Gender Lens on the 2026 Budget

Policy area:	Employment and Workplace Relations
Portfolio / agency:	Employment and Workplace Relations
Key author/s:	Linnea Burdon-Smith (Northern Community Legal Centre) and Sharmiah Sritharan (South-East Monash Legal Service)

Key Portfolio Issues

NFAW welcomes the Australian Government's extension of funding for the *Protecting Migrant Workers – Information and Education grants program*, with a particular focus on education for women workers. But this small investment in women workers is not sufficient to address gender inequality in Australia's labour force. NFAW is disappointed that all other employment-related budget items are skewed to supporting male-dominated industries or are articulated as gender neutral, when they are unlikely to provide significant, or any, relief for women. Many measures continue to support women within existing, labour market structures rather than addressing the underlying gendered barriers embedded within the workforce itself.

The Government should re-focus on women's economic participation, workplace protections and pay equity through investments in employment services, workplace relations reforms, skills and training, and support for care-sector wages. Women's labour force participation remains low (63 per cent), the gender pay gap remains stubbornly at 11.5 per cent and Australia's economy continues to de-value caring contributions. Budget measures that support women, particularly those in those in low-paid, insecure and award-reliant work, remain as crucial as ever.

While NFAW acknowledges the significant work done in previous budgets to implement Priority 3 of *Working for Women: A Strategy for Gender Equality*, a more robust approach to gender analysis and greater resourcing will be required to fully implement the government's commitment to women's economic equality in the workforce.

Budget measures

The Women's Budget Statement clearly articulates how gender inequality continues to impact Australia's productivity. The evidence of ongoing systemic discrimination and inequity is established, with the Government highlighting reforms made in past years, with little reform or investment contained within this Budget itself.

The expenditure identified in this budget as measures to support gender equality include:

- $27 million over two years from 2026–27 to extend the Protecting Migrant Workers – Information and Education grants program.
- raising the Medicare levy tax thresholds by a further 2.9 per cent, from 1 July 2025, at a cost of $450 million over five years from 2025–26.

There are additional measures identified in the *Women's Budget Statement* which, while presented as gender responsive, are gender neutral at best, including the Working Australians Tax Offset (WATO) for all working Australian taxpayers. See the Taxation paper for more detail.

While gender specific measures are minimal in this Budget, there are additional measures that have been presented in the Employment and Workplace Relations Portfolio as gender-neutral, including:

- Employment services and support: $312.1 million over five years from 2025–26 (and $35.9 million per year ongoing) for improvements to the employment services system. Funding includes:
    - Skills and Training: The Government will invest $36.7 million over four years from 2026–27 (and $9.1 million per year ongoing) in key elements of the skills and training architecture.
    - Workplace Relations: The Government will invest $11.2 million over 2 years from 2026–27 to extend support for workplace relations priorities.
    - Boosting Productivity – Better Selecting Migrants and Recognising Their Skills: The Government will provide $85.2 million over 4 years from 2026–27 to strengthen Australia's skilled migration system
- Reprioritisation: savings of $297.9 million over five years from 2025–26 (and $106.3 million per year ongoing) by better targeting apprenticeship supports and redirecting uncommitted funding.

This Budget reveals an ongoing structural imbalance in long-term investment priorities. The largest productivity and skills investments continue to flow toward traditionally male-dominated industries.

Budget Measure: Employment and Workplace Relations and Skills – reprioritisation

Payments ($m)

	2025-26	2026-27	2075-28	2028-29	2029-30
DEWR	-6.3	-0.6	-58.4	-100.6	-107.7
DT	-14.0	-4.9	-4.9	-1.7	-
Total — Payments	-20.3	-5.4	-63.2	-102.3	-107.7

The Government will achieve savings of $297.9 million over five years from 2025–26 (and $106.3 million per year ongoing) by better targeting apprenticeship supports and redirecting uncommitted funding across programs in the Employment and Workplace Relations portfolio.

Source: 2026 Budget Paper No2, Table: Employment and Workplace Relations and Skills – reprioritisation, Page 82

Budget Measure: Employment Services and Support – additional funding

Payments ($m)

	2025-26	2026-27	2075-28	2028-29	2029-30
DEWR	1.2	148.3.	65.5	43.9	33.6
SA	-	16.2	1.5	0.9	0.9
DHDA	-	-	-	-	-
DSS	-	-	-	-	-
Total — Payments	1.2	164.5	67.0	44.9	34.6

Source: 2026 Budget Paper No2, Table Employment Services and Support - additional funding, p. 83.

***Workplace Relations* - skills and training, additional supports**

Payments ($m)

	2025-26	2026-27	2075-28	2028-29	2029-30
DEWR	-	8.6	8.7	8.8	9.0
ASQA	-	4.8	-	-	-
Total — Payments	-	13.4	8.7	8.8	9.0
Related receipts ($m) Australian Skills Quality Authority	-	3.3	-	-	-

Source: 2026 Budget Paper No2, Table Skills and training - additional supports, p. 84.

Workplace Relations - additional supports

Payments ($m)

	2025-26	2026-27	2075-28	2028-29	2029-30
DEWR	-	7.2	2.7	-	-
FWC	-	1.3	-	-	-
Total — Payments	-	8.5	2.7	-	-

Source: 2026 Budget Paper No 2, Table Workplace relations - additional supports

Gender implications of these measures

Employment and Workplace Relations and Skills – reprioritisation

This is a savings measure, not new spending. It reduces overall apprenticeship incentive expenditure while seeking to better target the remaining support, however, the national priority industries receiving apprenticeship investment remain heavily concentrated in trades, construction, technical and infrastructure sectors where women are still significantly underrepresented.

Jobs and Skills Australia's research shows that gendered occupational segregation remains deeply embedded, with only around one in five workers in gender-balanced occupations and men out-earning women in 98 per cent of occupations analysed.

Therefore, while this is framed as a productivity and efficiency reform, the risk is that redirected apprenticeship funding may continue to disproportionately benefit male-

dominated industries unless there are explicit gender targets, women-focused pathways and equivalent structural investment into feminised workforces.

Employment Services and Support – additional funding

This allocation has positive potential for women because employment services are critical for women facing barriers to secure work, including carers, older women, women with disability, migrant women, and women re-entering the workforce after caring or violence-related disruption.

The Carer Inclusive Workplace Initiative is an important acknowledgment that unpaid care remains a key driver of women's lower earnings, part-time work and underemployment. However, while the Women's Budget Statement identifies that 43 per cent of women work part-time compared with 20 per cent of men, largely due to caring responsibilities, the Initiative receives only $3.2 million over four years, a modest allocation that does not reflect the scale or structural nature of women's unpaid care burden.

While care is recognised as an employment barrier, the limited funding for carer-inclusive workplace change may not be enough to shift employer practice at scale.

Workplace Relations - skills and training, additional supports

Recent Jobs and Skills (JSA) research provides strong evidence that occupational gender segregation drives pay gaps, skill shortages and inefficient use of talent. JSA's 2025 research found the accumulated 10-year gender pay gap is 30.7 per cent and that First Nations women face the highest 10-year pay gap at 38.1 per cent. It also found that gendered career pathways and occupational segregation remain persistent.

The concern is whether the Budget converts that evidence into concrete gender-responsive action. Funding labour market analysis is valuable, but analysis alone does not guarantee women will gain better access to higher-paid, secure and high-demand sectors. The Budget would be stronger if skills funding were tied to measurable gender outcomes, such as women's entry, retention and completion in trades, STEM, digital, clean energy and leadership pathways, as well as improved pay and progression in care sectors.

Workplace relations - additional supports

This measure is positive but limited in scale. Women make up 61.6 per cent of the 2.7 million award-reliant workers, meaning award wages, penalty rates and Fair Work Commission decisions have a significant impact on women's earnings. Recent minimum wage increases and the Fair Work Commission's gender undervaluation review are important steps toward pay equity, particularly in female-dominated industries. However, the Budget allocation for Workplace Relations additional supports remains modest compared with the scale of women's award reliance, insecure work and the 21.1 per cent gender pay gap and therefore insufficient to address entrenched pay inequality and enforcement barriers for low-paid workers.

The measure appears primarily directed towards improving productivity and accelerating activity within the residential construction sector, with funding flowing towards heavily male-dominated industries and workplace structures. While the Government's Women's Budget Statement emphasises gender-responsive budgeting and advancing women's economic participation, this measure does not appear to include any targeted consideration of the gendered composition of the construction industry, the barriers faced by women entering or remaining in the sector, or workplace safety and cultural issues disproportionately affecting women within construction and related trades.

It also does not appear to allocate funding towards improving women's participation, retention, leadership or inclusion within the residential construction industry, despite construction remaining one of Australia's most gender-segregated sectors. Instead, the funding emphasis is directed towards accelerating accreditation and supporting existing industrial and productivity structures within a predominantly male workforce. This appears inconsistent with the Government's stated commitment to embedding gender analysis into budget decision-making and advancing women's economic participation through workplace reform.

Recommendations

NFAW recommends the Government should adopt a gender-responsive labour market strategy that embeds measurable gender equity outcomes across all major productivity, skills and workplace investments. This should include:

- tying apprenticeship, migration, STEM, clean energy and construction funding to enforceable targets for women's participation, retention and leadership
- expanding care-sector investment as critical economic infrastructure
- strengthening flexible work, paid parental leave and reproductive health protections and

- significantly increasing funding for workplace enforcement bodies and legal assistance services supporting low-paid and insecure workers.

Rather than treating women's economic inequality as a workforce participation issue alone, future Budgets should structurally redesign labour market policy to value care, address occupational segregation, and ensure women share equally in long-term productivity and nation-building investment.

There are additional recommendations put forward by the National Women's Alliances that remain unmet and would support genuine change for gender equality. NFAW reiterates the recommendations put forward by the National Women's Alliances in their 2026-2027 Budget submission including to:

- develop a national skills recognition portal with women-specific advice,
- fund targeted wrap-around employment services for women with complex barriers to work and
- reduce casualisation, labour-hire loopholes, sham contracting and fluctuating hours so workers can access rights without losing income or work.

References

Commonwealth of Australia (2026), Budget Paper No. 2: Budget Measures 2026–27.

Commonwealth of Australia (2026), Women's Budget Statement 2026–27.

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