

Public Accounts and Estimates Committee (PAEC)

Inquiry into Gender Responsive Budgeting

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Background – Gender Responsive Budgeting

Gender Responsive Budgeting analyses the impact of budgets on gender equality and provides a process for adapting budgetary decision making and priority setting

Importance of Gender Responsive Budgeting

Evidence shows that gender-neutral approaches to policies, programs and services do not always result in equal outcomes. This is because:

- differences in the lives of women, men and gender diverse persons mean that policy, program and service needs are different
- women may experience gender inequality differently on the basis of their age, race, disability, religion, geographic location, sexual orientation, gender identity, caring responsibilities or other attributes
- women often do not have the same access as men to decision-making processes, resources or economic and social opportunities
- gender interacts with circumstances to affect an individual's experiences in many ways.

Gender Responsive Budgeting in practice



International experience shows that GRB has the capacity to increase government accountability and achieve both economic and social objectives

Gender Responsive Budgeting tools have been trialled or adopted by nearly half of all OECD countries, including five of the seven largest economies in the world: Canada, France, Germany, Japan and the United Kingdom.

Internationally, Gender Responsive Budgeting has led to:

Austria



Tax system reform to provide greater incentives for women to participate in the workforce

Mexico



Investment in programs for health conditions more likely to affect women, resulting in increased women's life expectancy

Ukraine



Identification that school sports options were more preferred by boys than girls. Through providing additional options, girls' participation increased by 9 per cent in two years.

Impact of COVID-19 on Women

Women have been disproportionately impacted in the labour market



More job losses

Women-dominated sectors have experienced significant **job losses** and **reduction in hours of work**, and have been most affected by public health restrictions.

Compared to March 2020, in mid-June 2021, **in Victoria jobs in women-dominated industries fell by:**

- **12.3 per cent** in the arts and recreation services sector
- **10.5 per cent** in the accommodation and food services sector¹



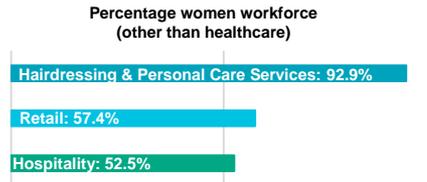
Insecure work

Australian women work in **less secure** and **lower paid** jobs than men. Women make up **55 per cent** of Australia's **casual workers**.¹

Casual workers were more likely to lose jobs during the COVID-19 pandemic.

Women-dominated sectors continue to be heavily impacted

Majority-women service industries have been hardest hit, and will continue to be heavily restricted by the necessity of rolling lockdowns and capacity restrictions upon re-opening.



Frontline work

Women make up the **majority of our essential, frontline workers**.

In Australia, **4 in 5** workers in healthcare and social assistance are women.³



Impact of national policies

Many industries employing high proportions of women were **excluded from JobKeeper in 2020**.

These include:

- **local government** (55 per cent women workforce, Victoria)
- **universities** (58 per cent women workforce, national).

Childcare (95 per cent women workforce) was the first sector to lose JobKeeper in July 2020, as part of the transition back to pre-COVID funding arrangements.⁴



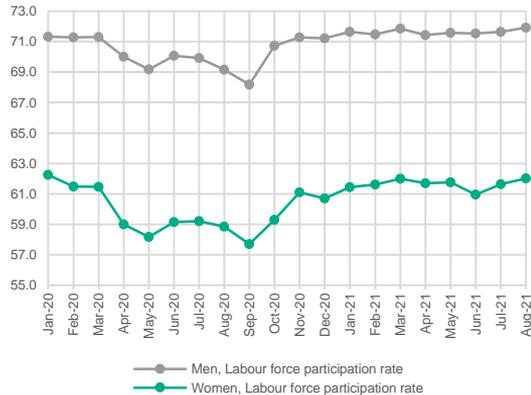
Unpaid Care

With working from home arrangements in place and disruptions to childcare services and schools, Australian **women spent over 4.5 hours** more a day on unpaid care and work during lockdown in May 2020. Men spent an average of **3.5 hours** more.⁵

Impact of COVID-19 on Women

COVID-19 has highlighted pre-existing gender inequalities

Labour force participation rates in Victoria



As at August 2021, the **gap in the labour force participation** between Victorian men and women remains at **9.9 percentage points**.¹

Impact of lockdowns

ABS data from October 2021 shows Victorian women have lost **7.4 per cent** of their payroll jobs since mid-July, **30 per cent more** than the losses for men².

Gender Pay Gap



The pay between men and women has widened over the life of the pandemic.

Victoria's gender pay gap **increased** from **9.6 per cent** in the 12 months from May 2020 to **12.2 per cent** in May 2021.³

Compounding inequality over the lifetime

Disruptions to women's economic security and employment in the short-term can lead to entrenched disadvantage in the long term.

Through the Commonwealth's COVID-19 **Early Release of Super scheme** in 2020, women aged 25 to 34 withdrew 35 per cent of their balances, whilst men withdrew 29 per cent.⁴



A 25-year-old withdrawing \$20,000 could **reduce** their **super balance** at retirement by up to \$102,824.⁵

Intersectional disadvantage

Widening gender inequalities are **compounded** by disadvantage or discrimination that a person may experience on the basis of other factors that intersect with gender, including **Aboriginality, age, disability, ethnicity, gender identity, race, religion, sexual orientations** or other attributes.



For example, **single mothers became unemployed at five times the rate** of other mothers from May to June 2020.⁶



1 in 6 recently arrived migrant women are **unemployed** compared with about **1 in 20** Australian-born women.⁷

Victorian Government's journey on Gender Responsive Budgeting

2016

Release of *Safe and Strong: A Victorian Gender Equality Strategy*

2019-20

Pilot of gender impact assessment toolkit with two departments, Victoria Police and 10 local councils

2021

Gender Equality Act 2020 came into force on 31 March 2021, requiring public sector organisations to:

- undertake workplace gender audits
- prepare Gender Equality Action Plans
- conduct Gender Impact Assessments

July 2021

Independent *Inquiry into Economic Equity for Victorian Women* announced

2017-18

First annual Gender Equality Budget Information Paper

2020

Gender Equality Act 2020 passed Parliament and Commission for Gender Equality in the Public Sector established

2021-22

Budget funding to implement Gender Responsive Budgeting Unit within Department of Treasury and Finance (DTF)

Early 2022

Delivery of final report and recommendations of the Inquiry into Economic Equity for Victorian women

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Victorian Government progress on Gender Responsive Budgeting

Initiatives to strengthen gender responsive policymaking

Implementation of the *Gender Equality Act 2020* and establishment of the Commission for Gender Equality in the Public Sector

- The *Gender Equality Act 2020* came into effect on 31 March 2021 and requires Victorian public sector organisations, universities and local councils ('defined entities') with 50 or more employees **to improve workplace gender equality**.
- The Commission for Gender Equality in the Public Sector was established to support implementation of the *Gender Equality Act 2020*.
- As part of obligations under the Act, defined entities are required to undertake **gender impact assessments** of all new policies, programs and services that directly and significantly impact the public, as well as those up for review.



Gender Impact Assessments

Under the Gender Equality Act, gender impact assessment must:

- **assess the effects** that the policy, program or service may have on people of different genders
- **explain how** the policy, program or service will be changed to better support Victorians of all genders and promote gender equality
- **apply an intersectional approach** (where practical) by considering impact of Aboriginality, age, disability, ethnicity, gender identity, race, religion, sexual orientation or other attributes in addition to gender.

Defined entities must also report on these assessments every two years as part of progress reports, following the submission of their Gender Equality Action Plans.

Victorian Government progress on Gender Responsive Budgeting

Initiatives to strengthen gender responsive policymaking (cont.)



Establishment of a Gender Responsive Budgeting Unit

- As part of the 2021-22 State Budget, the Victorian Government announced funding of \$1 million over two years to establish a Gender Responsive Budgeting Unit within Department of Treasury and Finance, working closely with the Office for Women, to ensure outcomes for women are measured and considered as part of budget decision-making processes.
- The Gender Responsive Budgeting Unit **will complement gender impact assessment tools** that have already been piloted across a number of Victorian Government departments as part of the implementation of the Gender Equality Act 2020.



Inquiry into Economic Equity for Victorian Women

- On 10 July 2021, the Victorian Government announced the establishment of an independent Inquiry into Economic Equity for Victorian Women.
- The Inquiry will consider the **extent and nature of workplace and economic inequity for women** in Victoria and ways to address it, as well as ways to address the ongoing economic impacts of the COVID-19 pandemic on women.
- The Inquiry Panel is expected to **deliver its final report in January 2022**.