

## Issues relating to the economic security for all Australian women – a White Paper (June 2018) update

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**August 2020**

### Policy reforms needed to boost women's financial well-being

#### Boosting economic security for women living in Australia

Since the initial economic Security4Women (eS4W) White Paper [Defining the concept of economic security for all women](#), (2018 White Paper) was finalised and published in June 2018, progress has been patchy when it comes to outcomes and policy responses designed with the specific purpose of boosting women's economic security.

Community attitudes to gender equality remain mixed and problematic, including in areas specific to financial security and well-being. Significant pockets of prejudice and bias continue to work against progress in addressing women's financial security.

It is noteworthy, nonetheless, that in the last two years there has been a moderate narrowing of the gender pay and superannuation gaps. This is welcome, but the changes appear to be the result of broad cyclical economic trends in different sectors, rather than a structural change in the determinants of male / female pay rates and superannuation contributions. The differentials on both pay and superannuation are still significant and more needs to be done to narrow the gaps in these two vital aspects of women's economic security.

Affordable and accessible childcare remains a critical issue holding back further progress in boosting economic security for women. This White Paper highlights, among other important matters, why childcare in its' present form and structure, works inhibits the ability of many women to engage in paid employment.

Policy progress aimed at enhancing the economic security for women living in Australia has been hampered and complicated by what was a period of subdued economic growth in the period up to the end of 2019. The more recent economic fallout from the COVID-19 pandemic, which appears to have a considerable time to run, is further holding back progress. The economic dislocation in the form of a recession with high and rising unemployment as a result

of the pandemic, shows signs of restricting progress in supporting the financial well-being of Australian women.

This White Paper Update will hone in on the latest data and research, with a focus on the key issues in gender financial equality. It has revamped and updated where necessary the recommendations from the 2018 White Paper that is an attempt to set a framework for greater economic security for women living in Australia. eS4W will continue liaising with policy makers who can address these recommendations and facilitate subsequent and timely reforms, aimed at addressing women’s economic and financial wellbeing.

The update of key facts and developments concerning issues to women’s financial security draws on the outstanding work of specifically focused groups with more specific knowledge and research in their specialised areas. To each and everyone of these groups, we are grateful for their work and advocacy supporting women living in Australia’s economic issues.

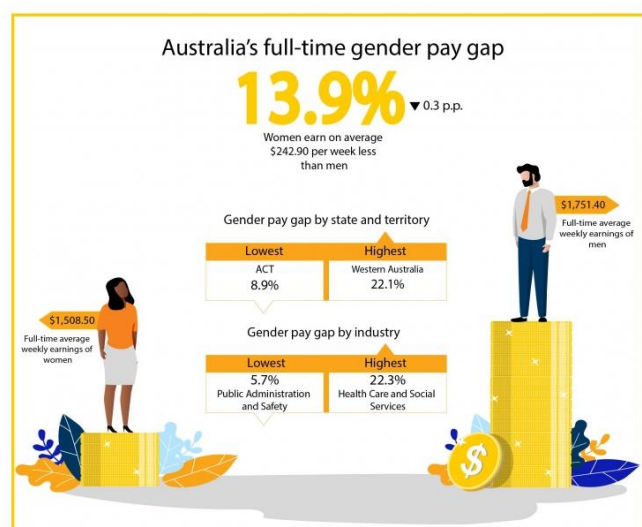
There has been significant progress over the decades with regard to issues associated with the economic security of women. However, as this White Paper shows, much more still needs to be done.

## Gender Equality

### The Pay Gap

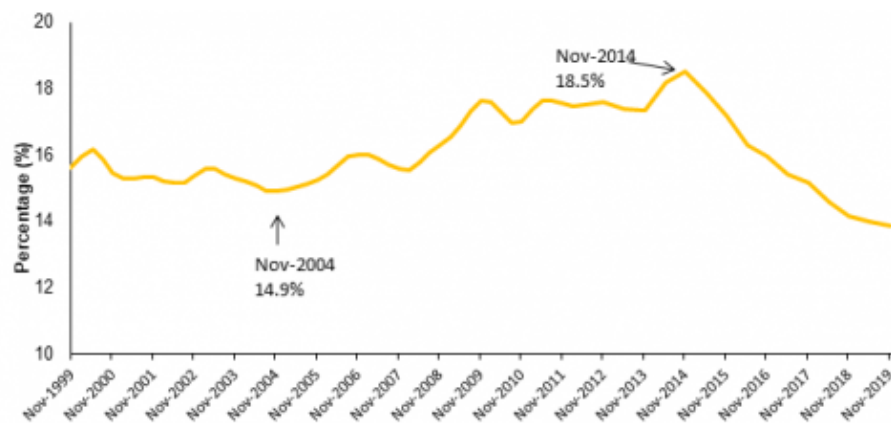
The gender pay gap remains significant with women earning, on average, 13.9 per cent less than men for full time work. This measure of the gender pay gap was 18.5 per cent in 2014 but was as low as 14.9 per cent in November 2004.<sup>1</sup>

While this is welcome statistical progress, much of the narrowing has been driven by trends in the economic cycle on a sectoral basis, rather than being the outcome from specific policy decisions. For example, weakness in construction, agriculture, forestry and fishing and utilities – sectors with relatively high wages and a high proportion of male employment – have experienced a cyclical downturn relative to health care and education – sectors with relatively lower wages and a high proportion of female employment.



<sup>1</sup> Wgea.gov.au. 2020. Australia's Gender Pay Gap Statistics | WGEA. [online] Available at: <https://www.wgea.gov.au/data/fact-sheets/australias-gender-pay-gap-statistics> [Accessed 28 June 2020].

**Figure 1: The Australian national gender pay gap, Nov 1999 - Nov 2019\*\***



Data source: ABS (2020), Average Weekly Earnings, Nov 2019, cat. no. 6302.0, viewed 20 November 2020, <<http://www.abs.gov.au/ausstats/abs@.nsf/mf/6302.0>>

*Note: Based on full-time adult average weekly ordinary time earnings, trend series.*

It remains noteworthy that in every sector of the economy, there is a pay gap in favour of men over women.

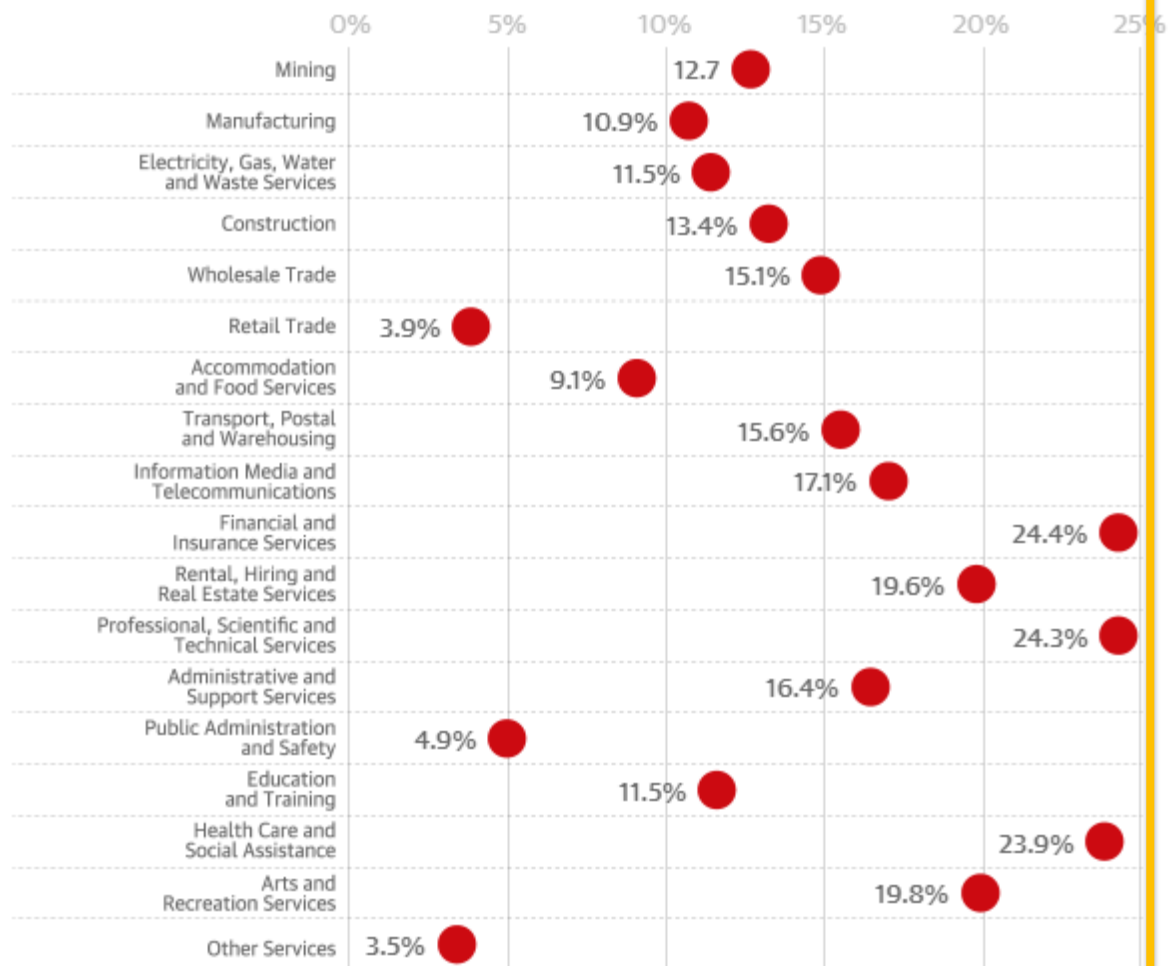
The pay gap is widest in finance and insurance services, professional, scientific and technical services and health care and social assistance where the difference between men and women’s pay is around 24 per cent. The narrowest pay gap is for ‘other’ services, retail trade and public administration and safety, with a pay gap between 3.5 and 4.9 per cent.



WGEA 2020

This overarching differential suggests the factors that drive pay levels work against women in every sector.

## The gender pay gap by sector in 2019



Guardian graphic

Source: (Martin and Ball, 2020) <https://www.theguardian.com/world/2019/aug/15/australias-gender-pay-gap-still-14-with-men-earning-240-more-a-week-than-women>

There is considerable uncertainty surrounding the outlook for the post-COVID-19 economy and this is likely to 'muddy the waters' on gender issues in the near term. That said, some of the early responses to the recession, by both the government and the business sector have been characterised by pay freezes or pay cuts in some areas, which is a problem made worse by a sharp rise in the unemployment and underemployment rates and a fall in hours worked and workforce participation.

Whatever the impact of these changes as a result of COVID-19 will be on the pay gap, it may become largely a statistical artefact rather than the result of policy initiatives. It is apparent from some of the early COVID-19 data, that sectors dominated by female employment – teaching, health and care work – have held up well compared with conditions in the lower paid hospitalities, arts and entertainment, by way of example.

That said, what is likely to work against a narrowing of the gender pay gap, is the unequal burden of job losses, rising underemployment and the surge in people dropping out of the labour force as a result of the recession triggered by COVID-19.

While the monthly labour force data will continue to be hugely volatile for up to a year after this White Paper has been issued, in the immediate months since the COVID-19 lock down started, employment of women has fallen more sharply than men, a higher proportion of women have experienced unemployment and the workforce participation rate of women (the discouraged worker effect) fell more than for men.

This deterioration in paid employment in the workforce for women, relative to men will work against narrowing the gender pay gap given the likelihood that the economic recovery from COVID-19 will be slow and over an extended period.

## **The Gender Superannuation Gap**

Prior to the economic and financial impact of COVID-19, there was a significant gap between the superannuation balances of women relative to men. This was across all age cohorts.

According to data cited by Financy Women's Index, the most recent data shows that women will retire with 31 per cent less superannuation savings than men. While this is a yawning gap, it has fallen in recent years, in part due to a previous rise in female workforce participation and the cyclical narrowing in the gender pay gap noted above. In the two years to 2017-18, the average superannuation balances of women rose by 5 per cent, compared with a 11 per cent increase for men.

One of the most startling facts of gender superannuation levels and a vitally important factor undermining the economic security for women as they approach retirement, is that of those aged 55 to 64 years, 22.4 per cent of women have no superannuation compared with 16.3 per cent of men.<sup>2</sup>

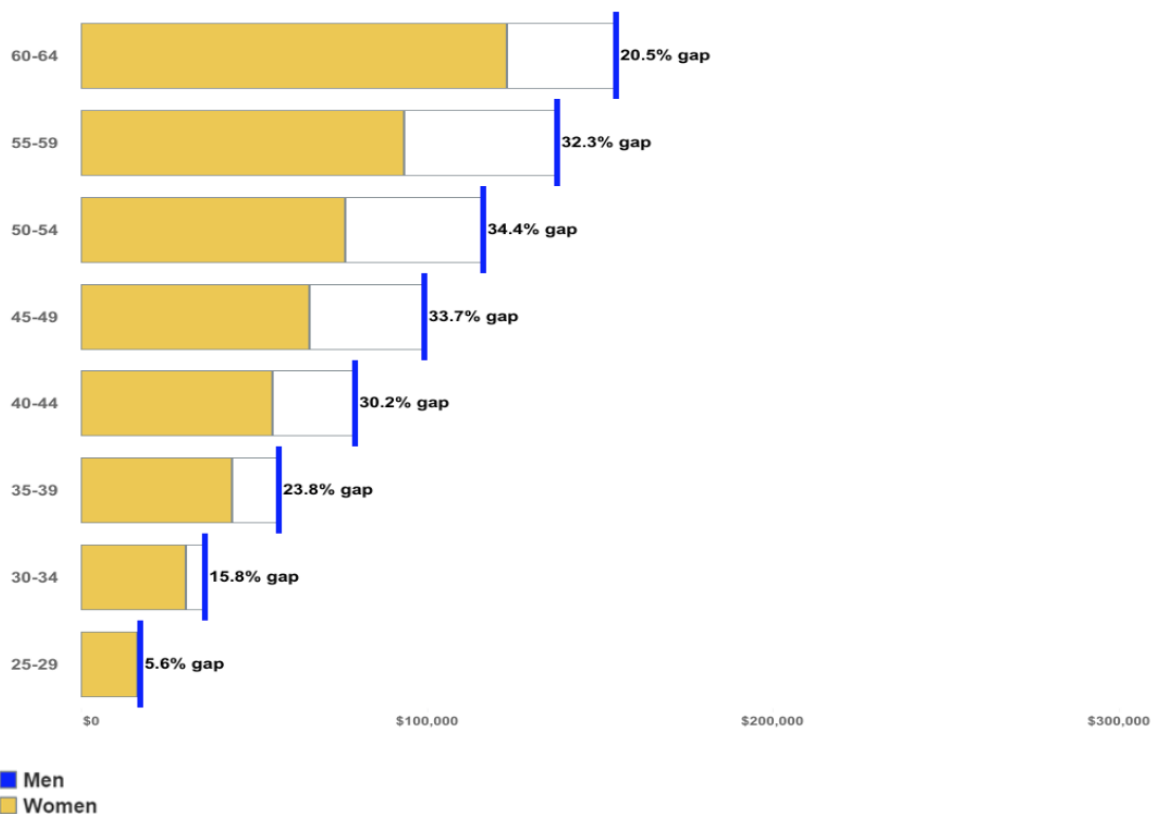
The superannuation gap between males and females remains wide across all age cohorts.

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<sup>2</sup> Janssens, N., 2020. *Early Access To Super A Debatable Setback For Women* | Financy. [online] FINANCY®. Available at: <https://financy.com.au/early-access-to-super-a-debatable-setback-for-women/> [Accessed 1 July 2020].

A recent WGEA study found that the median wage gap was narrowest for those age 25-29 years at just 5.6 per cent, but then it rose sharply in every cohort to age 50-54 years where it reached 34.4 per cent. It did narrow somewhat after that but was, nonetheless, uncomfortably, a critical issue undermining women’s economic security in retirement.

**Figure 1: 2016 - 17 median superannuation account balance by age and gender**



Source: Women’s economic security in retirement, Insight paper – February 2020  
[https://www.wgea.gov.au/sites/default/files/documents/Women%27s\\_economic\\_security\\_in\\_retirement.pdf](https://www.wgea.gov.au/sites/default/files/documents/Women%27s_economic_security_in_retirement.pdf)

As part of its economic policy response to the COVID-19 pandemic, the government allowed workers to withdraw up to \$10,000 from their superannuation accounts during the June quarter 2020 and to withdraw a further \$10,000 during the September quarter 2020.

According to preliminary data from superannuation fund manager AMP, women have eroded their superannuation balances more than men, a factor that will severely undermine their retirement nest egg in the years and decades ahead.

While the reasons for many people accessing their superannuation may have been the urgent need for immediate financial support during the recession, which is understandable, this policy is nonetheless likely to undermine women's lifelong financial security in absolute terms and relative to men. Further research will need to be undertaken to analyse the reasons why women accessed their superannuation, what it was spent on and the longer run effects on retirement savings.

The AMP found that women were withdrawing 21 per cent of their starting superannuation balances compared to just 17 per cent for men. In addition, 14 per cent of women had emptied out their total superannuation savings compared with 12 per cent of men.<sup>3</sup>

## Workforce Participation

Decades of progress in increasing female workforce participation has been abruptly halted as the labour market fractures in response to the recession brought about by COVID-19. It remains to be seen whether this will be a temporary disruption to gender equality that will reverse when the COVID-19 crisis recedes or involves a longer run structural change that has implications for women's financial security.

It remains a noteworthy achievement that since the 1970s, female workforce participation had been on a steady increase in absolute terms and also in relation to male participation.

In the late 1970s, male workforce participation was around 79 per cent, compared with just 43.5 per cent for females. By early 2020, prior to the onset of COVID-19, the male participation rate had fallen to around 71 per cent while the female participation rate had risen to over 61 per cent.

These trends show that over a period of four decades, male participation had fallen by a total of 8 percentage points while female participation had risen by 18 percentage points.

This rise in female participation has been a vital element in boosting the economic security for Australian women, even if there was a skewing of these employment gains towards part-time work.

With the onset of COVID-19, the recession and the upheaval in the labour market, male participation has at the time of writing fallen by 1.7 percentage points compared with a 2.3 percentage point fall for females. In addition to the overall weakness in the economy and the

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<sup>3</sup> Simpkins & Simpkins, S., 2020. Early Super Release Widening Gender Gap, AMP Says. [online] Investordaily.com.au. Available at: <https://www.investordaily.com.au/superannuation/47165-early-super-release-widening-gender-gap-amp-says> [Accessed 1 July 2020].

labour market, this may also be the result of more women than men choosing to leave the paid workforce to cover childcare, teaching from home and other domestic issues during the COVID-19 lockdown. Either way, unless the fall in participation is reversed, it will undermine progress in boosting women's economic security.

Another aspect of the COVID-19 pandemic has been the disproportionate decline in employment for young women. According to payroll data compiled by the ABS, employment fell by an extraordinary 18 per cent for women under the age of 20 years, which compared with 13 per cent of men under 20 years and 6 per cent in total. <sup>4</sup>

### Access to affordable childcare

Childcare remains a critical issue in determining workforce participation of women and with that, their lifelong financial security.

Progress on the provision of broadly-based, affordable and accessible childcare remains patchy. The extreme conditions of the COVID-19 crisis saw the government offer free childcare for a period of around three months, with this scheme ending on 12 July 2020. This support was mainly aimed to underpin the viability of the childcare centres as many parents withdrew their children for reasons linked to the pandemic and the broader lock down, unemployment and affordability. Enforced school closures, parents opting to keep their children at home for health safety reasons saw the revenue of childcare centres fall and their viability threatened.

Free childcare was a temporary measure to help the economy during the dire economic times brought on by the COVID-19 crisis. It was entirely appropriate given the difficulties in those businesses, but the ending of the scheme leaves open many of the existing issues that need longer run structural reforms to improve the efficiency, accessibility and affordability of childcare.

Many of the problems with parental access to childcare remain, especially affordability.

Relative to other countries, childcare remains expensive in Australia. According to the OECD, childcare in Australia costs for a two-earner couple on median earnings is approximately 30 per cent of a women's median full-time earnings. This is almost double the OECD average of 16 per cent. While the costs fall relative to a women's wage of a couple on low earnings and single parents, Australia's childcare costs are above average.

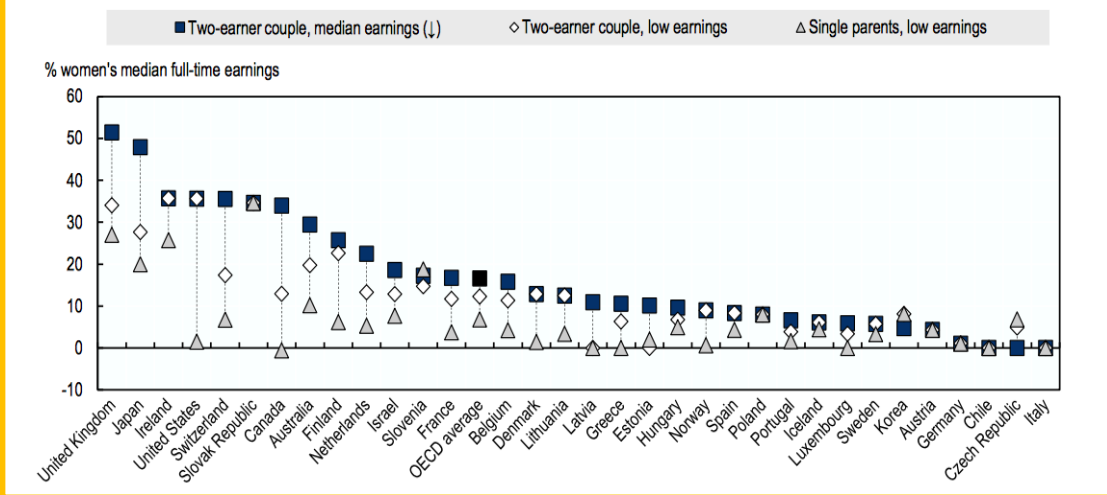
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<sup>4</sup> Abs.gov.au. 2020. 6160.0.55.001 - *Weekly Payroll Jobs And Wages In Australia, Week Ending 11 July 2020*. [online] Available at: <https://www.abs.gov.au/ausstats/abs%40.nsf/mediareleasesbyCatalogue/400084FDCC1353C9CA2585500026370F?OpenDocument> [Accessed 12 July 2020].



**Figure 1. Childcare is expensive in many countries despite government support**

Typical net childcare costs for two children in full-time care, 2019, in % of women's median full-time earnings, by family type and in-work earnings



According to the OECD, costs for the parents can be lowered via childcare benefits and rebates and tax deductions. Some of these options have been explored and implemented in Australia, but the quantum of the measures is clearly short of what is required to boost workforce participation, especially for women.<sup>5</sup>

The OECD notes that market-based childcare, which are common in Australia, have possible advantages, even though there are some issues with such a framework. In particular, market systems will be more inclined to increase the supply of childcare centres, with proprietors relying on potential profits to broadly offer services. It also noted, however, that in a market-based system, the government has less control over fees and charges. This can, however, be influenced with government regulation of fees.

It also highlighted the fact that the market-based system exposes childcare to market forces and it was highlighted in the experience of ABC Learning in Australia, which collapsed in 2008 as the global financial crisis and mismanagement impacted.

The OECD confirmed the well-established research findings that accessible and affordable childcare makes it easier for parents to participate in paid work, with the most significant effect on maternal employment.

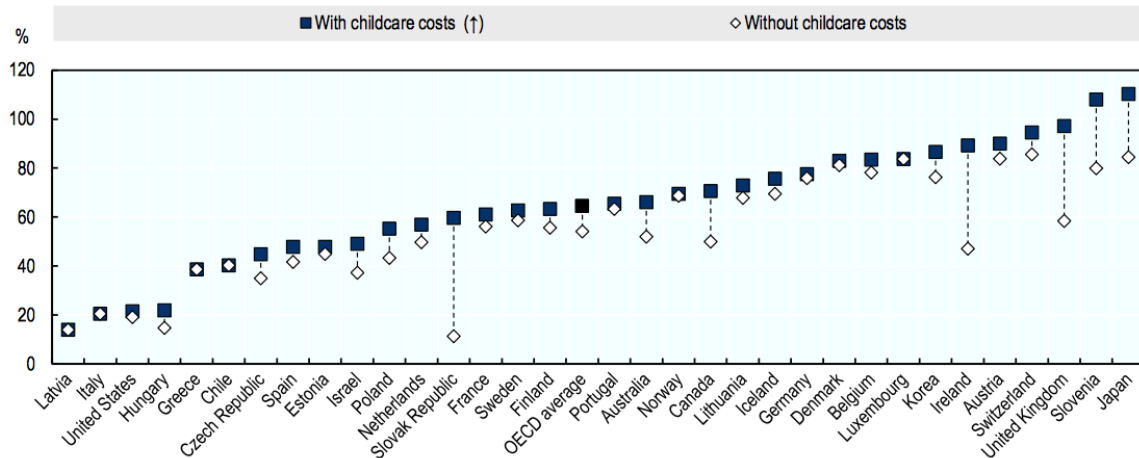
The following two charts show the effective tax rate on entering full time employment for (a) single parents with low earnings with two children in full time care and (b) a second earner in a two-earner couple, on low earnings, with two children in full time care.

<sup>5</sup> OECD: Is Childcare Affordable, June 2020 [online] Available at: <https://www.oecd.org/els/family/OECD-Is-Childcare-Affordable.pdf> [Accessed 28 June 2020].

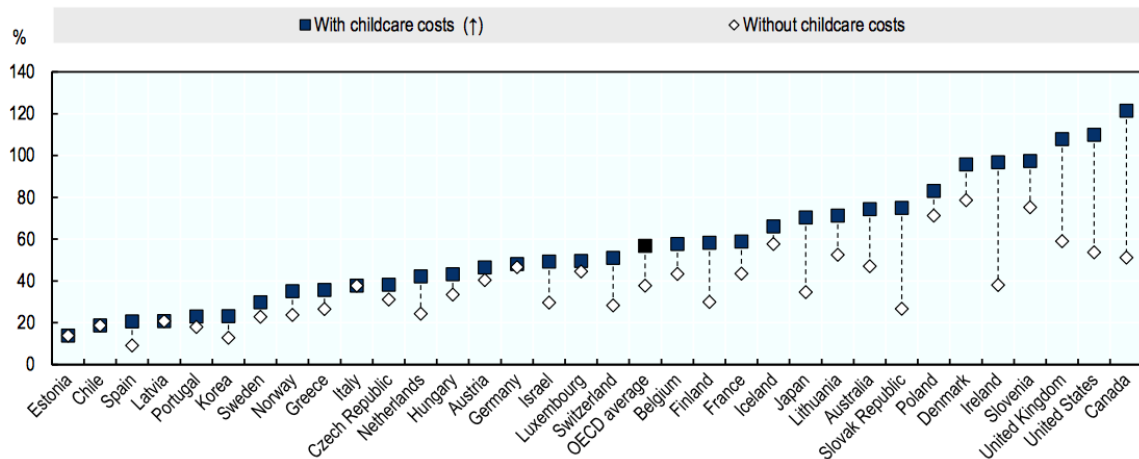
**Figure 4. High childcare costs erode parents' work incentives**

Effective tax rates on entering full-time employment for low earners, by family type, with and without childcare costs, 2019

Panel A: Single parent, low earnings, with two children in full-time care



Panel B: Second earner in a two-earner couple, low earnings, with two children in full-time care



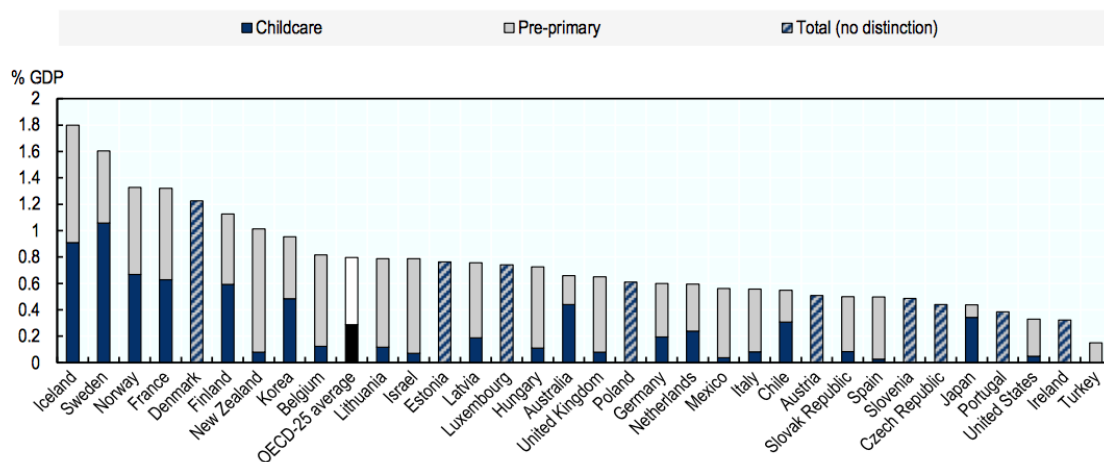
For the single parent in Australia, the marginal tax rate is approximately 60 per cent, which is above the OECD average. In the second example, the marginal tax rate rises to approximately 70 per cent which is well above the average

In simple terms, this shows that childcare costs present a significant constraint on workforce participation which is a constraint on building the financial and economic security for women and ultimately the economy

Australia's public sector spending on early childhood education and care is approximately 0.7 per cent of GDP, which is below the OECD average of 0.9 per cent of GDP. Public funding in Iceland, Sweden, Norway and France is approximately double that of Australia, while spending in Turkey, Ireland and the United States is about half that of Australia.

**Figure 6. OECD countries spend much more on pre-primary services than on childcare services for very young children**

Public expenditure on early childhood education and care, disaggregated by type, as a % of GDP, 2015 or latest available



It is important to note that childcare centres need to be accessible for parents geographically, as well as financially.

The feedback provided from the eS4W Roundtable series over the past two years has revealed that centres that are some distance away from the parent’s place of work can make it impractical, if not feasible for the child to utilise such care. Clearly this problem can be addressed with more centres being established in areas with high population density, but also in regional areas where childcare centres can be geographically dispersed.

Reforms on childcare will continue to be a critical part of encouraging higher workforce participation, especially for women and with that, many economic issues will start to be addressed.

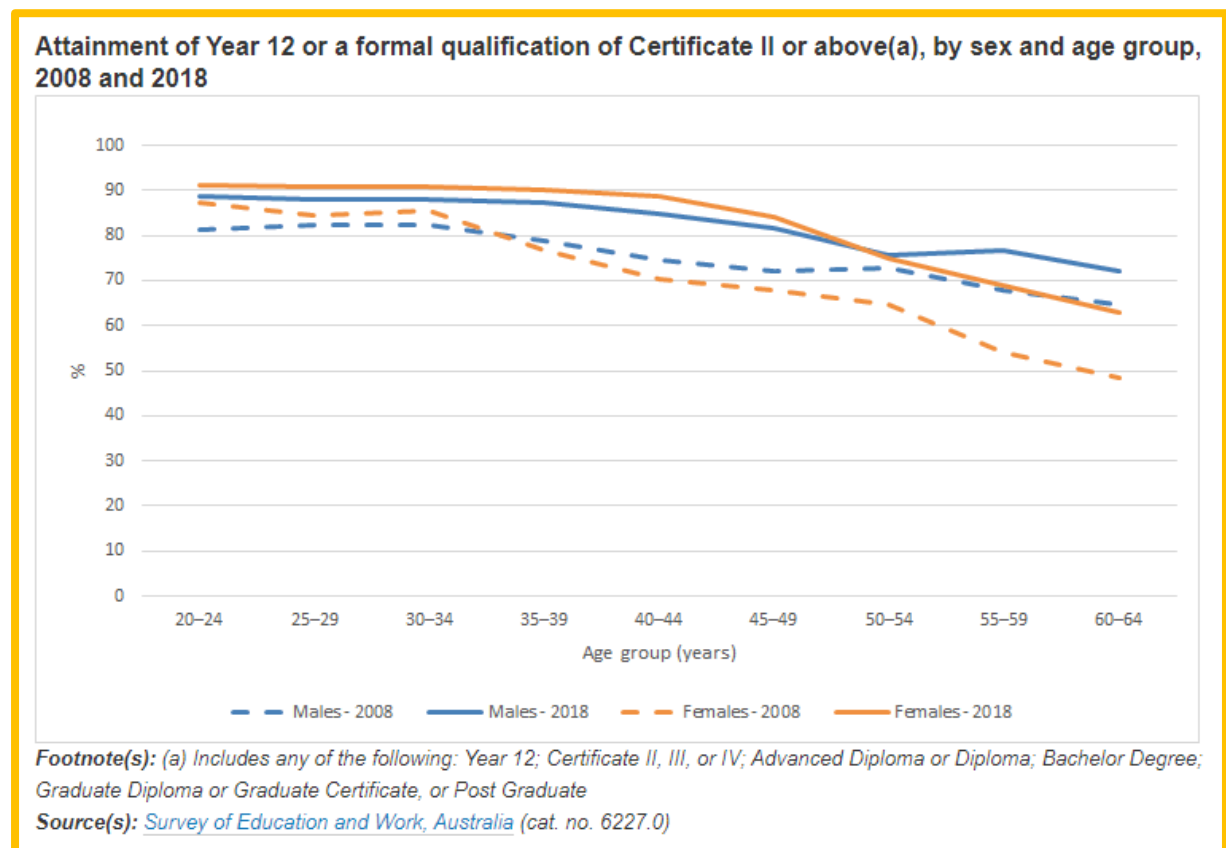
### Education, skills and training

A great success driven by past advocates of gender equality is the narrowing of what was a significant gender gap in educational opportunities and attainment. Prior to the 1990s, fewer females than males finished Year 12, attained a technical skill or went to university.

According to most recent data, more females than males are attaining Year 12 or a formal qualification. While eS4W would argue that all males and females should achieve their maximum education, training and skill base, it is notable that for all age cohorts from 20-24 years through to 49-54 year olds, female educational attainment is marginally higher than that for males. Reflecting educational gender inequality from earlier decades, female

educational attainment is lower than for males, by a large amount, for age cohorts over 50-54 years.

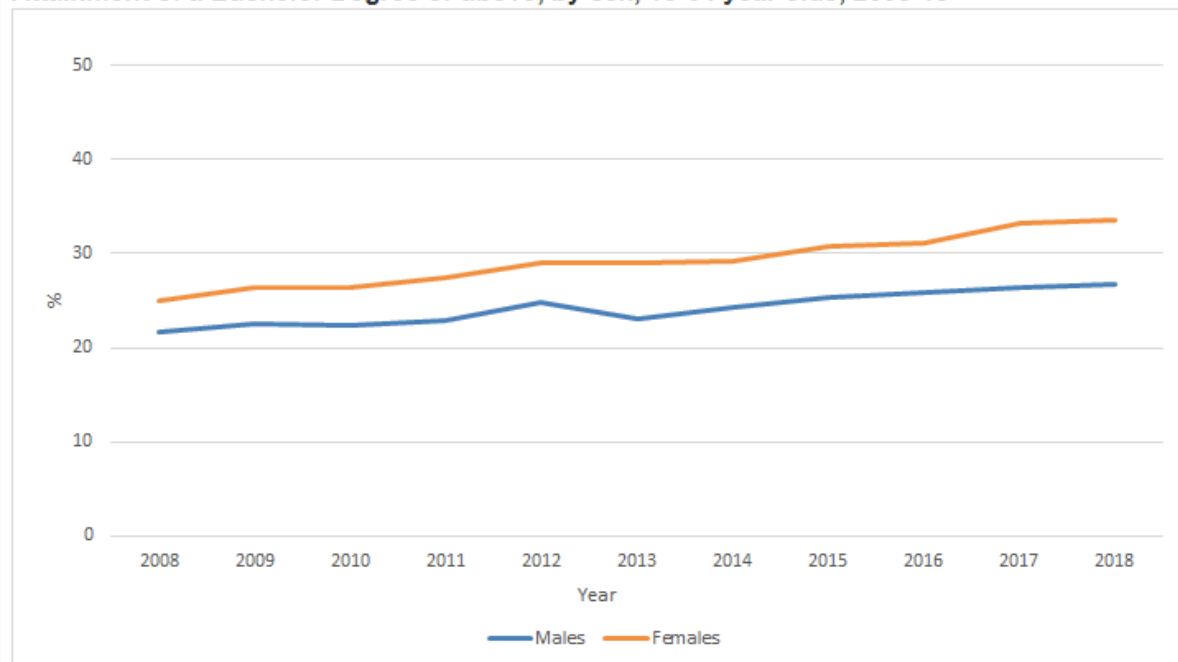
The change between 2008 and 2018 shows, encouragingly, that the educational attainment of both males and females has risen, and that the gap between males and females has closed and for younger age groups, reversed.



The ABS data also shows that for more than a decade, more females than males in the 18-64 year old group have attained a Bachelor Degree or above, with the difference widening in recent years. As the 2018 White Paper showed, there is a strong correlation between educational attainment, lifetime income and as a result, financial security.<sup>6</sup>

<sup>6</sup> Abs.gov.au. 2020. 4125.0 - Gender Indicators, Australia, Nov 2019. [online] Available at: <https://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/4125.0~Nov%202019~Main%20Features~Education~5> [Accessed 28 June 2020].

Attainment of a Bachelor Degree or above, by sex, 18-64 year olds, 2008-18



Source(s): [Survey of Education and Work, Australia \(cat. no. 6227.0\)](#)

What remains a concern is that in 2018, the median starting annual salary for female undergraduates was \$60,000 compared with \$63,000 for males.<sup>7</sup>

Despite that pay gap even for undergraduates, education, skills and training is a critical issue for addressing the gender pay and superannuation gap given the near unanimous research findings outlined in the 2018 eS4W White Paper that education was strongly correlated to lifetime income. As a result, education is fundamental to improving financial security for women.

## Care Economy – Paid and Unpaid

In 2019, eS4W published a White Paper on “[The role of carers and the impact on economic security for women](#)”. (eS4W Carer White Paper)

We are pleased to note that the government is implementing a key aspect of one of the recommendations of that paper. In July 2020, the government has launched the Mid-Career Checkpoint program which aims to help carers re-enter the workforce in advance of changing their career.

<sup>7</sup> Abs.gov.au. 2020. 4125.0 - Gender Indicators, Australia, Nov 2019. [online] Available at: <https://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/4125.0~Nov%202019~Main%20Features~Education~5> [Accessed 28 June 2020].

Participants in the program will receive free skills and employment assessment services, as well as a tailored career plan, advice and coaching. The government has indicated that if the pilot program is successful, it will be rolled out nationally in 2021.<sup>8</sup>

One issue carers had when returning to the paid workforce, having had an extended time away from work was a loss of skills and on the job experience and learning. This was a hindrance to getting a job or meant that a lower skilled, lower paying job had to be accepted which undermined the financial security of the carer. The Mid-Career Checkpoint program will help to address this problem.

The other findings and recommendations of the eS4W Carer White Paper have been clouded by the COVID-19 crisis. It appears that the lock downs and the move to teaching from home saw female caring time increase in absolute terms and also relative to that of males.

The COVID-19 crisis saw 56 per cent of women and 38 per cent of men work from home. This is likely to have been associated with the overlapping requirements of the lock down including caring for children unable to go to school as well as other caring responsibilities.<sup>8</sup>

As the 2019 Carer White Paper highlighted, there are 2.7 million people in Australia undertaking unpaid care which is around one-fifth of the working age population. Strikingly, over two-thirds of unpaid care work was undertaken by women.

It was also the case that the median weekly income of primary carers aged 15 to 64 years was 42 per cent below that of non-carers which is a critical issue for the economic security of women.

The case for reform, including the broadening of government financial assistance, was premised in the large part on the saving to government budgets of care that might otherwise be provided by the government. If the person being cared for was placed in a government funded facility with carers employed by the government, there would be an expense incurred by the government. This was estimated at a staggering \$70 billion per annum in 2019-dollar terms.<sup>9</sup>

## Time Use Survey is back

The last Time Use Survey compiled by the ABS was based on data from 2006. According to the ABS, it “is an important survey that collects information about how Australians balance their time between work, family, leisure, caring and other activities.”

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<sup>8</sup> Australian Government, Department of Education, Skills and Employment, The Mid-Career Checkpoint program, [online] Available at: <https://www.employment.gov.au/mid-career-checkpoint-program> [Accessed 5 July 2020].

<sup>9</sup> economic Security4Women. 2020. The Role Of Carers And The Impact On Economic Security For Women — Economic Security4women. [online] Available at: <https://www.security4women.org.au/the-role-of-carers-and-the-impact-on-economic-security-for-women/> [Accessed 28 June 2020].

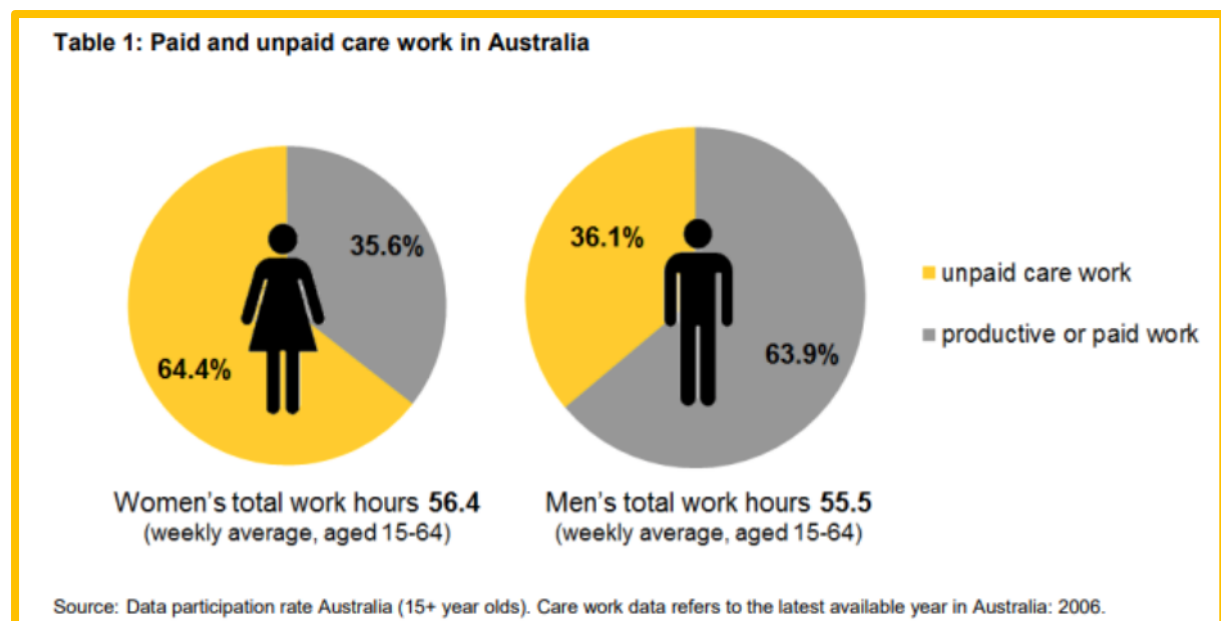
For groups and individuals wanting to analyse gender issues, it is a vital resource.<sup>10</sup>

With massive societal and technological changes since 2006, there seems little doubt that how people spend their time will also have changed. The emergence of social media in the 14 years since the last survey will, for example, have influenced how people use their time and the strong trend towards on-line shopping and the like is also likely to have had an influence on time use.

Up to date information on these issues and time use more broadly is important for determining policies in employment, education, broadly defined caring, but particularly childcare, ageing and disability.

Past surveys have shown a significant imbalance in the time each gender spends on paid work, family, leisure, caring and other activities. One finding which has been a clear constraint on the economic security of women is that they undertake more unpaid domestic tasks than men.

Here is a critical finding on gender time use, from the 2006 Time Use Survey.



eS4W looks forward to seeing and then analysing the results for the pending Time Use Survey.

Yet to be confirmed, the 2020-21 Time Use Survey (TUS) technical issues associated with collection methodology have necessitated some modification due to the COVID-19 crisis. According to the ABS, the TUS is now scheduled to start in November 2020 (rather

<sup>10</sup> economic Security4Women. 2020. A Time Use Survey: The Why, The Who, The Need, The When, And The How — Economic Security4women. [online] Available at: <https://www.security4women.org.au/overarching-focus-womens-lifelong-economic-sustainability/time-use-survey-need/> [Accessed 28 June 2020].

than following close after the original dress rehearsal in July 2020, now commencing in August) with the initial results still planned to be released in mid to late 2022. The new enumeration plan broadly aligns with the original timetable and preserves the larger 'base year' sample throughout 2021 more or less as originally planned and with adequate comparability to the 2006 TUS in terms of activities. It is also important to note that funding for TUS has not changed.

The Australian Government funding provided to the ABS was based on a sample of 10,000 respondents throughout the fiscal year 2020-21, and 2,500 per year thereafter. However, ABS has advised it will be operationally feasible to enumerate 7,500 fully responding adults to allow baseline estimates to be produced without further delays to the original 2020-21 TUS timetable.

## Gender disaggregated data is important

eS4W would like to commend that ABS for its disaggregation of key data by gender, especially in relation to the issues associated with the COVID-19 crisis.

Analysis of areas of progress in gender equality and where more proactively needs to be done to address gender imbalances is vital.

The indicators now collated by the ABS with a gender disaggregation include economic indicators labour market, wages, small to medium business activity, superannuation), education, health, work and family balance, safety and justice, democracy, governance and citizenship, demographics and international indicators and standards.

This White Paper and other work of eS4W continues to use this and other data in its analysis.

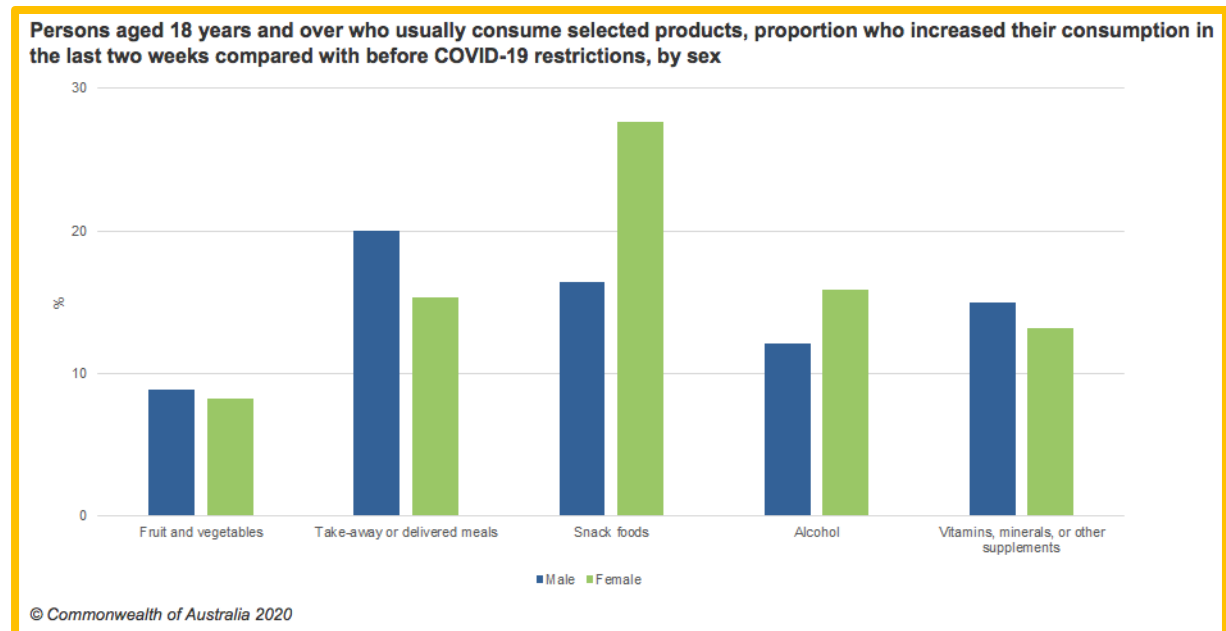
The information is useful both in terms of longer run trends in gender issues which allows the impact of early policy changes and reforms to be monitored. A good example of this is progress in gender equality in educational attainment over many decades.

The ABS has announced that the next five yearly Census of Population and Housing will be conducted on Wednesday 10 August 2021. It will be circulating an information paper in November 2020 which will include the proposed questions for the Census, including on gender issues.

Gender data also allows for short-term issues to be monitored and addressed. The current COVID-19 crisis is a case in point where the unfolding impact on the labour market, wages, childcare and behavioural changes in response to the pandemic contribute to policy responses.



While not strictly an indicator of economic security, the ABS survey<sup>11</sup> found that because of the COVID-19 restrictions, women were more inclined than men to increase their consumption of snack foods and alcohol, although they were less inclined than men to increase their use of take-away and delivered meals.



eS4W is a member of the ABS Gender Statistics Advisory Group. More details of the work of that group and the eS4W objectives are available in the following link.<sup>12</sup>

## Homelessness of women

One of the extreme outcomes of inadequate economic security is homelessness. During the 2016 Census, it was estimated that over 49,000 women were homeless. This troubling finding was at a time when the economy was performing reasonably well with the unemployment rate being relatively low.

With the 2021 Census of Population and Housing likely to be conducted in a period of relative weak economic activity with high unemployment, homelessness for men and women is likely to be significantly higher than in 2016.

<sup>11</sup> Abs.gov.au. 2020. 4940.0 - Household Impacts Of COVID-19 Survey, 29 Apr - 4 May 2020. [online] Available at: <https://www.abs.gov.au/ausstats/abs@.nsf/Previousproducts/4940.0> [Accessed 12 July 2020].

<sup>12</sup> economic Security4Women. 2020. Gender Statistics and Analysis - Data Disaggregation By Sex — Economic Security4women. [online] Available at: <https://www.security4women.org.au/overarching-focus-womens-lifelong-economic-sustainability/gender-statistics-and-analysis-data-disaggregation-by-sex/> [Accessed 12 July 2020].

eS4W made a submission to the House of Representatives Standing Committee on Social Policy and Legal Affairs which focused on homelessness through a gender lens.

It is worth noting the key points of that submission in this White Paper update.

In 2019, women over 55 years were the fastest growing group of homeless people in Australia. This appears closely linked to the death of a partner, divorce, retirement or loss of employment and illness. Family violence is also a factor in women's homelessness.

It is also the case that women over 50 have a lower workforce participation, lower wages and lower home ownership and lower superannuation balances than men, core factors that are the path to homelessness.

Some clear reforms can help address these issues. Public sector investment in affordable housing and the provision of social housing for vulnerable women are clear strategies that will help tackle the problem. eS4W note that it would also provide broader support for the economy.

Additional income support from the government via Jobseeker and other payments during periods of economic hardship would complement access to social housing in helping to address the issues of homelessness.

## **Attitudes to Gender Equality in Australia – Still some way to go**

In June 2020, Essential Research polling company asked a series of questions on gender issues.

From the perspective of gender equality and economic security issues, the results were generally discouraging. The most significant biases revealed from the poll results is a clear perception among a significant proportion of the population that there are few issues restricting progress towards gender equality and enough has been done to address gender imbalances.

The tables from the Essential Report, reproduced below, highlight some of the most significant issues that at their logical conclusion have implications for economic security and equality for women.

The key points are:

Only 80 per cent of respondents suggest there should be laws that require equal salaries for men and women in the same position, suggesting 20 per cent do not think this is necessary. There has been a 2 per cent shift in favour of the proposition since 2016.

Strikingly, the poll found that 56 per cent of respondents agreed that work to achieve gender equality today benefits mostly well-to-do people, suggesting that just under half the respondents do not think that it helps women with lesser financial security. There has been a significant rise in this response compared with 2016 when just 39 per cent agreed that the benefits were mostly for the well-to-do.

It is enlightening and something that eS4W finds shocking given the facts of the matter, that 51 per cent of respondents judged that gender equality has already been mostly achieved, up from 41 per cent in 2016. 47 per cent agreed that gender equality, meaning men and women are equal, “has come far enough already”.

<b>TOTAL: AGREE</b>	<b>Total</b>	<b>Sep'18</b>	<b>Change from Sep'18</b>	<b>Mar'16</b>
There should be laws that require equal salaries for men and women in the same position	80%	78%	+2	78%
Although there has been significant progress on gender equality there is still a long way to go	71%	66%	+5	71%
Work to achieve gender equality today benefits mostly well-to-do people	56%	45%	+11	39%
Gender equality has already been mostly achieved	51%	47%	+4	41%
Gender equality, meaning that men and women are equal, has come far enough already	47%	47%	0	38%
Base (n)	1,085	1,030	-	1,001

The totality of these findings is disconcerting. They point to a significant lack of awareness on issues of gender equality when the facts still show a wide gender pay and superannuation gap and substantial imbalances in areas including but not limited to women’s ASX Board Director representation, women CEOs, women in highly remunerated public service roles.

Digging deeper into these findings on the gender of respondents, the table below shows men to be least supportive of the statements.

For example, there is a 10-percentage point gap between men and women on the question whether there should be laws to require equal salaries for men and women in the same position. There is a 5-percentage point gap on the question as to whether there is ‘still a long way to go’ to achieve gender equality.

There is also a 19 and 21 percentage point gap respectively, between men and women on the question that ‘gender equality has already been mostly achieved’ and that gender equality ‘has come far enough’.

TOTAL: AGREE	Total	Gender	
		Male	Female
There should be laws that require equal salaries for men and women in the same position	80%	75%	85%
Although there has been significant progress on gender equality there is still a long way to go	71%	66%	71%
Work to achieve gender equality today benefits mostly well-to-do people	56%	59%	53%
Gender equality has already been mostly achieved	51%	61%	42%
Gender equality, meaning that men and women are equal, has come far enough already	47%	57%	36%
Base (n)	1,085	533	552

These differences between men’s and women’s perception on gender equality remain a constraint on gaining the momentum in community advocacy for policy reforms and changes. Policy reforms are easier to achieve when there is strong community support for them.

While men have a greater bias than women against agreeing with gender equality issues, these are stark and concerning facts; that 42 per cent of women judge that gender equality has mostly been achieved and 36 per cent agree that gender equality has come far enough.

Reasons for these misperceptions were not covered in the survey.

Essential Research also asked questions about pay levels for different sectors and professions within the workforce.

A majority of respondents thought that nurses and early childhood teachers, in particular, were not paid enough while bankers and lawyers had pay levels that were ‘about right’ or that they were paid ‘too much’.

Data from the ABS shows that women make up the majority of workers in nursing and teaching, professions that tend to be paid below the average pay of the overall workforce.

It is encouraging that around half of the respondents judged that nurses and early childhood teachers were not paid enough. Increasing the pay rates in sectors with a high proportion of female employees is necessary to close the gender pay gap. A further 30 per cent judged the pay to be 'about right'. There seems to be community support for policies that deliver higher than average wage increases for these sectors.

As the June 2018 White Paper recommended:

**“Close the gender pay gap through legislated wage increases skewed towards currently low paid sectors that have a high proportion of female workers.”**

Pay rises for nurses and teachers including early childhood teachers over and above those for other professions, would not only be a meaningful and worthwhile reform to narrow the gender pay gap, but it appears to have popular support in the bulk of the community.

Q. Do you think the following workers are not paid enough, paid about right, or paid too much for the work they do?

	Not paid enough	Pay is about right	Paid too much	Unsure
Nurses	54%	28%	9%	9%
Early childhood teachers	45%	32%	11%	13%
Primary and secondary school teachers	40%	37%	11%	11%
Tradespeople	13%	51%	25%	11%
Bankers	4%	28%	57%	10%
Lawyers	3%	24%	64%	9%

When it came to the gender of respondents on which professions 'aren't paid enough', more females than males judged nurses, early childcare teachers and primary and secondary school teachers to be underpaid.

There was little or no difference between the sexes when it came to pay for tradespeople, bankers and lawyers.<sup>13</sup>

TOTAL: AREN'T PAID ENOUGH	Total	Gender		Age Group		
		Male	Female	18-34	35-54	55+
Nurses	54%	50%	59%	44%	49%	68%
Early childhood teachers	45%	39%	50%	39%	43%	51%
Primary and secondary school teachers	40%	36%	44%	40%	47%	45%
Tradespeople	13%	13%	13%	17%	12%	11%
Bankers	4%	5%	4%	9%	4%	1%
Lawyers	3%	3%	3%	7%	2%	0%
Base (n)	1,085	533	552	335	374	376

<sup>13</sup> The Essential Report. 2020. *The Essential Report*. [online] Available at: [https://essentialvision.com.au/category/essentialreport?utm\\_medium=email&utm\\_campaign=](https://essentialvision.com.au/category/essentialreport?utm_medium=email&utm_campaign=) [Accessed 12 July 2020].

It is also noteworthy that the Financy's Women's Index for the March quarter 2020 recorded its weakest start to a calendar year since 2015. This was because the initial negative impact of the COVID-19 pandemic was greater for females than males. Based on the Financy Index, economic equality is at least 32 years away.<sup>14</sup>

## Other issues from the eS4W 2018 White Paper

This update of the 2018 White Paper has not returned to several areas which were widely covered in that document.

This is not because they are any less important or indeed, have been resolved, but rather because they remain longer running structural issues and are contained in ongoing work in progress that eS4W and many other advocacy groups have been strongly pursuing. This White Paper update needs to be read and considered in concert with the 2018 White Paper.

We note these include but are not limited to:

- Financial literacy and awareness
- Specific issues relating to the financial security of Aboriginal and Torres Strait Islander women
- A range of issues specific to migrant women and those from cultural and linguistically diverse backgrounds, including skills recognition, English speaking skills and awareness of labour laws and financial awareness
- Financial abuse
- Home ownership, affordable and social housing
- Employment opportunities for older women

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<sup>14</sup> FINANCY®. 2020. Financy Women's Index | Financy. [online] Available at: <https://financy.com.au/financy-womens-index-report/> [Accessed 27 July 2020].

## Discussion papers

The release of the eS4W 2018 White Paper encouraged discussion and debate about the issues raised, and importantly the policy changes and reforms needed to enhance the economic security of Australian women.

Important discussion and invaluable feedback came from a series of Roundtable meetings and seminars which were held in all States and the ACT. Plans to hold further Roundtable discussions in the Northern Territory, the Sunshine Coast and North Queensland have been postponed due to the COVID-19 crisis.

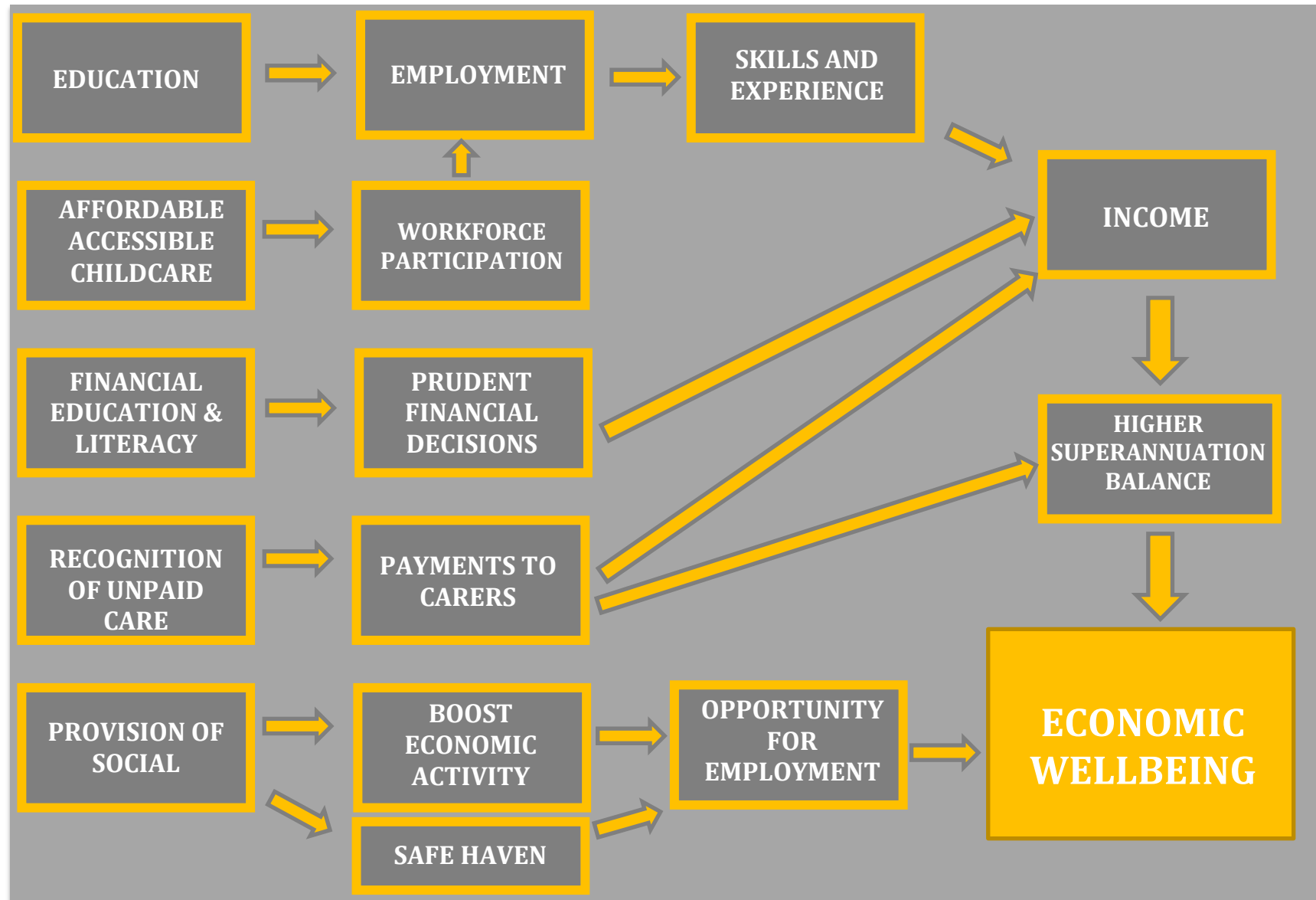
The feedback from our eS4W Roundtables prompted the preparation of a series of Discussion Papers which brought together feedback, discussion, insights and on-the-ground lived experiences of many attendees.

eS4W is planning a series of additional discussion papers that members and partners have highlighted as the next priorities. As a priority a paper on the economic security of rural women is planned.

The list of the Discussion Papers and links to them are outlined below:

- [The role of carers and the impact on economic security for women \(this was the basis for the 2019 Carer White Paper\)](#)
- [Issues confronting Australian women from culturally diverse backgrounds](#)
- [Superannuation and the casualisation of work](#)
- [Education, financial literacy and capability](#)
- [Addressing the financial status of Aboriginal and Torres Strait Islander Women](#)

## Road Map to Economic Wellbeing





## Recommendations

eS4W notes, as we did in the 2018 White Paper, that many of the recommendations are expensive for the Federal and State and Territory budgets.

The cost of not acting may, however, be in both the short and longer terms higher than the actual cost of new policies.

We also note that the recommendations are broader in nature and will require a series of steps to fully implement.

That said, many recommendations are little changed over many years, reflecting the lack of progress in direct action policies to enhance the economic security of Australian women.

We also note that in the current period of economic weakness, which many economists expect to remain for several years, there is a win-win result from some of these measures given that they do address the current shortfalls in the economic security of women and at the same time can stimulate the economy.

The presentation of basic facts of gender inequality in Australia remains a priority in bringing community attitudes to a level that encourages policy makers to implement reforms. Meaningful and worthwhile reforms are more likely to be implemented when there is broad community support for change

We strongly encourage all advocacy and other groups to use the growing pool of data on gender inequality issues to advocate for reform.

In terms of specific reforms, the following list builds on those in the 2018 White Paper and highlights what progressive policy can achieve:

- **Gender pay gap:** Legislate above average wage increases for sectors and professions with a high proportion of female workers – health care, teachers, and carers for example.
- **Superannuation:** introduce legislation that ensures all employers continue to provide the superannuation guarantee to staff while on parental leave. Increase the government's superannuation contribution to at least 12 per cent. Make additional contributions to carers' superannuation.
- **Childcare:** Fund additional childcare centres in areas identified from the Census of Population and Housing with the greater need. Increase subsidies to ensure childcare is affordable for parents looking to return to paid employment.
- **Carer support:** reiterating the findings of the eS4W Carer White Paper, government funded carer credits in the form of income payments, superannuation top ups, pensions and other services are critical for carers who shoulder a significant financial burden when providing care, that is often with little or no payment, at a great saving to the government.

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