



AUSTRALIAN GENDER
EQUALITY COUNCIL
working for balance

How does the 2021-2022 Budget measure up against AGEC's Gender Equality Manifesto?

AGEC Response to Key Measures in the 2021-2022 Budget

Executive Summary

The 2021-2022 Budget took some important steps to recognise the issues facing women in Australia today, but was a missed opportunity for significant structural and economic reform to achieve a gender-equal society.

We know the women's Budget initiatives were quickly cobbled together to respond to the government's newfound realisation of the urgency of issues around women's safety, economic security and health and wellbeing.

Re-introduction of the Women's Budget Statement is welcomed and must be retained, to provide an evidence-based account of the issues faced by Australian women today and improved transparency of funding.

The key women's initiatives in the Budget are also welcomed but do not go far enough, are unlikely to provide the long term structural change needed to achieve gender equality.

And a \$3.4 billion investment towards women is less than 1% of overall budget, far short of what it could and should be.

Key Budget Take-Outs

Here are some key take-outs from the Budget – positive and negative - as it affected women -

✓ Women's Budget Statement reintroduced	✗ Childcare subsidy changes marginal and introduction delayed until 2022
✓ \$1.7billion in childcare subsidy enhancements	✗ No major strategy or structural reforms to barriers facing working women
✓ \$1.6billion towards state funding of early childhood learning	✗ No pathway to universal childcare or early childhood learning
✓ \$1 billion to support victims of family, domestic and sexual violence expanding some programs	✗ Minimal STEM education programs for girls in primary school
✓ \$351.6 million for initiatives related to Women's health	✗ No strategy to eliminate gender stereotypes
✓ Increased funding for aged care	✗ Male-dominated industries the focus of stimulus funding
✓ Support for 55 <i>respect@work</i> Report recommendations	✗ No changes to paid parental leave



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Key Budget Initiatives

In summary the key Budget initiatives were -

- \$1.7billion in targeted increased childcare subsidies
- \$1.6billion towards universal early childhood learning
- \$1 billion to support victims of family, domestic and sexual violence
- \$351.6 million for initiatives related to Women's health

Despite improvements it is clear there remains a significant opportunity for the government to undertake a more strategic review of its approach, and provide a real vision for the future of gender equality in Australia.

And the Australian Gender Equality Council can help it get there.

The Women's Budget Statement

The re-introduction of the Women's Budget Statement was a much-needed step and one that women's groups had been calling for many years. It provides not only improved transparency on the funding of women's initiatives, and a basis for comparison year on year, but also an evidence-based account on the status of women in present-day Australia. It uses recognised and respected sources, and acknowledges where there is an evidence vacuum, which needs to be filled to inform future policy initiatives. It adds further credibility to the facts of women's inequality in Australia. While these facts are well known to many, they remain disputed by a vocal minority, who seek to impede progress towards gender equality and challenge the much-needed reforms to achieve it. It also provides a consolidated account of the various factors impacting women and a point of comparison year on year.

Things to consider next time/future enhancements:

The re-introduction of the **Women's Budget Statement** provides a useful starting point for future statements. However, in its current form, it is difficult to reconcile the commentary on initiatives and with associated expenditure in the overall budget, and in each of the portfolio budget initiatives, and to compare actual expenditure against budget.

In future, the **Women's Budget Statement** should include a single table listing all the initiatives (and recurrent expenditure) related to women, and the relevant portfolio responsible for policy, and from which funds are sourced. It should adopt a format consistent with the presentation of each of the portfolio budgets and the Cross Portfolio Budgets.

It should also provide a year on year account of actual expenditure against the budget, and an assessment of performance against the targeted outcome, financial and non-financial. Adopting this approach will provide the necessary longitudinal insights over time and the effectiveness of various policy initiatives.

Measuring the Budget against AGECE's Gender Equality Manifesto

The following is AGECE's assessment of each of the initiatives against the AGECE Gender Equality Manifesto <https://www.agece.org.au/our-manifesto/>.

Economic Security

The primary factors influencing women's economic security are workforce representation and the gender pay gap, which result in poorer retirement outcomes for women. Some of the Budget initiatives that seek to address these factors are:

- Childcare subsidy and early childhood learning initiatives
- Removal of the \$450 per month threshold for the payment of compulsory superannuation contributions, benefiting 240,000 women. Super Guarantee increase to 10.5% on July 1 2021.
- Family Home Guarantee grants to assist 10,000 single parents, who are mostly women (84%), to have a deposit for homeownership.
- JobSeeker payment increased by \$50 fortnight many recipients are women
- Tax relief to low and middle-income earners of \$1,080, the majority are women
- \$31.5million to remove the \$450 per month threshold under which employees do not have to be paid the superannuation guarantee.

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Missed opportunities

The Budget did not include any significant initiative or structural reform to eliminate the gender pay gap. Although the Women's Budget Statement noted its gradual decline over the last decade, the gender pay gap is likely to worsen with stimulus targeted at male-dominated industries such as construction, without a corresponding increase in women's employment in those industries. Similarly, without a significant boost in the wage rates of highly feminised industries, such as aged care and childcare, or increases in women in senior leadership and representation in male-dominated industries, the gender pay gap will not improve.

Whilst we welcome a level of tax concessions for those who put away money for retirement, we suggest that voluntary contributions are costly and we would prefer measures to be more equitable and targeted specifically at those women who are struggling to save for their retirement. These include the 1 in 2 working women who earn \$40,000 or less and those aged 55 and over, who are most at risk of or are facing poverty in retirement. Such women cannot afford to avail of catch up or 'extra' contributions.

There is nothing in the budget that will have a material impact on women's lower superannuation savings. Not applying the superannuation guarantee to paid parental leave was a major missed opportunity. According to research, for each child a female has this would add \$1,400 to their superannuation balance. Super on paid parental leave would cost an additional \$207 million each year. We note this is less than a single F-35 Joint Strike Fighter plane and Australia has 72 on order for a total cost of \$17 billion.

We would like additional funding allocated to enable the recently announced 'Visibility of Superannuation Bill' to be enacted and passed through parliament as quickly as possible. Initial funding was announced for this measure in the first Women's Economic Security Statement in 2017 and this legislation is important for women to gain transparency over their ex-partner's superannuation (and other assets if held) and will remove the current lengthy, costly and often traumatic process that women, especially those fleeing domestic violence, have to go through.

Workforce Representation

In addition to childcare, initiatives with the potential to impact women's workforce participation and representation include -

- \$125million covering various grants and initiatives including Women's Leadership Development, programs women in STEM scholarships, social enterprise, National Careers Institute Partnership Program, Career Revive.
- \$42.4 million over 7 years to support 230 women to pursue higher-level STEM qualifications, plus various STEM scholarships

Missed opportunities

The absence of any changes to parental leave is a major missed opportunity that impacts women's workforce representation and participation. There was little or no stimulus for women working in female-dominated industries, or for incentivising women into male-dominated professions or vocations. The additional funding for aged care has the potential to improve wages but it is not guaranteed without increased education or qualifications for the workforce.

And sadly the Job Trainer Fund has not been designed to encourage women into male-dominated fields, which is another much-needed change to workforce representation.

Workplace Flexibility

Budget initiatives with the potential to impact another important dimension of gender equality, workplace flexibility, were the changes to the childcare subsidy and additional commitment to early childhood learning. As many have noted childcare and early childhood learning should not be considered solely as women's issues as these initiatives benefit all parents and the economy as a whole. However, it is acknowledged that while women remain the vast majority of primary carers, these are important changes that have the potential to remove significant barriers to women's workforce participation.

Missed opportunities

There were many missed opportunities to improve workplace flexibility through the introduction of universal childcare and a government paid parental leave scheme, which is more accessible to men. AGEC's recommended changes to the government paid parental leave scheme include -



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- Removing the disparity between the treatment of men and women under the current scheme to allow both parents to take 18 weeks of paid leave on a "use it or lose it" basis. Eliminating the current primary and secondary carer distinction, which entrenches current gender stereotypes with the vast majority of women being the primary carer.
- Extending the government scheme to 26 weeks leave for both parents (regardless of gender) in line with most of the private sector.
- Payment of superannuation on parental leave payments in line with private sector best practice.
- Support and funding for research for current and post-pandemic workplaces and its impact on women's workforce participation.

Family & Caring Responsibilities (Child Care & Childhood Early Learning)

Key budget initiatives include:

- Starting July 2022 increasing the childcare subsidy for families with two or more children in childcare by 30% for the second child up to a maximum of 95% of fees paid (increasing from 85%) – will benefit 250,000 families
- Removing the annual cap of \$10,560 for all families at a cost of \$1.7 billion over 5 years. It is expected to boost GDP by \$1.5bn and allow 40,000 individuals to work an extra day per week.
- An additional \$1.6 billion over 4 years (\$589M recurrent) funding for universal access to early childhood education for 4 year olds under a National Partnership Agreement with States.

Missed opportunities

The increased childcare subsidy benefits only about ¼ of families participating in the childcare system (250,000), and completely ignores those who use in-home care. The measures will not help those with only one child and do not apply to the first child. Moreover, the subsidy increase should start on 1 July 2021, not 1 July 2022.

This is perhaps the most significant missed opportunity in the budget - not introducing a comprehensive system of universal childcare and early childhood learning.

Free childcare existed briefly under COVID and was demonstrated to be a boon to the economy and women's workforce participation. Australia has among the lowest rates in the OECD of three-year-olds attending preschool. According to Ross Gittins, Economics Editor of the Sydney Morning Herald and The Age¹, introducing universal childcare would come at an estimated cost of \$2 billion a year with an associated GDP boost of \$11 billion. In the context of an unprecedented year of budget stimulus, this was the perfect opportunity to undertake significant structural reform to our economy and gender equality.

There also remains the gap for shift workers, those who choose childcare in their own home or can't access formal childcare, which many advocate should be tax-deductible.

Another key factor reducing the burden of family and caring responsibilities on women is incentivising both parents to share equally in caring responsibilities, which starts with a system of paid parental leave which is gender-neutral.

With over four million women in the workforce, the childcare subsidy changes assist only four per cent (4%).

Safety & Respect

The Women's Budget Statement 2021-2022 builds on previous commitments, and allocates more of the budget than in previous years to women's safety. The foreword states:

"Everyone has the right to safety—in their homes, communities, workplaces, where they study, and online. Violence against women can take many forms, including physical, sexual, psychological, and financial abuse, as well as a range of controlling behaviours. Knowledge, awareness, and attitudes towards violence against women and children are changing within the Australian community. More people are seeking help for themselves and their families. Responding to violence against women requires a range of measures from education and prevention to frontline services, as well as financial and legal assistance to support women's

¹ Sydney Morning Herald & Age Article May 12 2021



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recovery. The Government is steadfast in its commitment to reducing and preventing family, domestic and sexual violence."

Overall, the budget allocation for women's safety sits at \$1.1 billion over five years. Though not perfect, this is better than previous budgets and marks a change in the conversation, with the Government finally starting to pay more attention to women's calls for action.

The AGECE manifesto identifies what we expect to ensure a safe and respectful culture, free of gender-based harassment and violence in Australia. Our starting premise is that all people must be respected and be safe from the threat of violence and sexual harassment

\$998 million over 4 years to support victims of family and domestic violence to implement and enhance a range of programs, measures include:

- Additional \$261 million over 2 years under the National Partnership Agreement for frontline services for accommodation, helplines, sexual violence, legal support services and perpetrator interventions
- \$4.1 million for services to assist perpetrators to change their behaviour.
- \$164.8 million over three years to remove barriers to women leaving family and domestic violence.
- \$320 million for women's legal services and children contact centres.
- \$90 million on consent education.
- A \$35.1 million prevention package to continue the campaign 'stop it where it starts'
- \$57.6 million to work with Aboriginal and Torres Strait Islander communities to break the cycle of violence through culturally safe, community-driven, evidence-based and trauma-informed solutions.
- \$9.3 million over three years to prevent violence against women and girls with a disability.
- \$29.3 million over three years to support refugee/migrant women's safety and economic inclusion
- Funding organisations like ANROWS who collect data on women's safety violence against women.

Missed opportunities

The additional spend is estimated by some as only double the current annual spend (far below the level required to create sustainable change) and focussed only on responses to violence, with limited change to the funding of preventative programs required to address the issues of violence against women in the medium and longer terms. It was estimated that nationally, a minimum of \$1 billion per year over three years is required to provide adequate frontline support². The annual cost of violence against women and children in Australia is estimated at \$26 billion (at a minimum)³

"The reality is, this budget does little to address the fact that an estimated 9 out of 10 women experiencing violence who want to be supported to stay home safely with the abuser excluded can't access these critical services", says Hayley Foster, CEO of Women's Safety NSW. "Nor does it address the fact that 1 in 3 women and girls seeking accommodation to flee violence cannot be housed."

There is also very little investment in primary prevention initiatives to address the root causes of violence against women and children with just \$92.4 million being invested over four years.

"If we don't get serious about primary prevention, we're never going to achieve the generational change we need to see in this country for rates of violence against women to come down," explains Ms Foster.

Curiously, in 2025/2026 women's safety funding reverts to previous budget levels suggesting that the government believes the problems around women's safety and respect will have been solved in five years. While this would be an ideal outcome, it is an unrealistic assumption and suggests a poor understanding of what is an entrenched cultural issue.

Workplace Sexual Harassment

AGEC fully supports the 55 recommendations contained in the Human Rights Commission [Respect@Work](#) report and it was very pleasing to read a forthright commitment in the Women's Budget Statement to this issue as follows:

² Australian Women Against Violence Alliance – Treasury Submission, 24th August 2020

³ Women's Economic Security Statement - 2020



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“Preventing and addressing workplace sexual harassment is central to advancing both women’s safety and economic security and is a priority for our government.”

The Budget included \$15.3m to implement the Roadmap for Respect and respond to key recommendations of the Respect@Work: National Inquiry in Sexual Harassment in Australian Workplaces report. This comprises:

- \$7.3m to support the Respect@Work Council, implement a range of practical measures to address workplace sexual harassment and implement amendments to strengthen the legislative and regulatory framework;
- \$200k in interim funding in 2021-22 to continue the targeted delivery of support for women on work-related matters, including workplace sexual harassment;
- \$6m to the Workplace Gender Equality Agency (WGEA) and the Australian Public Service Commission to strengthen public-sector reporting on sexual harassment prevalence, prevention and response.

Missed opportunities

In a climate where the Government has been faced with women's protest marches across the country, allegations of parliamentary sexual assault and somewhat reluctant response to the landmark Human Rights Commission report into workplace sexual harassment, this budget has failed to take a strong stance in addressing workplace respect and safety.

The Women’s Budget Statement refers to the \$2.1 million previously granted in the 2020 budget, responding to the Respect@Work report recommendations to set up the Respect at Work Council and develop support resources.

Unfortunately, there is a lack of commitment to the legislative change required to extend positive duties on employers to do all reasonable and practicable to eliminate sex discrimination, harassment and victimisation. This change would provide a more suitable regulatory framework for workplace cultures free from sexual harassment and discrimination.

AGEC will continue to monitor the Government’s response and advocate for ALL 55 recommendations in the Respect@Work report to be implemented, including the full suite of legislative reforms.

Democracy & Government

There were no budget initiatives related to increasing women’s representation in government. The Women's Budget Statement noted that the proportion of women in the cabinet was retained following recent changes, which is hardly an aspirational statement.

The Women's Leadership and Development Program is being expanded by \$38.3 million over five years for projects such as the Academy for Enterprising Girls, and the expansion of the National Careers Institute's Partnership Grant Program.

We also note there will be a review of the Workplace Gender Equality Act 2012. Given the important role played in recent years by WGEA and employer reporting obligations, AGEC is keen to ensure that the rigour of the reporting obligations is retained and compliance incentives strengthened.

Missed opportunities

There was a significant missed opportunity for the government to set targets for the representation of women at all levels of government, and develop a strategy for its achievement. There is also an absence of commitments, or funding for targets, for Gender Equality on Boards and Executive Leadership.

Health & Wellbeing

Budget initiatives on health and well-being include:

- \$16.6million over four years in National Women’s Health Strategy plus various reforms to Medicare and PBS schedules relating to women’s health
- \$13.7 million to expand the Women and Infants Research Foundation from Western Australia to the rest of Australia
- \$67.6 million for BreastScreen Australia
- \$32.8 million for cervical screening services for Victorian residents
- \$6.6 million to Breast Cancer Network for outreach in regional and remote communities

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- \$3 million to McGrath Foundation for additional breast care nurses

Education

Budget initiatives on education include:

- \$63.5 million over four years for Additional Places in girls academies for indigenous girls
- \$42.4 million over seven years to support 230 women to pursue Higher Level STEM Qualifications, plus various STEM scholarships
- \$2.7b over four years to extend the Building Apprenticeships Commencements (BAC), including 5,000 additional gateway services and guaranteeing in-training support services for women commencing in non-traditional trade occupations.
- The Career Revive pilot program will be expanded, with 60 additional businesses given support to help them attract and retain women in their business.
- The National Careers Institute's Partnerships Grants program will be expanded, with \$12.2m for innovative projects that facilitate women's career opportunities and supported career pathways.

Missed opportunities

The Commonwealth Women in STEM Strategy fails to give due emphasis to the need to focused efforts at primary school and early childhood learning in order to shift entrenched gender biases in the career preferences of boys and girls. *Advancing Women in STEM 2020* does not address the entrenched career preferences in children which starts at primary school.

AGEC's Hands Up for Gender Equality study into career preferences of boys and girls demonstrated that these biases, which result in so few women entering STEM education, start early and are influenced by a range of societal factors. Without a deeper understanding of these factors through a national longitudinal study, and substantial funding of pilot programs to shift gender stereotypes associated with certain professions and vocations, there will be no significant change in the proportion of women in STEM or in male-dominated industries.

Societal Norms

The Budget included the following previously mentioned programs that may have the potential to influence societal gender norms:

- Expanded funding of various domestic violence preventative campaigns and continued funding of organisations like ANROWS who collect data on women's safety violence against women.
- \$42.4 million over 7 years to support 230 women to pursue higher-level STEM qualifications, plus various STEM scholarships to school leavers.

Missed opportunities

There was very little in the Budget for programs that aim to eliminate entrenched gender stereotypes, and those that do focus on particular outcomes like violence against women. Gender stereotypes play a critical role in women's safety and respect for women, as well as their career choices, which research shows are formed at a young age and steer woman predominantly into caring and support professions and vocations. School and community-based programs supported by enhanced media standards, such as exist in the UK and Europe, are needed to comprehensively address this issue across all cultural boundaries.

Media

The only Budget women's initiatives relating to media was the commitment of \$18.8M over two years for the Australian Communications and Media Authority (ACMA), though it is not clear what this funding is intended to achieve or how it will advance gender equality.

Missed opportunities

There was very little in the Budget for programs that aim to eliminate entrenched gender stereotypes and particularly those promulgated in advertising and television programming. Gender stereotypes play a critical role in women's safety and respect for women, as well as their career. The UK has a very strong program of intervention in public advertising which reinforces gender stereotypes and eliminates sexist advertising, which could be introduced into Australian media.



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Infrastructure

No budget initiatives impacting this gender equality manifesto domain were contained in the budget.

Sport

The Budget included the following programs that may have the potential to improve gender equality in sport:

- \$12 million over two years to provide a grant to Football Australia for eight additional Matildas international matches and domestic camps for the seven national youth teams
- \$5 million to Basketball Australia for the FIBA Women's World Cup in 2022 and a pathways program for Basketball Administrators, Coaches and Officials.

Missed opportunities

Given the huge growth in female participation in traditional men's sports, it would have to opportune for funding to facilitate female-friendly change rooms in all Australian sporting venues, or to tie Australia's substantial sports-related funding to the relevant sporting code achievement of certain gender targets.

Support for Gender Equality Agencies

WGEA Budget impacts

The Workplace Gender Equality Agency will receive additional funding of \$6 million to assist the work of the Respect@Work Council. The budget details indicate a no net increase in year on year cash funding on the basis that it received additional capital funding for enhancements to its reporting systems. WGEA's increased budget expenditure largely reflects the increased amortisation of system enhancements implemented in 2020.

The government announced the extension of the WGEA Reporting regime to cover public sector agencies, which AGECE supports.

A missed opportunity

The WGEA Act should be enhanced by adding penalties for non-compliance to capture the remaining non-compliant organisations. Additionally, funding should be provided to WGEA to pursue key research projects into workplace gender equality data and trends in data it has collected since its inception.

Things to watch out for

The Government announced a "targeted review" of the Workplace Gender Equality Act 2012 to ensure it is fit for purpose. As with the attempted "red tape" initiatives by the Coalition government in 2014, there is a risk of narrowing the WGEA's remit and impact. AGECE categorically opposes any dilution of the powers and/or remit of WGEA.

Office of Women

A missed opportunity

Presentation of the Cross Portfolio Budget Measures in Budget Paper 2 demonstrates that measures relating to women are spread across a large number of agencies (eight for Women's Safety and six for Women's Economic Security). Added to that are Education and Social Services, which are responsible for early childhood learning and childcare respectively. This represents a significant risk to a holistic and strategic approach to gender equality and key aspects of its achievement. We believe The Office of Women should be expanded to support and co-ordinate the multiple Ministries that have responsibilities relating to women and to ensure a holistic and strategic approach to the issues, including measurement and reporting across various portfolios.

In Summary

Australia has never had a national strategy for the progression of workplace gender equality. Given the meagre decline of the gender pay gap over the past 20 years, ongoing gender segregation in the majority of our industry sectors, poor retirement outcomes for women relative to men, declining numbers of women CEO's in our ASX200 firms and ongoing violence against women, AGECE believes that it is time that the Federal Government initiated a formal national gender equality strategy through widespread consultation with WGEA, the Federal Office For Women, the Human Rights Commission and Women's and Industry representative bodies.