

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into Gender Responsive Budgeting

Melbourne—Monday, 11 October 2021

MEMBERS

Ms Lizzie Blandthorn—Chair

Mr Danny O'Brien—Deputy Chair

Mr Sam Hibbins

Mr David Limbrick

Mr Gary Maas

Mrs Beverley McArthur

Mr James Newbury

Ms Pauline Richards

Mr Tim Richardson

Ms Nina Taylor

WITNESSES (*via videoconference*)

Ms Sandy Pitcher, Secretary,

Ms Brigid Monagle, Deputy Secretary, Fairer Victoria, and

Ms Jo Pride, Executive Director, Office for Women and Office for the Prevention of Family Violence, Department of Families, Fairness and Housing.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee Inquiry into Gender Responsive Budgeting.

We begin again by acknowledging the traditional custodians of the land on which we meet and pay respects to their elders past, present and emerging and elders from other communities who may be here today.

Welcome to the public hearings for gender responsive budgeting. We note that members may remove their masks when speaking to the committee but must replace them afterwards. We ask that mobile telephones be turned to silent.

All evidence taken by this committee is protected by parliamentary privilege. Therefore you are protected against any action for what you say here today, but if you repeat the same things outside this forum, including on social media, those comments may not be protected by this privilege.

You will be provided with a proof version of the transcript for you to check. Verified transcripts, PowerPoint presentations and handouts will be placed on the committee's website as soon as possible.

We welcome the Department of Families, Fairness and Housing and invite you to make an 8-minute presentation, which will be followed by questions from the committee. Thank you.

Visual presentation.

Ms PITCHER: Thank you, Chair. My name is Sandy Pitcher, for those of you I have not yet met, and I am the Secretary of the Department of Families, Fairness and Housing. It is certainly my pleasure to be able to speak to you about gender responsive budgeting today, so thank you for having me and my department officials here today. I am looking forward to a good conversation.

Before I go any further, I would like to acknowledge that we are joining each other from Aboriginal lands and acknowledge the continuing connection to the land, waters and cultures that Aboriginal people have and pay my respect to elders past and present as well as any elders from other communities who are joining us today.

Thank you for the opportunity to speak on the work that is being led from the Department of Families, Fairness and Housing with partnership from many other colleagues across the Victorian government. The focus on gender responsive practices into our state's budgeting and policymaking processes has been really developing strongly over recent times, and I think it is really important work that has potential to bring about real and lasting progress towards gender equity and equality in Victoria, so I look forward to expanding on that today.

Just on to our next slide, gender responsive budgeting is very purposeful and explicitly talks about the impact of budgeting decisions on gender equality in a very broad and systematic way, as well as putting mechanisms in place to ensure funding is actually allocated in the ways that will maximise the benefits to the community—of all genders. I think one of the core things that is really important about gender responsive budgeting is recognising that one size does not fit all and that the gender-neutral approaches to policy and programs do not always lead to equal outcomes for a number of reasons. We know that the services needs of men and women and gender-diverse people are different, and people with different genders do not always have access to the same decision-making processes, resources or opportunities. Certainly in the Department of Families, Fairness and Housing one of the things that is very core to us is looking at the compounding factors that affect someone's identity and experience. So we look at age, ethnicity, disability, geographic location and sexuality. There are examples not only of portfolios that sit within the department but in the way that we think about decisions about budgeting and allocation of resources and how that affects our community.

One of the other things is very much about the way it is a very changing issue, so we are learning more and more about the way policy effects can happen as time passes. So in practice, and I think this is a really important part to look at, with gender responsive budgeting, in Victoria we do pride ourselves on already having some good examples and evidence under our belt, and we pride ourselves on being a national and perhaps even international leader in our progress towards gender equality. When we look at these gender responsive mechanisms in our state budgeting processes we are taking evidence and looking at examples of, really, international experience. Over half of the OECD countries, including five of the seven largest economies, have trialled or adopted some kind of gender responsive budgeting practice.

This slide highlights the Austria, Mexico and Ukraine examples, but we have also looked to Canada, France, Germany, Japan and the UK. The slide, which I hope you can all see, looks at the way there have been some really interesting and noteworthy changes in investment and policy decisions because of gender responsive budgeting. I think the Austrian example is really worth looking at, where gender impact assessments at the federal level came in as part of their broader budgetary reforms, and that has led to recent reforms of the income tax system to reduce the higher effective tax rate on secondary earners. We know this has been talked about in various forms in Australia, and certainly when we talk about the number of women in the labour force and the incentives and disincentives for women to enter the labour force, this is a really important place to spend some policy time and attention. The Mexican government has adopted undertaking training on gender responsive budgeting for over two decades, and they particularly attribute this to their health sector being given extra focus on diseases affecting women, including cervical cancer and ovarian and breast cancer, and looking at teen pregnancy prevention activities. In terms of the Ukraine there have been gender-funded programs looking at education, health care, social services, youth policy, physical training and sports, and culture and the arts. So these are all great examples, I think, and through areas like looking at participation of women and girls in sport, they have been able to see that real changing percentage of participation in only a couple of years, so the evidence is strong and growing around the world.

Now, if we move to the next slide and talk about the impacts of COVID on women—and it seems we can only ever make it a few steps in before COVID is part of these conversations—gender responsive budgeting and impacts on women are another example of where COVID has disproportionately had an impact, and the disproportionate impact on women in the labour market is captured on this slide. We can see that women have stood at the front line of our responses, with four in five health and social assistance workers being women, but we have also seen that women-dominated industries have shrunk in COVID, with 12.3 per cent fewer jobs in the arts and recreation sector and over one in 10 hospitality jobs now gone. Women make up 92.9 per cent of hairdressers and personal care workers and they make up 57.4 per cent of retail workers and over 50 per cent of hospitality workers, so we know these industries are the list of those that continue to be impacted by COVID and are impacted in the rate that they can be reopened with the road map. So that disproportionate and perhaps different impact on women is really well illustrated, I think, by those professions.

We also know that women largely carry the extra burden of the pandemic at home, with Australian women reporting they had spent an extra 4½ hours per day on caring than they did in pre-pandemic times on top of often already substantial unpaid caring responsibilities, and this is compared to 3.5 hours extra for Australian men. And the surveys that demonstrate those time-use differences between genders are a very important part of what we do with gender responsive policy and budgeting.

So on the next slide here you will see that in one year between May 2020 and May 2021, Victoria's gender pay gap has gone up from 9.6 per cent to a dizzying 12.2 per cent, which means the difference between men and women's full-time average earnings has widened. And for those of us who have worked a long time in trying to reduce the gender pay gap, this is disappointing news, and really the coinciding with COVID I think has a lot to tell in this story.

Women make up the majority of workers who have had their hours reduced due to health restrictions on those industries that I have mentioned. They are doing more hours of unpaid care and household labour than men, and there are astronomical effects of the pandemic on women, disadvantaged people and the discrimination that women may face on other factors including age, disability and ethnicity.

It is really worth calling out, I think, too, when we are looking at the different experience of women, that single mothers became unemployed at five times the rate of mothers who were partnered between May and June 2020, and I think that just demonstrates the importance of looking at the different impacts and data on different

groups of women. Again another statistic that I think draws this out: one in six recently arrived migrant women are unemployed compared with about one in 20 Australian-born women. So we are seeing these disadvantages impact on women, but we are seeing the depth of the disadvantage depends really on which cohort you fall in and why it is so important to look more deeply into this data. And I am really pleased about this, that Victoria's pay gap remains lower than the Australia-wide average, which is 14.2 per cent, but obviously the trajectory going the opposite way than we would have liked is something that we will want to spend more time and focus on.

So in terms of our commitment in the Victorian government to gender responsive budgeting, I think it is really useful and I think a positive illustration to look across time and see the way that things have changed—and we have started this time line at 2016. We could have started it at any particular year, but I think that by looking from the release of *Safe and Strong*, the Victorian gender equality strategy, onwards you can see that gradual but I suppose consistent march forward on a whole lot of different initiatives that are focused on gender equality and looking at the way that we make decisions across government and beyond, giving us lots of different tools and ways of looking at the challenge. So whether it is the piloting of the gender impact assessment work, the *Gender Equality Act* passing in 2020 or, importantly, the establishment of the gender responsive budgeting unit in the Department of Treasury and Finance, we have really seen a steady march of work across this area. The investment in the 2021–22 state budget of one million dollars over two years to set up that unit, and I think that is a really important mark in a series of really important steps. We know that gender equality work is important not only in its own right—and this is really important—but for our department, for all of us in Victoria; gender equality reduces the prevalence of violence against women, which is a very key part of the work that we are seeking to do across the family violence portfolio in the Department of Families, Fairness and Housing.

Onto the next slide here—the Victorian government's commitment to gender responsive budgeting and policymaking is really clear, and as I mentioned we have new legislation. The Victorian *Gender Equality Act* from March of this year now requires over 300 public sector organisations to make active progress towards gender equality in their organisations. The key aspect of this Act is requiring organisations—and this is health services, universities, as well as government departments—to report on gender impact assessments for all internal and external policies, programs and services, and I think that internal as well as external is really important.

I am also very proud because we support in my department the establishment of Australia's first commission for gender equality in the public service, which is a crucial voice in this work. I understand that Dr Nikki Vincent, the Commissioner for Gender Equality in the Public Sector, the inaugural commissioner, will be presenting to this committee later this month and she will be able to speak to you in great depth about the *Gender Equality Act* and the work of her commission.

On the next slide I just wanted to make particular reference to the gender responsive budgeting unit in the Department of Treasury and Finance, because the establishment of this unit and the ability to have that centred in the department that is charged most actively with working on the budget I think is not only a great demonstration of cross-government working but also centring these initiatives in the place where lots of impact happens. It is really great to see the partnership across the Department of Families, Fairness and Housing and DTF in bringing together a focus on the best possible outcomes for Victorian women.

The initiative recognises that gender analysis should be central to our budgeting decisions regardless of whether there is an obvious gendered lens, and the unit helps make this possible and helps increase the number of people who understand gender responsive government in their day-to-day work. And this work will be bolstered and complemented by the findings of the inquiry into economic equity for Victorian women, which is set to report to the Treasurer and the Minister for Women in January 2022, another example of where we are looking across our two departments and portfolios. This inquiry is going to be making recommendations on what we can do across government to address the economic inequity of Victorian women, the barriers that women face to accessing opportunities in the workplace and, as I alluded to earlier, really looking at those economic and social impacts of COVID-19.

In closing, Chair, I would like to summarise that we have a really great set of policy initiatives in place in Victoria. We have got the opportunity to really look at the way everyone can benefit from improved gender equality. Gender responsive budgeting and policymaking are two key tools that can help us make our

systematic change that focuses on the benefit for Victorians of all genders for years to come. I am really proud to commend the work of my department and the government to you and to the committee. Thanks, Chair.

The CHAIR: Thank you very much, Secretary, and I will open it up for questions from committee members. Would someone like indicate if they would like to go first? Ms Richards.

Ms RICHARDS: Thank you very much, Secretary, and officials. It is really important evidence that you have just provided to us. We know that international best practice dictates that gender analyses should be considered across every aspect of the budget process, and that is really important—from the development of the policies to decision-making and of course that all-important implementation. I am also conscious that a sustainable and robust approach to gender responsive budgeting is needed to ensure this really does have the most effective outcome. Can you please perhaps provide some evidence on how the Victorian government can ensure that the new unit that you spoke about is embedded in government decision-making and policy development to achieve meaningful and sustainable change into the future?

Ms PITCHER: Thank you for the question, and look, I absolutely agree with your principle. I think what we are really focused on with the gender responsive budgeting unit will be making sure that we have, I suppose, the best of all of the worlds. So we have the unit based in Treasury, which means that the unit will be part of all of the work that Treasury does across the budgeting cycle—which I know my colleagues would remind me is not merely a few months close to the budget but is really a yearlong piece of work across the budget cycle—and it is really important, I think, to have the team thinking about all of these issues not just at budget time but all of the time. As well, we have the work that has been long founded and existing in the Office for Women that now sits in with my department—it has formerly been in the Department of Premier and Cabinet—where the work on strategy, the work on development of all sorts of gender impacts, will be happening across the policy cycle, with the Office for Women playing that very important role in that.

But more than the work of DTF and my department, which will be the two lead agencies in different ways, I think is the part our departments play in educating and bringing lots of other departments' work along so they too are bringing gender responsive budgeting but also gender responsive policymaking into their day-to-day work, and it is bringing those policy skills and getting that sort of gender lens and understanding across all policy impacts that I think will make one of the biggest differences in terms of how we turn around some of those statistics that I mentioned today. We already do have great capability across different parts of the Victorian government, and the training and the sessions that we are having and including with the new commissioner and her team are really helping build that overall literacy of gender responsive budgeting across the whole of the Victorian government, and I think that one of the really important parts about how you sustain it and make sure it has strength and longevity is that understanding of how it fits into all parts of the policy and decision-making cycle and having really good understanding across so many different parts of government.

The CHAIR: Mrs Bev McArthur.

Mrs McARTHUR: Thank you, Chair. Can you just confirm we now have several commissioners in this space—the commissioner for gender equality, the commissioner for gender equality in the public sector and a commissioner for fairness? We have got three commissioners and their various bureaucracies in this area, is that correct?

Ms PITCHER: I would say each of the commissioners has a different role, many of them with different legislative powers and different responsibilities. The commissioner for gender equality in the public sector, Niki Vincent, her role was created under the new legislation in 2020. Her commissioner's role is very much about looking at gender in the public sector, so that remit, and ensuring that each of the departments and organisations—I think there are around 300—conduct gender impact assessments on the work that they do, and they have to report to the commissioner. She will be able to talk to you much more about that, so that is the role that Niki has. There are other commissioners of course across the public sector who have a real interest in gender equality and equality more generally, but they do not have that legislative responsibility for gender impact statements or gender budgeting.

The CHAIR: Thank you. Gary Maas.

Mr MAAS: Thank you, Chair, and thank you for the presentation and for your time this afternoon. I would just like to move to targets, and I was hoping you would be able to give us your thoughts on the role that targets can play in achieving gender-equal outcomes through gender responsive budgeting processes.

Ms PITCHER: Thank you for your question. Look, targets in terms of gender equality have been a really important part of the policy work that we have seen in lots of different areas, and I think, harking back to my comments on the gender pay gap, the target around the reduction of that gap and the measurement of that work is so important, and if we were not measuring and aiming and striving for a reduction in that gender pay gap and looking at that data, it perhaps might have not been so obvious about that reduction in the pay gap, which really has turned around a trend in the last year. So with targets come the need for measurement and the need for good data, and that I think is at the core of all—not just best policy implementation but also about how you exercise change, especially change over time, because it gives you all of the clarity of pictures about what it is you are heading for and what the bumps are along the road.

There are a lot of different targets and goals that we have across government, and obviously we have been talking about the goals of higher vaccination and other things today in terms of COVID, but really at their core is that continual focus on measurement, accountability to those measures and understanding the steps that are in place. And I think that some of the gender-inclusive budgeting but also gender-inclusive policy areas have really demonstrated so strongly that need for strong collection of data and strong reporting on that data and that accountability, and so much of that is what is captured in the new work of the commissioner and the new work of the legislation—that is, really wanting to impact that across all of our government departments. So the *Gender Equality Act* in itself I suppose sets up a whole range of targets and KPIs that will roll out across Victoria.

Mr MAAS: Thank you.

Ms MONAGLE: Mr Maas, if you do not mind if I jump in just to clarify, I would suggest that under the *Gender Equality Act* there is the ability for regulations to be made around targets and quotas, and the commissioner for gender equality will be able to provide you with more detail, obviously stepping through that very carefully and systematically with consultation as well. So she will be able to provide more detail when she appears.

The CHAIR: Thank you very much. Bev McArthur.

Mrs McARTHUR: Thank you, Chair. Just to follow further on data and outcomes, did I hear you correctly, Ms Pitcher, when you said that the violence against women had decreased, because we know that in recent times it has actually gone up 6.7 per cent? So can you just clarify whether your efforts in reducing violence against women have produced viable outcomes or whether they have not?

Ms PITCHER: Look, I did not mention any data on violence against women, so apologies if there was a sense that I had represented that data. In terms of the work on family violence in Victoria—and members of the committee would be very aware of the strong efforts over the past five years since the royal commission, coming on the back of many, many other years of hard work in the space—there has been a real focus, and I certainly support it, on measuring and understanding where gender violence occurs and how we respond to it. And at its core what we know is that gender responsive budgeting and a focus on gender equality is one of the key drivers in terms of turning around levels of family violence but also having a greater understanding across our community about the impacts of violence and violence against women and how that can really systematically affect women in so many facets of their life, including their participation in the labour market, and that violence against women actually is now understood in a way it has never been previously—the way that violence against women can really impact women's participation in the labour force, their income when in the labour force and their ability to participate fully in the labour market. So all of those areas are very vital in the discussion about family violence.

Mrs McARTHUR: Well, can I just ask: have the figures gone up or down?

Ms PITCHER: Are you asking about family violence?

Mrs McARTHUR: Yes.

Ms PITCHER: I have not brought all of my figures on family violence to this committee, but I am happy to take some questions on notice. Certainly we are concerned—I will speak in more general terms—about the impact of family violence or the increase in family violence that we fear has occurred during particularly the COVID time, where a whole lot of drivers get exacerbated that have been a feature of lockdown, including more family pressures, financial pressures, people in environments together. Certainly across government we have spent much time and response in ensuring that family violence worker support and alternate housing options have been a really big part of our COVID response and recognising that.

We certainly also know from coming out of different lockdowns that we have seen increases in family violence reporting at different times in the COVID cycle, so we recognise too the challenges of women being caught in family violence situations when violence is occurring and lockdowns are on. And so a very big part of our communications efforts has been highlighting that one of the reasons that it is permissible to leave your home during lockdown is if family violence is a risk. We are very aware of the impact of family violence during COVID and have great concerns about the way some of these conditions have really exacerbated some of the stress factors for our families across Victoria and across Australia.

The CHAIR: Thank you. And I would just remind committee members of the terms of reference of this inquiry. I believe Danny O'Brien has his hand up, although I cannot see him on the screen.

Mr D O'BRIEN: Yes, I do.

The CHAIR: Thank you.

Mr D O'BRIEN: Okay. Thank you, Chair. Thank you, Secretary. Can I just sort of go back to really Mr Maas's question about targets, which I think you answered with the importance of targets and the importance of measurement and everything. But what I am really interested to know is what the vision of success actually is. What does success look like in getting gender responsive budgeting right from a government perspective, noting that dealing with all the issues of gender inequality is not entirely within the realms of government control? I just wanted to know what the KPIs are for the money that is going into the Treasury unit and everything else that we are doing—what it actually will deliver us when we say whether it has worked or not.

Ms PITCHER: Thanks for your question. It is actually a really great one, and I will let Treasury answer some of the parts for them. But certainly from my perspective, because we are sort of in the establishment stage, it is exactly the right time to be thinking and making sure that we are really clear about our measurement, our evaluation techniques, setting the baseline and understanding how we are going to establish and measure our baseline and measure that future progress. All of the best evaluations are when you can actually set those things up right from the start. So it is certainly not complete, but it is one of the things that is very much in active consideration now about how we best set those baselines and measure that progress.

Certainly from my point of view, and certainly from the Department of Families, Fairness and Housing's, we would really love to see all of the aspects of the decision-making process be part of those KPI measures. It is how do we check on the development of our policies as they are coming through? What data and what sense of statistics are we looking at across all of the ranges of policy impacts? Are we gender disaggregating on issues that would not otherwise always be seen as a gender issue? I think it is measuring individual decisions but overall impacts. It is taking both the individual focus as well as the systemic focus, and we can do that across a range of policy areas.

I think it is an excellent question. It is certainly not what we have fully resolved yet, but certainly one of the areas that is captured, because it is in the *Gender Equality Act*, is ensuring that we have 100 per cent success rate of the workplace gender audits and monitoring against the gender equality action plans that are captured as a requirement in the legislation. Our aspirations are bigger than just compliance with that act, but that is certainly one of the measures, and the data that we get certainly from the first baseline I think will help us really home in on the future actions and what the support needs to be for both workplaces but for policy settings. So it is a bigger—

Mr D O'BRIEN: Can I just follow up, Secretary? Have there been any discussions with the Treasury unit or across government about performance measures in the budget papers?

Ms PITCHER: I believe there has, and I believe that we are looking to have the performance of this unit reflected in the budget papers, but perhaps I should take that on notice to clarify more accurately.

Mr D O'BRIEN: Okay. Thank you.

Ms PITCHER: Thanks.

The CHAIR: Thank you. Ms Taylor.

Ms TAYLOR: Good afternoon, everyone. Thank you for appearing today. Just reflecting on how gender inequalities and harmful gender norms have adverse impacts on all people, including men and gender-diverse people, and noting I know there has been a bit of discussion this morning about the impacts of COVID-19 and reflecting in this space on how it has exacerbated these pre-existing gender norms, how can the Victorian government ensure gender responsive budgeting does not reinforce gender stereotypes and male gender norms, and what impact could this have?

Ms PITCHER: I think that is a great question because in one sense there is the importance of making sure that you are measuring your outcomes—and it links back to the previous member's question—which really does have that sense of understanding where your aspirations are and how do we make sure that all of our settings are heading in the right direction? So, for example, I think continuing to talk about the gender pay gap in all areas of looking at gender and labour force is one of those good measures. Because as you say, or as you are inferring—I should not put words in your mouth—some of the fields where women tend to be more highly predominantly working are the lower paid areas, so achieving greater equality in those sectors will not change the overall gender pay gap. And so, to me, keeping something like a big headline data call like the gender pay gap does help you understand not just equality and impacts within a sector, which are often the low-paid sectors, but across our economy. Similarly, looking at the hours of unpaid work, which has so many different dimensions on the way people experience their time and their time use, is looking at those in the whole of community as well as looking at that gender by gender and in sectors. So both the gender pay gap and the time use, looking at paid and unpaid work, are two big headline ways of understanding whole shifts, but then of course looking within sectors and often that for different areas of employment helps us get into where there are areas of discrimination within a particular workplace or field of areas that might be not seen without understanding the data in a closer way.

And I think certainly over time we have learned about things like part-time work, so whether that is seen as a right or an entitlement or an opportunity, how part-time work is used in a workplace, how it affects people's career progression, whether women and men access part-time work in the same way, the stability of permanent part-time roles compared to the instability of casual part-time roles are really good examples of how you can have potential negative consequences from a well-meant policy if you have not got all these other settings in place. And so, in summary really, the best measures will be those where we are looking at individual settings in areas but having whole-of-community, whole-of-Victoria assessments on our wider outcomes and really putting gender equality as a central outcome that we are after, and that will mean looking at the interests of men, women and gender-diverse people in that round.

Ms TAYLOR: Thanks.

The CHAIR: Thank you very much. That concludes the time we have set aside for consideration with your department today, so we thank you very much for appearing. The committee will now take a short break before beginning consideration with its next witness, and I declare this hearing adjourned. Thank you for your time.

Witnesses withdrew.