policies that encourage paid work by mothers when their children are young.

The review should consider:

- The provision of vocational training earmarked for single parents and tailored and non-compulsory labour market preparation programs that focus on the wellbeing of sole-parent families, enabling entry into decent work with flexible arrangements. Optional tailored programs should replace ParentsNext, which is a discriminatory and punitive program which negatively impacts parents' self-esteem and parenting confidence,
- Whether the Jobs, Education and Training (JET) program introduced in 1989 should be reinstated. JET saw free or highly subsidised training and childcare for beneficiaries to transition to work with no sanctions for non-compliance. Between 1984 - 1994 child poverty fell by more than 50% among families with children,⁴⁵
- How Centrelink (Services Australia) can better assist clients,
- The cost of attending work and other additional pressures associated with paid work,
- Housing affordability, the distribution of housing and transport systems and their effects on the ability of low-income workers to sustain employment,
- The adequacy and collection of the child-support scheme involving non-custodial parents,
- Childcare services, before and after school hours care and holiday care costs, and
- How the social security payments system affects women's ability to flee family and domestic violence.⁴⁶

ERA acknowledges and recommends the work of the Council of Single Mothers and their Children. Its members typically rely on government payments to top up often casual work with uncertain pay and varying conditions. We support the Council's recommendation that PPS be reinstated for single parents until their youngest child is 16 and share their concerns about the complex hoops single parents must jump through under mutual obligation rules.

c. Investigate the feasibility of replacing all current existing social security payments with a 'basic income' payment, supplemented by additional allowances for groups with identified needs

The inequitable gender distribution of unpaid work combined with the failure of our economic systems to value the unpaid work done by women comes at a significant cost to women's economic

⁴⁵ Cass (2022).

⁴⁶ See Anne Summers (2022) *The Choice: Violence or Poverty*, University of Technology Sydney.

security. The social security system plays a critical role in ensuring that women with unpaid caring responsibilities are at least provided with a basic safety net to protect them from poverty and economic insecurity. Women are the majority of income support recipients and tend to require income support payments for longer periods. Decreases in the real value of Jobseeker and other payments, changes to the Parenting Payment Single, and the increasing complexity of our social security system have conspired to undermine this safety net for unpaid carers.⁴⁷

ERA acknowledges the Government's announcement following the Jobs and Skills Summit of a government-funded consultation and research project on the concept of a 'living wage' or decent wage (with expectations of a report due in late 2023).⁴⁸

ERA recommends that the Government investigate ways of streamlining and improving the adequacy and functioning of the income support system, including replacing the current system of pensions and payments with a single 'basic income' payment, with supplements available to groups with identified needs, such as people with disability and people with children.⁴⁹

6. Phase out or simplify the activity test for the childcare subsidy.

The Commonwealth should continue to reduce the barriers to affordable childcare by reviewing the participation test for parents and carers, to make the system more accessible to people on low incomes. While ERA welcomes the October 2022 budget allowance of 36 hours of subsidised care per fortnight for First Nations families who do not meet the activity test, the same measure should be investigated for all low-income families.

2022 analysis by Impact Economics has confirmed that the continued imposition of the activity test undermines the Albanese Government's broader and welcomed reform objectives of lifting access for children and workforce participation of parents.⁵⁰ Early Childhood Education and Care (ECEC) should also function to reduce the burden of unpaid care work on women. ERA backs a long-term objective to make childcare free, knowing it will significantly boost productivity and is good for childhood development.

Abolishing or simplifying the activity test would ensure that all children in Australia have greater access to ECEC, would be an important step toward universal early childhood education and care and would help increase the number of children who are developmentally on track when they start school. In addition, abolition or simplification of the activity test will reduce the complexity of the

⁴⁷ Under the current rules, single pensioners can earn up to \$480 a fortnight without reducing their pension payment. Pensioners who earn more than that are placed on a part-pension and have their payments docked .50c for every dollar earned above \$480. But single carers on Jobseeker with at least one child under 16 can earn up to \$150 per fortnight, at which point their payment is reduced by .40c for every dollar over \$150. This discrepancy will increase once the temporary upfront \$4,000 income bank credit is applied for Age Pensioners.

⁴⁸ [Jobs and Skills Summit September 2022 – Outcomes \(treasury.gov.au\)](https://www.treasury.gov.au/News/2022/09/13/jobs-and-skills-summit-september-2022-outcomes)

⁴⁹ As recommended by academics Professor John Quiggin, Elise Klein and Troy Henderson [Meet the Liveable Income Guarantee: a budget-ready proposal that would prevent unemployment benefits falling off a cliff \(theconversation.com\)](https://theconversation.com/meet-the-liveable-income-guarantee-a-budget-ready-proposal-that-would-prevent-unemployment-benefits-falling-off-a-cliff); https://taxpolicy.crawford.anu.edu.au/sites/default/files/uploads/taxstudies_crawford_anu_edu_au/2020-09/complete_liveable_income_sep_2020_0.pdf

⁵⁰ Impact Economics (2022) [Childcare Subsidy Activity Test: Undermining Child Development and Parental Participation Report FINAL.pdf \(squarespace.com\)](https://www.squarespace.com/report-final)

system and the risk of over-payments, removing barriers faced by low-income casual employees seeking to increase their hours of work.

b. Increasing access to ECEC for temporary visa holders

Temporary migration can be a step towards permanent residence, especially important to meet labour shortages, but there are lengthy delays in the visas processing system. The Department of Home Affairs has acknowledged a growing cohort of ‘permanently temporary’ migrants, at risk of exploitation and poor integration outcomes.⁵¹ The ECEC system is an inflexible and inaccessible system for women on temporary visas. There is currently limited access to ECEC subsidies for women on temporary visas which limits their ability to work.

7. Provide additional funding to Office for Women to build capacity in departments to perform Gender Impact Analysis (GIA) on policy and spending proposals.

A gendered analysis of the policy development and budget cycles is essential to implement the Government’s gender equality commitments of increasing women’s safety, strengthening women’s economic security and supporting more women into leadership. GIA with gender responsive budgeting tools should influence budgetary decision-making to limit the negative impacts on women of revenue or expenditure measures and identify measures to advance gender equality.

To ensure this process is not merely a compliance activity, training and leadership is needed across the Australian Public Service with active parliamentary support and monitoring and systematic collection and use of gender statistics.

8. Improve prevention, preparedness and responses to climate change:

a. Produce a gender analysis of all climate change and energy related policies as part of a national climate change plan.

Disasters have a gendered element. Climate change-related events threaten to exacerbate gendered violence, reduce housing security, worsen mental health and worsen wellbeing overall. In keeping with recommendation 7 above, ERA recommends that all climate change prevention and mitigation efforts include a gender analysis to ensure the most effective and just use of resources, especially as climate change is likely to deepen inequalities and the gender pay gap.

Disasters reinforce traditional gender roles within families and communities, with women contributing disproportionately to unpaid community support work, caring for children and family, and forgoing or relinquishing employment opportunities which are crucial for gender equality and women’s longer-term economic security.⁵² These effects result in women being placed in positions of increased susceptibility to harm, both during the emergency and in the immediate and longer-term recovery periods.

⁵¹ Department of Home Affairs, [A migration system for Australia’s future](#), Discussion Paper, November 2022.

⁵² The Conversation (2019). [Domestic violence will spike in the bushfire aftermath, and governments can no longer ignore it \(theconversation.com\)](#)

Australian research shows that rates of gendered and family violence increase in post-disaster settings.⁵³ Women can face different health risks to men during and in the aftermath of disaster, such as the increased risk posed by bushfire smoke to pregnant women or the long-term physical, psychological and social effects caused to women by the lack of access to contraception and other forms of sexual and reproductive health care in the aftermath of disaster.⁵⁴

Despite the significant evidence base developed in Australia since the 2009 Black Saturday bushfires, not one of the Federal Government's key plans or mechanisms for disaster planning, adaptation, response or recovery have included an analysis of the differential impacts of disaster on women, girls and people of marginalised genders. The [National Climate Resilience and Adaptation Strategy](#), the [National Disaster Risk Reduction Framework](#) and the [Preparing Australia Program](#) are all silent on the differential impacts of disaster on women. Australia needs long term planning around the health and wellbeing risks to women and girls posed by climate change and a clear understanding in all climate change adaptation/mitigation and disaster-related planning that the involvement of women at all levels of leadership in planning, response and mitigation processes is critical to ensuring the effectiveness of our responses.⁵⁵

A gender impact analysis would help us to understand how adverse weather events affect women's income and health. While not wishing to pre-empt that analysis, ERA can already see the need for:

- Specific targeted, long-term support to minimise the detrimental effects of the additional unpaid and voluntary work taken up by women in direct relation to the effects of disaster.
- Safe spaces for women providing disaster relief in communities.
 - These spaces to include sanitary bins, breastfeeding facilities, menstrual items, quiet corners.
- Pop-up and free childcare in disaster recovery zones.
- Emergency centres adopting guidelines on gender and disaster.
- Climate change incorporated across the Gender Equality Strategy, from prevention (drastic reductions in emissions) to adaptation, preparedness and recovery.
 - The Strategy should be integrated with the work of the National Recovery and Resilience Agency and sees the production of a second edition of the National Disaster Risk Reduction Framework which incorporates best practice approaches to adding an intersectional gender lens to climate change and disaster planning.⁵⁶

⁵³ Alston, M. (2017). 'Gender outcomes in post-disaster sites: Public policy and resource distribution', in *Climate Change and Gender in Rich Countries: Work, Public Policy and Action*, ed. M. Griffin Cohen, Oxon, New York: Routledge.; D Parkinson, C Zara (2011) 'The way he tells it...': Relationships after Black Saturday. Victoria, Women's Health Goulburn North East, available from: <http://www.genderanddisaster.com.au/wpcontent/uploads/2015/06/Doc-005-The-Way-He-Tells-it1.pdf>; and Women's Health Goulburn North-East (2015), [Women and Disaster Snapshot](#).

⁵⁴ Debra Parkinson, Alyssa Duncan and Cathy Weiss, Australia Women's Health Network (2014): [The Impact On Women's Health Of Climatic And Economic Disaster](#)

⁵⁵ For more specific advice on this, see Grattan Institute (2020) Stephen Duckett, Will Mackay and Anika Stobart, [Climate change and health: preparing for the next disaster](#).

⁵⁶ See the example of the [Gender and Emergency Management \(GEM\) Guidelines](#) developed by Women's Health Goulburn North East, Women's Health in the North and Monash University Disaster Resilience Initiative.

- New social and affordable housing designed to withstand climate stresses, including urban heat and battery-operated renewable energy systems.
- The incorporation of climate change impacts into the action plans developed under the National Plan to End Violence Against Women and Children [2022-2032].
- Emergency management services trained in family and domestic violence responses.

b. Fund a Gender Impact Analysis for the development of the Disaster Relief Australia workforce, and investigate participation payments

With each costly weather event Australia should be getting better in managing and supporting communities to recover. The Federal Government outlined plans in the October 2022 budget for a disaster response workforce that complements state led emergency efforts and the Australian Defence Force. \$30m has been allocated for a volunteer veteran organisation named Disaster Relief Australia.⁵⁷ ERA believes there is a risk that this new workforce reflects a government reflex to revert to militaristic and masculine ways of working which accepts patriarchal attitudes about what constitutes an adequate response to disaster rather than empowering attitudes that support consent or care. Non-gendered consideration of response work generally produces approaches which focus on rescue, physical clean-up and repair of infrastructure. Adding a gender lens to the definition of ‘response’ results in a wider range of activities being included, such as repair of social infrastructure (such as getting playgroups, schools and childcare operational, putting communication strategies and infrastructure in place to allow people to contact one another), access to the determinants of health (such as reopening women’s refuges, providing medium-term low cost housing for displaced people, access to healthcare when services are disrupted) and addressing the emotional damage caused by disaster (such as trauma counselling).

This new Disaster Relief Australia workforce should be developed with an explicit gender lens to ensure it does not repeat the problems of the traditionally highly gendered emergency workforces in State-based services. The Commonwealth is urged to tap into the expertise of the Gender and Disaster research agency to ensure an inclusive culture in disasters, so all sexes and genders are involved and able to access the support they need with a citizen-led, trauma informed and strengths-based approach. The new workforce could be informed by the Australian Defence Force’s National Action Plan on Women, Peace and Security and the next iteration of the ADF’s Pathway to Change Strategy to attract and retain women and diverse people. The leadership of Disaster Relief Australia must include women and people with expertise in applying a gender lens to policy development, and domestic violence response training for workers should be mandated. This workforce should not only be fit-for-task but should contribute to broader government work across

⁵⁷ In addition to a suite of measures related to disaster resilience and recovery over 4 years from 2022-23, Budget Paper No. 2, p. 147.

recovery, preparedness and prevention including sustainable housing, women's health needs and ensuring restoration of energy systems.

Given regular commitments to jointly funded State and Commonwealth disaster payments, ERA believes it's time the Treasury investigate participation payments or a universal basic income payment as one way to support individuals and communities, so they are financially equipped to respond and recover to disasters that hit their homes and community. Women are more likely to leave paid work to care for their families and communities in the event of disaster. Participation payments could go some way to ensure they are less likely to fall below the poverty line as a result.

c. Fund leadership opportunities for women in the clean energy sector.

Despite the challenges, climate change also offers opportunities in sectors growing to meet the challenge of a low-carbon economy with potential benefits for women from significant government investments in energy systems change, and a jobs strategy for women.

The ACTU observes that moving to decarbonise the economy must include valuing the work of female-dominated industries, particularly care-based industries:

Many emissions intensive industries are male dominated. Therefore, fossil fuel economy workers are often the primary or sole income-earner in their household. Better valuing the work of workers in female-dominated industries through higher wages and better conditions would reduce the impact of fossil-fuel plant closures on households and communities.⁵⁸

ERA is pleased to see the Government make an international pledge to equal pay, leadership and opportunity for women in the clean energy sector by 2030.⁵⁹ With the energy industry being one of the worst performing industries for female representation in Australia, now is the time to fund the pledge.

d. Link subsidies for decarbonising and transitioning industries to gender equity objectives.

ERA supports the rapid end of public subsidies for polluting industries behind human-induced climate change. Given that those industries are male dominated,⁶⁰ the Commonwealth can use this opportunity to align two objectives – the disruption of highly gendered occupations and the decarbonisation of the economy.

Australia has a highly gender segregated workforce, and women are significantly less likely than men to be recruited and retained in construction, technology, resource and energy industries. The case for improving gender balance in male-dominated industries and workforces, improving the gender distribution of unpaid work and improving gender balance in care-based industries is well made in earlier submissions and reports by agencies funded by the Commonwealth, at the recent Jobs and

⁵⁸ ACTU (2016), [Just Transition: a fair way forward for workers in changing industries \(actu.org.au\)](https://www.actu.org.au/just-transition-a-fair-way-forward-for-workers-in-changing-industries)

⁵⁹ Australian Government - Chris Bowen, Jenny McAllister (2023), [Joint media release: Australia pledges gender equality to clean energy sector | Ministers \(dcceew.gov.au\)](https://www.dcceew.gov.au/media-releases/2023/03/15/australia-pledges-gender-equality-clean-energy-sector)

Skills Summit, in the subsequent Employment White Paper process⁶¹ and in the recent CEDA report on occupational gender segregation.⁶²

As the Sex Discrimination Commissioner has made clear in the *Respect@Work* and *Set the Standard* reports, there is plenty of work to do to change cultures in workplaces. This work must involve more than ‘tick and flick’ compliance – it must focus on building understanding and capacity to prevent harms. We recognise that the Commonwealth already supports a number of programs such as [Women Building Australia](#), but leveraging the power of public subsidies in male-dominated sectors will expedite the culture change required.

Public money should not prop up sectors that resist change and maintain corporate cultures and norms underpinned by rigid gender stereotypes. This approach is comparable to the Commonwealth not giving public money to companies that have been found to have modern slavery in their supply chains.

d. Fund a delegation of diverse women from Australia and the Asia-Pacific region to attend COP28 in the United Arab Emirates.

Local and global responses to climate change must be driven by all genders and sexes and people of diverse means and income. ERA urges the Commonwealth to support the active participation of a diverse group of women representing communities from the Asia-Pacific region in the next UN Climate Change Conference (UNFCCC COP28). Australia, as a wealthy nation relative to our regional neighbours, should drive this initiative as a matter of equity. The delegation will help ensure women’s voices are heard in the international arena and media. The measure will support and encourage women's leadership to build resilience in communities, including designing and creating localised responses to climate change and impending disasters.

This should be part of a wider-all-of-government commitment to have women involved and making decisions in all aspects of climate change policy.

⁶¹ AHRC, [Gender segregation in the workplace and its impact on women’s economic equality](#), 6 March 2017.

⁶² CEDA [Occupational Gender Segregation 2023](#) 31 January 2022