

Key Policy in discussion	GENDER-FOCUSED MACHINERY OF GOVERNMENT
Portfolio and or agency	Department of the Prime Minister and Cabinet; all agencies
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Key Portfolio Issues

As is typical of the October 2022-23 Budget, expenditure on gender-focused machinery of government is targeted to setting the drivers for a long-term reform -- building government knowledge and analytical practices to put women at the centre of government policy and decision-making. The Women's Budget Statement (WBS) itself is no more than an admitted 'first step'. It remains silent in critical areas, most notably welfare and taxation. While there is much that is missing, the analysis that is there is better designed and better informed than in any WBS that NFAW has previously analysed, and the initiatives are welcome.

However, the Government should also ensure that its Budget Wellbeing Framework reflects the gender dimensions of wellbeing, and that future Government policy is evaluated for its impact on these indicators.

Budget Measures

Early Investment in a National Strategy to Achieve Gender Equality

Payments (\$m)

	2021-22	2022-23	2023-24	2024-25	2025-26
Department of the Prime Minister and Cabinet	-	3.1	-	-	-

Source: 2022-23 [Budget Paper No 2](#), Part 2: Payment Measures, p.170..

The Government will provide additional funding of \$3.1 million in 2022–23 to the Department of the Prime Minister and Cabinet to enable the Office for Women to:

- develop a National Strategy to Achieve Gender Equality
- support the independent Women's Economic Equality Taskforce
- provide support across government for the implementation of Gender Responsive Budgeting and Gender Impact Assessments. (Budget Paper No 2, p. 170)

The National Foundation for Australian Women is a feminist organisation, independent of party politics and working in partnership with other women's organisations. NFAW is dedicated to promoting and protecting the interests of Australian women, including intellectual, cultural, political, social, economic, legal, industrial and domestic spheres.

Policy issues and indicators

Effective underpinnings are essential if gender equality is indeed to be integrated into government decision-making – it is not a case of pulling together every program that has ‘women’ in the title at the last minute and calling that a strategy, which is not unprecedented. Nor is it a case of relying on an under-resourced and undervalued Office for Women to do the work that should be done across of government. The machinery prioritised in the current Budget consists of three strands, each an election commitment:

- ***A National Strategy to Achieve Gender Equality.***

According to the October 2022-23 [Women’s Budget Statement](#) (WBS), the Strategy is intended to ‘to guide whole-of-government actions to achieve the goal of Australia being a global leader in gender equality’, and will complement other efforts to support gender equality, including the National Plan to End Violence against Women and Children 2022–2032, the implementation of recommendations from the Respect@Work report, and the National Women’s Health Strategy 2020–2030 (p. 16).

There are signs in the WBS that ‘whole of government’ is being treated more seriously than has been the case in the past. Issues affecting women are framed in terms of social and cultural systems and not in terms of portfolios, and it is recognised that effective policy responses will have to engage with the intersection of issues in housing, employment, income support and health. There is no indication in the WBS of how this is going to be managed at a bureaucratic level, except that OfW is being funded to provide support for agencies to develop the relevant analytical skills and practices. Nor is it clear whether the National Strategy will be a one-off or a continuing project: [media reports](#) suggest that a version of it will be completed in 2023.

- ***An independent Women’s Economic Equality Taskforce.***

The Task Force will provide independent advice to Government to inform the development of the broad National Strategy. Its main focus, however, is to be economic and one of its initial priorities will be the response to the Employment White Paper. The [membership](#) includes union and employer leaders, and representatives of First Nations women, women with disability and young women, together with women from NGOs with broad interests.

The Government apparently intends to treat the Taskforce as a policy resource rather than a stage prop. For example, the Budget notes that the Taskforce will assist in the finalisation of the changes to the amended Paid Parental Leave scheme to ensure that ‘the final model supports women's economic participation and gender equality, including the period of concurrence and the most appropriate proportion of "use it or lose it" weeks’ (Budget Paper No 2, p. 177). NFAW and other interested organisations have been most concerned by the apparent absence of a ‘use it or lose’ it mechanism in the model as originally announced, and welcome this development.

NFAW notes that the Government is not treating the Taskforce as exclusive, and [intends](#) to continue to work with a broad range of representatives from the business, community and advocacy sectors on gender equality issues, including the six National Women’s Alliances.

- ***Gender Responsive Budgeting and Gender Impact Assessments***

The Budget measure is also aimed at enhancing bureaucratic skills, both policy advising and policy assessment. Resources are being provided to the Office for Women (OfW) to develop assessments of

relevant cabinet submissions and new policy proposals for their impact on women and gender equality objectives. According to the WBS (pp. 13-14), pilot gender impact assessments were conducted as part of the Budget process on selected policy proposals relating to the care economy, housing, and jobs and skills. These pilots are meant to initiate an ongoing process and to inform next steps of the broad gender assessment strategy and the evolution of the approach over future Budgets.

OfW has also been resourced to deliver an annual Women's Budget Statement (considered below) to assess the impact new budget measures have on women and to examine how the allocation of public resources affects gender equality.

Embedding gender equity in policy advising and assessment across the Australian Public Service (APS) is going to require both training resources and high level bureaucratic support on the lines of the Secretaries' Task Force established under Hawke government. According to the WBS, 'the Government is strengthening and empowering the Office for Women and building capability across the Australian Public Service' (p. 1). Some of the money allocated to the OfW under this item may find its way into capability-building; there is no information in the documentation about how the empowerment is to operate or whether there will be some mechanism to ensure that there is ongoing high level bureaucratic support.

- ***The Women's Budget Statement***

The 2022-23 WBS presents itself as laying foundations for the long term. It simply 'forms part of the Government's work to advance gender equality and includes analysis on select issues as a first step to implementing gender responsive budgeting and gender impact analysis' (p. 4).

While it is clearly only, as it says, a first step, the current WBS is a step that is notable for:

- *The range of data on which it draws.* HILDA is used much more extensively than in previous WBS analyses. The exposition also draws on recently released ABS Time Use Survey data, and importantly endeavours to include data and analysis to demonstrate the outcomes experienced by different groups of women, including First Nations women, culturally and linguistically diverse communities, women with disability, women of different ages, and lesbian, gay, bisexual, transgender, intersex, queer, asexual or other sexually or gender diverse (LGBTIQ+) populations.
- *The deployment of data,* including for example, the actual gender pay gap rather than just the narrower difference for full-time workers, and data illustrating the intersection of portfolio-specific issues.
- *The extent of systemic analysis of analysis.* The WBS is built on the understanding that gender equality is embedded in social and cultural systems, and that it is to systems, not portfolios that we must look for policy solutions ('these themes are interconnected and should not be considered in isolation' (p. 3)). This is a major project, linked (as the WBS acknowledges) to the forthcoming Measuring What Matters Statement. The WBS confines itself to selected pilot studies which acknowledge the intersection of gender inequalities and Budget initiatives. The main pilot addresses care sector, which is where much Budget expenditure was targeted. The separate measures to address women's workforce participation are listed briefly in the Box below. We have considered these in more detail in the **Care Economy** papers.

October 2022-23 Budget-related workforce measures include:

- resourcing to increase the accessibility and decreasing the costs of **child care** (Budget Paper No 2, pp. 93-4)

- extending, resourcing and reconfiguring **Paid Parental Leave** (Budget Paper No 2, p. 177)
- requiring Jobs and Skills Australia to undertake cohort-specific analysis of priority cohorts, including women, to underpin interventions to remove barriers and improve accessibility (WBS, p. 15)
- introducing and resourcing **paid domestic violence** leave at a cost of \$3.4 million over 4 years from 2022–23 (Budget Paper No 2, p. 102)
- introducing and resourcing (\$43.2 million over 4 years from 2022–23 and \$11.1 million per year ongoing) a package of **industrial relations measures** to ‘reduce gender inequity’ including a suite of measures to address equal remuneration and support for multi-employer bargaining for ‘those in low paid occupations, government-funded industries, and female-dominated sectors (Budget Paper No 2, p. 8)
- introducing and resourcing (\$42.5 million over 4 years from 2022–23 and \$10.2 million per year ongoing) a suite of measures to **implement Respect@Work**, including the positive duty on employers to take reasonable and proportionate measures to eliminate sex discrimination and the funding of WWCs in all states and territories (Budget Paper No 2, p.55)
- introducing and resourcing measures outcomes from the **Jobs and Skills Summit** to enhance the WGEA minimum standards and data collection (WBS, p. 43)
- care sector reforms including
 - **setting aside of Budget contingency funding** to ensure that the outcome of the Aged Care Work Value Case is resourced
 - the establishment of a specialist **Care and Community Sector Panel** in the Fair Work Commission
 - the introduction of a requirement to preference direct employment in the aged care sector
 - the provision of funding for a **National Strategy for the Care and Support Economy** (Budget Paper No 2, p. 172).

- *The range of mechanisms being engaged to embed gender equality in planning processes.* According to the WBS, analysis by the Women’s Economic Equality Taskforce will be complemented by a number of other significant research exercises, which will all apply a gender lens to their work. These include: the Employment White Paper, the Migration Strategy, and workforce planning studies completed by Jobs and Skills Australia (WBS, p. 17). A Gender Data Steering Group has also been convened by the Department of the Prime Minister and Cabinet and the ABS in response to the Review of the Workplace Gender Equality Act 2012 ‘to maximise the impact of the Government’s major data holdings as an evidence base for gender equality policy’ (WBS, p. 17). The Workplace Gender Equality Minimum Standards Instrument is also being amended to broaden data collection to allow disaggregation of the pay gap that exists for First Nations women, culturally diverse women, and women living with disability in Australian workplaces (WBS, p. 25).
- *The decision-makers it can bring to bear:*
 - The Expenditure Review Committee includes a Minister for Finance who is also the Minister for Women and the Minister for the Public Service. There are 10 women in a 23-member Cabinet.

- The Government has established a Ministerial Council on Women and Women's Safety, reporting directly to National Cabinet on its priorities. Heads of Offices for Women across jurisdictions meet regularly to pursue gender equality policy work (WBS, p. 13).
- The Council on Federal Financial Relations, which includes the Commonwealth Treasurer as Chair and all state and territory treasurers, has also agreed that women's economic participation and economic security will be a priority area of work (WBS, p. 17).

Gender implications

Money does its work better in the presence of policy. Gender-responsive budgeting begins with a gendered understanding of how the economy is structured (including labour supply issues affecting women) and ends with a gendered understanding of how the budget differentially affects women and men living in the economy. It means that rather than simply allocating money to a problem like the need for more caring services, governments actually think—as did the Royal Commission on Aged Care -- about structural reform, including how the money can be made to work most effectively for the feminised workforce that delivers the services, and through them, for those receiving services.

The changes articulated through the full suite of workforce measures set out in the October 22-23 WBS are important to women – more important than individual budget items -- because of their capacity to underpin a broad strategy to reshape the workforce to increase access and gender equity. That is, they create or support drivers to reduce the '[motherhood penalty](#)' paid by women with children who enter the workforce, and the discrimination penalty paid by women without children in gender segregated and undervalued occupations and industries.

Having said that, it is also clear that the WBS is indeed no more than 'a first step'. Its coverage is distinctly spotty, partly because it does not address recurrent funding, and partly because its focus is mainly on OfW pilots. It remains silent in critical areas, most notably welfare (see separate analysis of **Welfare and Welfare Reform**). But even where some analysis exists, such as the situation of single parents, the Budget is silent on program redesign and supplementation.

Individual measures are not faultless. The Budget includes funding to address and prevent violence against women, including funding for 500 frontline workers, further resources to support implementation of *Respect@Work* recommendations, and commitments for new programs such as to support women escaping violence including women on temporary visas experiencing violence, and to address the behaviour of perpetrators. While these Budget measures will contribute to the implementation of the recently launched National Plan to End Violence against Women and Children 2022-2023, further funding commitments are needed in future budgets to address identified gaps in the current system and reduce the prevalence of gender-based violence. The mode and method of delivery of services to women and children escaping violence is particularly important, noting funding movement away from evidence-based women's specialist services to non-specialist providers in some jurisdictions.

There are other clear gaps. NFAW has argued that the Paid Parental Leave package should include superannuation and that payments must be specifically included as ordinary time earnings in the superannuation guarantee legislation. There are no specific portfolio budget initiatives to address the occupational and industrial segregation of the labour market in the vocational education and training system or the asymmetry of on-the-job income support between female and male-dominated occupations (see separate analysis of **Vocational Education and Training**). The industrial relations changes are most welcome

and over time should reduce discrimination in the system, but they will not reshape it into a gender equitable one.

While there is much that is missing from the WBS, the analysis that is there is better designed and better informed than in those NFAW has previously analysed. What measures there are, are analytically more sophisticated, while constituting between them a remarkably comprehensive early response to the Government's election commitments to women. How the individual reforms will work together is unclear. It will take time for individual drivers (such as the Paid Parental Leave and child care changes) to be embedded and begin to have an impact, and more time for their effects to be coordinated and evaluated.

However promising this 'first step' WBS may be, NFAW remains of the view that no WBS can be sustained over a series of governments without a legislated accountability mechanism. Present and future governments may choose to be transparent about both their gender impact analyses and assessments, and may wish to embody these in a Budget-related document. This would enable them to point to significant budget measures and to progress in gender equality, and would undoubtedly be welcome. We have, however, had sufficient past experience of the use of the WBS as a gaslighting document to continue to recommend that the Parliamentary Budget Office be formally given the responsibility for its preparation.

Recommendations

Embedding gender equity in policy advising and assessment across the Australian Public Service (APS) is going to require both training resources and high-level bureaucratic support on the lines of the Secretaries' Task Force established under Hawke government. We recommend the Government specify what support it is providing or will provide for both of these measures.

NFAW welcomes the October 2022-23 Women's Budget Statement as an informed initial step towards gender-responsive government budgeting. We recommend that future WBS documents broaden their portfolio reach to examine all mainstream budget initiatives to determine whether they have a gendered outcome, positive or not, intentional or not. This applies to both the revenue and the expenditure side of the budget. This is part of the urgently needed national conversation on tax and expenditure priorities (see separate analysis of **Tax and tax reform**).

While recognising that the 2022-23 Women's Budget Statement is better informed and executed than in those NFAW has previously analysed, we recommend that the Parliamentary Budget Office be formally given the ongoing responsibility for preparing the annual WBS.

We recommend that as part of its pivot to gender-responsive budgeting, government put in place an annual program of early consultation with women's organisations before agencies develop their budget priorities and bids.