

**Key Policy in discussion**

**Machinery of Government for Women**

**Portfolio and or agency**

**Office for Women; the Workplace Gender  
Equality Agency; the Australian Human Rights  
Commission**

**Date Issued**

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### **Key Portfolio Issues**

Like last year's initiatives, the initiatives outlined in the 2023-24 Women's Budget Statement (WBS) are individually very welcome. In fact, it is fair to say that (Defence aside) the Government has made good on its commitment to focus its Budget initiatives on gender equality. However, a list of measures is not a plan. Major Budget outlays outlined in the WBS are not embedded in systemic reforms and are often less than what is needed. Systemic reform and adequate levels of funding await underpinning structural reform to the tax system.

The Gender Responsive Budgeting (GRB) analyses in the WBS reflect a public service just beginning to grapple with defining and breaking down the key steps and processes of GRB and then fitting them into formal budget and Cabinet procedures. Considerably more grappling is required, together with the funds to support it. NFAW accepts that both the 2023-24 and the proposed 2024-25 WBS analyses are transitional. However, revenue as well as outlays should be included in the next budget, and thereafter the analysis should be genuinely budget-wide.

## **1. 2022-23 Women's Budget Statement**

### **Background**

The [October 2022 Women's Budget Statement](#) (WBS) did not deal strategically with the impact of the October Budget on women. Instead, it reported on funding delivered to meet a number of specific Government election commitments made to women. However, while WBS reporting was not strategic, it did report on strategy-building. That work was to take the form of a National Strategy to Achieve Gender Equality to be kick-started by a Women's Economic Equality Taskforce (WEET). WEET's priority-setting was to be complemented by applying a gender lens to a number of other significant strategic planning exercises, including the Employment White Paper.

## 2023-24 Budget measures: Women's Budget Statement

The National Strategy remains a work in progress. However, the WEET identified six priorities and delivered them to the Minister for Women and for Finance in time for pre-budget consideration before the 2023-24 Budget. In the interests of transparency their letter to the Minister was [published](#). This Gender Lens on the 2023-24 Budget addresses the Government's handling of the WEET priorities in the course of the relevant portfolio analyses:

- Reinstatement of the Parenting Payment (Single) for women with children over eight. This would more appropriately classify single mothers as doing parenting work, rather than as being unemployed. (See **Social Security**.)
- Abolition of the ParentsNext program, accompanied by a commitment to reinvest in a new evidence-based program co-designed with young parents, and based in principles of encouragement, support, flexibility and meeting their needs. (See **Social Security**.)
- Abolition of the Childcare Subsidy Activity Test. (See **Education – Early Childhood Education and Care**.)
- Payment of Superannuation for primary carers while they are on Paid Parental Leave (see **Employment – Paid Parental Leave**)
- Increase the rate of Commonwealth Rental Assistance to improve women's immediate housing security stemming from the lack of affordable, appropriate, and safe housing options. (See **Housing**)
- Invest in an interim pay-rise for all early childhood educators and aged care workers in recognition of the historical undervaluation of their work and the urgent need to retain and attract workers to the sector (see **Employment – the Care Sector Workforce and Education -- Early Child Education and Care**).

Like last year's initiatives, the 2023-24 initiatives are individually very welcome. In fact, it is fair to say that (Defence aside) the Government has made good on its commitment to focus its Budget initiatives on gender equality. That is saying very much indeed. However, a list of priorities is not a plan.

Many of the Budget items singled out in the [2023-24 Women's Budget Statement](#) have been presented as pieces that will slot into longer-term systemic reforms, reforms intended to deliver higher living standards and greater inclusiveness, with gender equality as one of the key drivers. These systemic reforms remain largely works in progress, and as it stands there is no funding for them. Supplementing wages for aged care workers, though most welcome, will increase wage pressures elsewhere in the long-undervalued care sector. Analogous issues have been set out in other portfolios throughout our analyses.

Work is nevertheless continuing on preparing sectoral reform strategies. The Employment White Paper, the National Strategy for the Care and Support Economy, the National Strategy to Achieve Gender Equality, the NDIS Workforce Strategy and the National Housing and Homelessness Plan are all due over the course of the financial year. But their absence, and the

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absence of an underpinning reform of the tax system, has meant that the WBS has had to fall back on fragmented analyses and spending initiatives. This applies even to funding for the finalised strategies, the National Plan to End Violence against Women and Children and the National Women's Health Strategy 2020–2030, which are caught up in structural issues in the health and housing sectors.

As for the National Strategy to Achieve Gender Equality itself – the Office for Women (OfW) appears to be taking that over in consultation with stakeholders (so long as those stakeholders can confine their advice to 800 words).

## **2. Developing Gender Responsive Budgeting capability and analytical skills**

### **Background**

In the run up to the October 2022 Budget the OfW partnered with lead policy agencies to conduct analysis to understand the impact of selected policy proposals on women. This was regarded as a pilot phase, and the OfW was regarded as the key driver of the selected analyses -- though the expectation was that over successive budgets gender impact analyses would be extended across the Australian Public Service.

### **2023-24 Budget: Developing Gender Responsive Budgeting capability and analytical skills**

The 2023-24 Budget has [allocated \\$8.4 million](#) to build the capability of the APS to address service-wide challenges including improving gender impact analysis in policy (2023-24 Budget Paper No 2, p. 189). It is not clear how this money will be applied (see below) and whether there will be formal training, but it is clear that considerable work needs to be done.

According to the WBS, gender responsive budgeting for the 2023-24 Budget cycle is in a transitional phase, which involves a mix of an 'increased gender lens' (p. 1), 'some gender analysis' (p. 63) 'gender assessments' and more detailed 'gender impact assessments' (p. 63), applied across 'many more', 'all' and 'select' measures respectively.

Overall, both the process and the analyses reflect a public service just beginning to grapple with defining and breaking down 'key steps and processes' of GRB and then fitting them into formal budget and Cabinet processes. Considerably more grappling is required. According to the WBS, this will involve the OfW in ongoing 'refinement of the approach and the tools and guidance that support it' (p. 63). We wish them all well.

The new machinery is required because, beginning with the 2023–24 MYEFO, Gender Responsive Budgeting (GRB) is to be “embedded across the budget processes, implementing the Government’s election commitment to reintroduce this important gender equality practice” (2023-24 Women’s Budget Statement, p. 62). “Embedding” may be excessive, depending on whether it refers to a preliminary gender analysis, a gender assessment or a gender impact assessment. In practice, all agencies will be required to conduct full scale gender impact

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assessments on policy proposals if they meet certain criteria. These criteria will address factors like:

- the total value of the proposal being \$250 million or more over the forward estimates
- the proposal targets cohorts of people who can be typically disadvantaged
- the proposal relates to a gender-segregated industry, and
- the proposal establishes a National Partnership Agreement or like agreement.

Where a proposal does not meet the criteria for a detailed gender impact assessment, agencies will still apply preliminary gender analysis as part of their policy design. Without seeing ‘the tools and the guidance that support it’, NFAW is not in a position to assess the quality of the proposed preliminary analysis beyond pointing out emphatically that:

- GRB applies across government budgets and not just to pre-packaged and gender-differentiated parts of them (‘women’s issues’)
- a \$250 million cut-off, even taking in forward estimates, will exclude a considerable segment of government decision-making, and
- GRB is about revenue as well as expenditure, the negative impact on women of the stage three tax cuts being a noteworthy case in point.

Even small new policy proposals have to be developed, costed and approved, and gendered analysis should simply be part of that process. NFAW accepts that what is proposed is transitional, but recommends that revenue as well as outlays should be included in the next budget, and thereafter the analysis should be genuinely budget-wide.

We welcome the continued work of the Data Steering Group which is extending the evidence base of gendered policy analysis.

### **3. Institutional support**

#### **Background**

In the lead up to the 2023-24 Budget, critical institutional drivers of gender responsive capability were added or restored to the machinery of government. At the ministerial level, NFAW understands that every prime ministerial portfolio charter letter to ministers has included a requirement to advance gender equality. Those ministers’ budget bids have been considered by an Expenditure Review Committee, four of whose nine ministers, including the Minister for Finance, are women. The latter has been advised by an OfW restored to divisional strength, and the Treasurer has been advised by a Women's Economic Security and Social Services Branch in its Fiscal Division.

The Minister for Women and for Finance [advised stakeholders](#) that ‘in every Caucus meeting, every ERC, every cabinet deliberation, every decision this government makes, the impact on gender is being assessed and understood before decisions are taken.’ Taken at face value, that means that all cabinet submissions have required at least token gender impact advice.

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- **2023-24 Budget measures: institutional support**

Advisory bodies

The 2023-24 WBS sets out other recently established gender advisory bodies:

- The WEET, having kickstarted the National Strategy process, will be retired (2023-24 WBS, p. 61), but government will continue to be advised by the Economic Inclusion Advisory Committee, whose ongoing role is to provide independent advice to Government before every Budget on economic inclusion and tackling disadvantage.
- At a Commonwealth-state-territory level, the Women and Women’s Safety Ministerial Council (the Council) of the National Cabinet has been given a remit focussed on implementation of the National Plan to End Violence Against Women and Children, reducing occupational and industrial segregation, and the use of procurement to support gender equality outcomes. The Council has also been asked to ensure that state and territory gender equality strategies are properly integrated with the National Strategy. They are supported at a bureaucratic level by a Council on Federal Financial Relations Women’s Economic Outcomes Senior Officials Working Group (2023-24 WBS, p. 64).

- Portfolio departments

GRB cannot be sustained in isolation from practice and practice has to be driven centrally. It cannot be ‘mainstreamed’ and forgotten. This means that the APS needs, and will continue to need, policy specialists with the skills and mandate to drive GRB.

Both the Department of the Prime Minister and Cabinet (PM&C) -- which houses the OfW -- and Treasury have some form of specialist internal advice on gender impact assessment and budgeting. The funding for that advice is not, however, separately identified in the Budget. The average staffing levels of both bodies is not identified either, beyond the evidence of organisation charts that they are staffed at Division and Branch levels respectively.

The 2023-24 WBS reports that in this financial year OfW is slated to take on added responsibilities to lead more gender impact analyses, build broader capability, review Cabinet and Budget submissions for their gender impact and finalise the National Strategy. The \$3.1 for initial work on those matters in the October 2022 Budget (Budget Paper No 2, p. 170) was one-off only and has not been renewed.

Now that work is to be both extended and progressed. Nevertheless, funding for OfW in the [PM&C Portfolio Budget Statement](#) shows no significant change until a very considerable drop in 2025-26 (Table 2.1.1). None of the [\\$8.4 million](#) allocated to building “the capability of the APS to address service-wide challenges including improving gender impact analysis” is earmarked

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for the Department that houses OfW – in fact some of the relevant resources are being withdrawn from it (2023-24 Budget Paper No 2, p. 189).

NFAW is concerned that OfW may be inadequately funded to address its workload for 2023-24 and outyears and recommends that in that case additional should be made available.

### Agencies

There are also three Commonwealth agencies with a direct gender mandate: the Workplace Gender Equality Agency (WGEA), the Sex Discrimination Commissioner’s Office in the Australian Human Rights Commission (AHRC) and the new Pay Equity and Care and Community Sector expert panels and specialised research unit in the Fair Work Commission (FWC). All three received funding in the October 2022 Budget for new responsibilities associated with legislation concerning pay equity and *Respect@Work*. Portfolio budget statements indicate that none has received significant further funding in the current budget.

This means that no funding has been made available to the AHRC in particular to offset the often savage cuts of the previous Government, which were later found to have left its “underlying funding ... insufficient for it to execute its duties to a high enough standard.” A comparison of funding allocated in the March 2022-23 Budget and the May 2023-24 Budget, taking into account October 2022 funding earmarked for new work, shows that there has been some additional recurrent funding, but that it is not of a nature sufficient to offset historical cuts to the AHRC’s budget.

<b>Australian Human Rights Commission Portfolio Budget Estimates 2022-23 and 2023-24</b>					
	2022-23 \$m	2023-34 \$m	2024-25 \$m	2025-26 \$M	2026-27 \$m
March 22-23 PBS	29.9	26.6	22.6	20.2	
October 2022 - resources for National Anti-Racism Strategy and <i>Respect@Work</i>	2.7 (32.6)	4.9 (31.5)	5.0 (27.6)	3.8 (24.0)	
May 23-24 PBS	35.9	43.0	35.8	30.5	30.9

Compiled from: [Portfolio Budget Statements 2022-23 Budget Related Paper No. 1.2 Attorney-General’s Portfolio](#), Table 2.1.1, p. 136; [October 2022 Budget Paper No 2](#), Table 2, p. 22; [2023-24 Australian Human Rights Commission Entity resources and planned performance](#), Table 2.1, p. 169.

If the AHRC is not adequately funded for current work, the Sex Discrimination Commissioner’s Office will not be adequately funded either, including for intersectional analysis.

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## Recommendations

NFAW recommends that revenue as well as outlays should be included in the next budget, and that thereafter the analysis should be genuinely budget-wide.

NFAW is concerned that OfW may be inadequately funded to address its workload for 2023-24 and outyears and recommends that in that case additional should be made available.

We strongly recommend that the Government review and increase the level of recurrent funding for the SDC and the AHRC more generally.