

Federal Budget Priorities 2022-23



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About Good Shepherd Australia New Zealand

Good Shepherd Australia New Zealand addresses the critical and contemporary issues facing women, girls and families.

Guided by the values of reconciliation, justice, audacity and zeal, for more than 150 years Good Shepherd Australia New Zealand has supported women and their families to be safe, strong and well.

Our programs and services help people overcome barriers that lead to hardship and live a safe, full life.

We seek positive change in laws, policies, social norms and behaviours through targeted research, policy advocacy and corporate alliances.

Statement of Recognition

Good Shepherd Australia New Zealand acknowledges the Traditional Custodians of the lands and waters throughout Australia. We pay our respect to Elders, past, present and emerging, acknowledging their continuing relationship to land and the ongoing living cultures of Aboriginal and Torres Strait Islander Peoples across Australia.

We recognise that the perspectives and voices of First Nations women and girls should be at the centre of conversations about the critical issues facing women, girls and families.

CEO's message

The coming Federal budget must be a gender equality budget. Gendered violence and economic inequity have intensified. The pandemic, and a swell of advocacy, have brought these issues into full public view. Australians have made it clear that men's violence and women's economic insecurity are intolerable and it's time to act.

Women have now endured two years of disproportionate jobs/hours loss, had to drop paid work to care for others, and faced increased family violence, including economic abuse. Financial stress and family violence were already pervasive pre-COVID. We must be bold in our expectations of life during and beyond the pandemic and do much better than before.

Acting on gender equality means supporting women and families to be safe, strong and well. It's also about nation-building: investments in women's jobs, small businesses, housing and financial wellbeing set women and families up for prosperous futures and strengthen the entire community.

Budget investments in gender equality should be particularly targeted at those on the lowest incomes, who deserve security, dignity and to be able to plan for the future. They should also support women and families in the precarious middle. Over the past 18 months, Good Shepherd has been assisting a newly vulnerable cohort who, due to job insecurity, small business collapse and reduced employment, have experienced financial hardship for the first time in their lives.

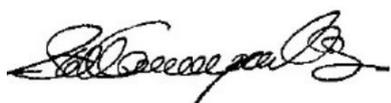
We welcome Australian Government action on women's safety and economic security, including through the Women's Economic Security Statement, the 2021-22 Women's Budget Statement, and the next National Plan to End Violence against Women and Children. In the 2022-23 Federal Budget, Government can get four major things right for Australian women by making groundbreaking investments in:

- **financial wellbeing for women & families**
- **family violence & economic safety**
- **women's housing equality**
- **women's income security & workforce access**

All areas are interlinked; action in one area makes women stronger in other areas. Our budget priorities are all about *connections*. Connecting the community sector, government, and industry initiatives; connecting other organisations to innovative practices developed by Good Shepherd; and connecting women and families to the things they need to thrive.

Connections also need to be made across government. We continue to advocate for Gender Responsive Budgeting, to ensure outcomes for women are measured across a range of policy portfolios, and that this becomes an embedded feature of the budget development cycle.

Good Shepherd's budget priorities are high-impact interventions that will make a real difference to women's lives. They are essential to a budget that's truly committed to women's safety and economic security.



Stella Avramopoulos
CEO, Good Shepherd Australia New Zealand

Three key priorities

1. Enable more women to recover from economic abuse

Provide targeted funding to the Good Shepherd/CommBank Financial Independence Hub, to build new referral pathways and allow more women to connect with this world-first service. Back an innovative program that helps women recover from financial harm, build confidence, and realise long-term aspirations.

2. Deliver quality job support services tailored to women

Partner with community sector specialists to deliver high-quality job support services to women, including migrants, young people and the 'newly vulnerable'. Provide holistic support that allows women to find and sustain secure, decent work, recover from family violence, and build long-term financial security.

3. Fund a small business kickstart & recovery program

Support the creation or recovery of around 1000 women-led small businesses. Invest in place-based coaching and mentoring programs attuned to women's unique financial wellbeing needs, and foster flourishing small businesses in local communities.

Financial wellbeing for women & families

The COVID period shows the power of government policy in shaping financial wellbeing. After improvements in financial wellbeing in 2020 due to relief measures and greater income support, financial stress increased in 2021 for people on low incomes, with women's financial resilience more affected than men's. Financial hardship has also become more apparent in middle-income households.

Women and families require extra assistance to build financial wellbeing over the years ahead. The recovery will be uneven and new challenges will arise as existing risks to financial wellbeing (low income support levels; women's concentration in precarious work) combine with other risks, such as pressure to pay housing and utility costs, higher inflation, and the growing availability of unregulated credit.

Build financial wellbeing through the corporate FIAP network

Good Shepherd is the founder and leader of the Financial Inclusion Action Plan (FIAP) Program, a unique, cross-sector network of leading businesses and organisations who have committed to practical actions to build Australians' financial wellbeing. Members include major banks, energy companies, insurers and superannuation funds, who together service well over 80% of the Australian population. The FIAP Program enables members to learn, innovate, and participate in a cross-sector community of practice. It has significant benefits for:

- customers – by improving access to safe and affordable financial products and services, providing better pathways to support, and improving financial resilience and wellbeing
- the community – by strengthening relationships between community members and businesses, which is especially valuable at times of crisis (e.g. natural disasters)
- participating businesses – by enabling them to understand and engage diverse, often under-served customers
- employees – by implementing policies targeted at employee financial wellbeing (especially during the COVID recovery) and supporting employees experiencing family violence.

The FIAP Program is backed by a robust framework of quality assurance, monitoring and evaluation to ensure members deliver high-impact, practical outcomes that are shared across the FIAP community of practice. To bolster FIAP's impact, Government could **provide \$1.5m in operational funding over three years to complement FIAP member funding**, and help support programs that generate more than \$423 million in value for Australians each year.

Operational funding would allow the national FIAP network to evaluate, promote and expand the reach of innovative financial wellbeing measures to more Australians. The impact of the national FIAP network will only grow as it welcomes more members at the coalface of financial hardship such as debt collection firms, and engages with emerging business models (e.g. 'earned wage access' providers) that directly influence Australians' financial wellbeing.

Increase financial inclusion

Good Shepherd provides No Interest Loans (NILs) to individuals and families on low incomes, enabling access to safe, fair and affordable credit. Loans are available for essential goods and services such as fridges, washing machines, car repairs and medical procedures. NILs range from \$1,500–\$5,000 and repayments are set at an affordable amount over 12 to 18 months.

NILs is offered by 170 local community organisations in over 600 locations across Australia. Established in 1981, the program continues to be a safe lending option for people on low incomes, particularly young people, women, recent migrants and CALD communities heavily affected by the financial impacts of the pandemic. This includes not only loss of income, but depletion of savings and superannuation. And while the country moves beyond formal lockdown restrictions, these groups remain at risk of long-lasting damage to their financial situation and financial exclusion due to economic challenges.

As a result, these groups are increasingly vulnerable to predatory and unregulated lenders. We need to ensure that people living on low incomes, some for the very first time, can access safe credit such as NILs for essential needs on their pathway to recovery.

Good Shepherd has been working with government to develop an integrated approach to NILs delivery that has a range of benefits, including a simpler application experience and better client outcomes. Program targets have been recalibrated to maximise government investments and achieve desired objectives.

To further advance these shared objectives, Good Shepherd seeks to **harmonise the NILs program funding and objectives to deliver greater efficiencies. Unspent NILs funds that were designed for earlier stages of the pandemic (approximately \$4.0m in funding) could be reallocated to the core 'Community NILs' program at no extra cost to government.** This rollover of funds will enable Good Shepherd to deliver an integrated approach to NILs during 2022, consistent with program objectives.

Support safe use of 'buy now pay later' products

As the NILs experience shows, conditions are ripe for harmful debt products—including irresponsible provision of buy now pay later (BNPL) products. It is becoming harder for women and families to meet essential expenses. Women lost more work than men during 2021; particularly young women, the main target market for BNPL. Inadequate income support is leaving families vulnerable. Even when people find work, wage growth remains low and is not keeping up with inflation. In a sign of the times, food, alcohol and childcare can now be financed by BNPL debt.

The Australian Government can get on the front foot and ensure BNPL is provided safely and affordably by regulating it in a similar way to other credit products. The 2022-23 budget should **fund a review of BNPL to develop an appropriate regulatory response, resource ASIC and the ACCC to deal with the growing consumer protection issues in this area, and fund improved data collection**, including establishing the extent to which low personal credit growth is translating into BNPL use.

Good Shepherd is seeing the impact of BNPL growth. The proportion of financial counselling cases and No Interest Loan applications involving BNPL have quadrupled since 2017, and women are overrepresented among these cases/applications. BNPL issues most commonly arise among young women aged 18–24 and those in child-raising years. Cases/applications involving households with children are more likely to raise BNPL issues than those without children.

Good Shepherd/Roy Morgan research shows 26% of JobSeeker recipients used BNPL in the 12 months to August 2021, with women having a slightly higher rate of use than men. This means a quarter of people on these very low incomes are being given credit without hardship checks.

With around 30% of the adult population having a BNPL account, an increasing number of people will need help with these debts if hardship risks are not managed when the product is issued. In a major survey of Australian financial counsellors, 61% said most or all clients with BNPL debt are struggling to pay for essentials such as food and rent, with BNPL repayments being prioritised to keep accounts open. Financial counsellors should be resourced to meet growing demand for services, which will be costly to Government and the community sector in lieu of proper regulation.

Family violence & economic safety

The Australian Government can dramatically reduce – and ultimately end – family violence. We welcome the ‘towards zero’ vision of the draft National Plan to End Violence against Women and Children 2022–2032. With the right investments, policy frameworks and leadership, government can achieve a sustained reduction in violence over the coming decade and set us on the path to violence elimination.

If the previous budget was a ‘down-payment’ on women’s safety measures, the 2022–23 budget can settle the balance and comprehensively fund the next National Plan. This requires investments that match the scale of the problem. Family violence was a national crisis pre-pandemic and then worsened. Overall, one in three women experienced some type of intimate partner violence in the first 12 months of the pandemic.

As the Women’s Safety Summit concluded, eliminating family violence is everybody’s business. We strongly support cross-sector action by government, the community sector and industry, and cross-portfolio commitments to women’s safety and economic security.

Enable more women to recover from economic abuse

Economic abuse is a neglected, yet pervasive, form of family violence. Since the pandemic began, almost a third of Australian women have experienced emotionally abusive, harassing and controlling behaviours, with financial abuse the most common behaviour. Good Shepherd survey research indicates 90% of our non-family violence practitioners (including financial counsellors) have seen an increase in economic abuse during the COVID period.

Economic abuse recovery services help women deal with financial harm, build the confidence that is vital to financial wellbeing and recovery, and support women’s long-term aspirations. In partnership with CommBank, Good Shepherd has developed the innovative Financial Independence Hub, a world-first program that delivers:

- one-to-one coaching to build women’s financial confidence and capability post-violence
- navigation services, linking women to financial counsellors, NILs, and other specialists
- expert support in planning for the future and regaining financial control.

Most women spend up to eight months in the program, but it has no time limit. It operates at a pace that suits women’s circumstances and ‘flexes’ around individual recovery pathways. The program is highly successful, with 71% of participants experiencing significant transformative change and improved financial outcomes. A high-quality planning and coaching process assists women to set meaningful, practical goals that make a real difference to their lives. Ongoing evaluation shows all current participants are on track to achieve individual goals.

The Financial Independence Hub is at a critical juncture as we emerge from pandemic restrictions. Referral pathways need to be extended to ensure the Hub reaches women with unmet needs from the 2020–2021 period, and adapts to changing ways of finding information, especially via online routes. **Targeted government funding would allow Good Shepherd to build new referral pathways to the Financial Independence Hub across different industry sectors and community services**, maximising awareness and use of the Hub, and enabling more women and children to flourish post-violence.

Promote and fund economic safety measures in the National Plan

Women's economic inequity and insecurity are at the heart of gendered violence, making it more likely that violence will be perpetrated and sustained across a relationship by limiting women's choices or removing the option of an independent life. Put simply, a lack of money forces women to stay with abusive men: at least 1 in 4 women who want to leave a violent current partner are unable to do so because they do not have enough money or financial support. This is the most common factor preventing women from separating.

At this stage, the draft National Plan makes welcome, but very high-level, statements about supporting women's financial recovery from violence, and the role of government and other systems in creating barriers to recovery and financial independence. The Plan can articulate clear, overarching directions for dismantling these barriers and building economic safety. It is imperative for **economic safety to form a key and explicit plank of the National Plan and for these elements of the Plan to be funded in the 2022-23 Federal Budget.**

Economic safety measures would operate in tandem with the Women's Economic Security Statement, but be distinct from this work and tailored to family violence prevention and recovery. It is within the scope of the National Plan to outline targeted, high-impact financial security interventions and set these up for funding, including:

- an ongoing financial support scheme, focused on embedding Escaping Violence Payments beyond the pilot stage, ensuring all victim-survivors can easily access these payments, and increasing the payment cap to \$10,000, to better reflect the true costs of creating safety
- building a supportive, trauma-informed social security system that ensures women have sufficient resources to remain separated from abusive partners, guards against systems abuse by perpetrators, understands the nature of family violence and victim-survivor needs, and avoids compliance mechanisms that compound trauma and stymie recovery
- 'whole-of-life' financial capability services aimed at violence prevention and recovery, which connect women with resources and build financial skills and confidence at the time of major life stages/events such as early adulthood; entering/re-entering the workforce; pregnancy, childbirth and parenthood; and relationship separation
- concrete commitments to increasing the availability of affordable, sustainable housing for women and children leaving abusive relationships, particularly crisis, social and private rental housing (see pages 13-14 below)
- major measures for addressing economic/financial abuse, which currently receive scant attention in the draft National Plan. The Plan can set up a framework for *integrated* economic abuse prevention measures, early intervention services and recovery programs
- key family violence-focused workforce participation measures such as paid family violence leave and tailored employment services, so victim-survivors can remain connected to jobs and independent incomes.

We elaborate on women's housing and income security measures below.

Establish a national Risk Assessment & Management Framework

A national approach to violence risk assessment and management would improve the safety of all women and children, and should be an express object of the National Plan to End Violence against Women and Children 2022–2032. The 2022–23 budget could **fund development of this foundational tool for reducing violence and preventing ongoing serious and lethal harm**.

Perpetrators and victim-survivors often move between jurisdictions, requiring coordination, consistency and agreement in risk identification and management across Australia. A national framework would also promote the safety of victim-survivors and the accountability of perpetrators interacting with a range of Australian Government agencies and systems, such as the family law system, human/social services, and law enforcement agencies.

The need for increased perpetrator visibility and risk management was one of the major lessons of the Victorian Royal Commission into Family Violence. In Victoria, this resulted in the establishment of the Multi-Agency Risk Assessment and Management Framework (MARAM), which aims to ensure all services interacting with adult victim-survivors, perpetrators, children and young people have a shared understanding of family violence and risk identification, and are able to share information to support victim-survivor safety and perpetrator accountability.

A national approach to risk assessment and management would allow earlier intervention in coercive control. Some risk assessment tools do not sufficiently identify this behaviour. As the Monash Gender and Family Violence Prevention Centre notes, coercive control is a risk factor preceding intimate partner homicide, making it essential that ‘all common risk assessment and management frameworks across Australia embed a shared language on, and an understanding of, the behaviours that constitute coercive control.’



Women's housing equality

Stable, affordable housing is central to gender equality. It provides a foundation for study, workforce participation, the care of children, good mental health and violence-free lives. Australia's culture of housing financialisation, high house and rent prices, and social housing underinvestment is failing women on low and middle incomes – with terrible consequences for their wellbeing and safety.

Inclusive housing investments are therefore gender equality investments. Housing can be made affordable and offer long-term stability to women and children escaping violence; older, single women at high risk of rental stress and homelessness; and single mothers and their children, one of the most financially disadvantaged groups in Australia.

Women have a disproportionate need for housing assistance: they comprise the majority of social housing residents, Commonwealth Rent Assistance recipients, and specialist homelessness services clients. Housing-related budget investments should be guided by a gender-responsive housing strategy that recognises the gendered drivers of housing insecurity, increases social and affordable housing for women, and guards against measures that further inflate house prices and rents and thereby compromise women's safety.

Co-invest in crisis & social housing for women and children escaping violence

Housing is fundamental to preventing and disrupting family violence. Across Australia, 7,690 women a year return to perpetrators because they have nowhere affordable to live, and 9,120 become homeless after leaving due to family violence. A lack of affordable, stable housing is one of the biggest barriers faced by Good Shepherd practitioners working with victim-survivors.

Government can **deliver life-saving crisis housing funding well beyond the extra \$12.6m allocated in the 2021-22 budget, including funding for 6 to 12-month recovery-focused housing** that provides women and children with security and breathing space, and links them with counselling, health, financial and casework services so healing and recovery can begin. Most crisis housing is too short-term for women with acute financial or other needs and they are being put at risk. Longer-term, recovery-focused options would fill a critical gap and help women and children achieve sustained safety and stability.

Survivors also require social housing that provides a secure, long-term home. Private rental housing is simply too expensive for many Good Shepherd clients, particularly in regional areas where rents rose by 12.5% over the year to September 2021, the highest annual figure on record. To meet the national shortfall of around 16,000 social housing homes for family violence victim-survivors, the Australian Government can **co-invest with the States and Territories in a \$7.6 billion expansion of social housing for women and children leaving abusive relationships**. This would create 47,000 new jobs and deliver a \$15.3 billion boost to the economic recovery.

Use Commonwealth Rent Assistance to build women's housing security

The Productivity Commission regards Commonwealth Rent Assistance as the '*clearest path to improving affordability*' for renters on low and middle incomes, including working families with dependent children. Government can harness the existing efficiencies of the Rent Assistance scheme and **immediately boost payment levels by 50% to assist older women renting during retirement, sole parents and their children, and women escaping family violence.**

Rent assistance is a highly 'feminised' payment: 47.5% of people receiving the maximum payment rate are single women (27% are couples; 25% are single men). Low payment levels result in rental stress and put older and younger women at risk of eviction and homelessness. Of those who remain in rental stress after receiving the payment, 50% are single women (30% are single men; 19% are couples).

The Productivity Commission found Rent Assistance has been partially effective in supporting low-income and low-wealth households, but maximum payment rates have fallen well behind average rents over the past two decades. The Commission stated that increasing Rent Assistance rates would improve the wellbeing of renters in housing stress, including low-wage workers with children, social security recipients, and retirees who do not own their own home.

A 50% increase in Rent Assistance would help bring the payment into line with rental inflation over the past two decades and the recent 9.4% spike in national rents over the year to December 2021, the highest annual growth since 2008. The payment should then be indexed to keep pace with rental inflation. Realistic payment rates will be particularly necessary for women who face rental stress and potential homelessness as rent subsidies expire under the National Rental Affordability Scheme.



Women's income security & workforce access

Women's income security and workforce access are fundamental to their lifetime wellbeing and safety. Now is the time to restore women's jobs, create more secure work, and rebuild women's incomes and assets after depletion during the pandemic. Decent incomes for women allow individuals and families to flourish, support economic participation, and provide stimulus for the entire community.

Women have faced two years of heavy jobs/hours loss and vast unpaid work. From May to October 2021, 68% of jobs lost were held by women; most were part-time. Young women are particularly affected by job loss. Pandemic impacts aside, women have a higher underemployment rate than men, and comprise many of the 'hidden' unemployed; i.e. those who want paid work but face barriers such as a lack of affordable and accessible childcare.

We welcome the 2020 Women's Economic Security Statement and the 2021-22 budget measures to build women's economic equity, including funding to improve childcare affordability. In 2022-23, women require expanded investment in their financial futures to address the impacts of the pandemic and pre-existing insecurities. The Australian Government has the power to transform women's economic equity.

Deliver quality job support services tailored to women

Women must be supported into decent, secure jobs over the next 12-24 months to avoid long-term unemployment and the physical and mental health effects of cycling between insecure jobs. Government can **fund quality job support services, delivered through community sector partnerships, to bolster women's long-term financial security and wellbeing.**

Good Shepherd/Roy Morgan research shows 40% of employed Australians experienced negative employment changes during the pandemic, especially job or hours loss. Women, migrants and young people are most affected. The impact of employment changes extends beyond finances and into family relationships, housing and mental health, making it vital for job programs to offer holistic services that support the needs of the whole person in becoming 'job ready'.

Job support for women should include a focus on young people at risk of job scarring (i.e. life-long impacts on pay, career progression and employment) and women who are 15-20 years from retirement and need to (re)build superannuation. A women's job support program would also assist women who have not been able to participate in or sustain paid work due to family violence, or whose self-confidence and financial resources have been impaired. The program would also provide post-employment support to sustain women's connection to paid work.

Women who previously enjoyed financial stability may have a particular need for job support during the COVID recovery. Good Shepherd/Roy Morgan research shows less than a fifth of people who experienced negative employment changes during the pandemic had faced financial difficulties pre-pandemic. This newly vulnerable group can benefit from navigation services, being less familiar with the support available during periods of unemployment.

Fund a small business kickstart & recovery program

Government can further rebuild women's incomes by **investing \$9.0m over two years in a program that supports the creation or recovery of around 1000 women-led small businesses.**

Women are under-represented among small business owners at 35%, and are particularly exposed during the pandemic as they typically operate businesses with less capital, often in hard-hit industries such as personal services. Good Shepherd/Roy Morgan research shows Australian small businesses are vulnerable: 50% of self-employed workers and 41% of workers in very small businesses (2-9 employees) experienced negative work changes, such as business slowing or stopping completely, between October 2020 and June 2021.

To build viable small businesses and genuine financial security, women require tailored, accessible advice on business planning, investment and superannuation, especially when transitioning from waged employment or dealing with the financial impacts of job loss, relationship separation or family violence. Specialist coaching and advice also helps women get what they need from small business ownership. Women tend to have unique motivations for self-employment, with work-life balance and caring responsibilities having a greater influence on entrepreneurial activity by women, along with career progression barriers in workplaces.

Good Shepherd's specialist small business/microenterprise programs are attuned to women's financial needs. Personalised advice at the early stages of business development builds strong foundations and increases the chance of business survival and success. LaunchMe programs in Victoria and South Australia, and the South Australia Small Business Recovery Program, have achieved excellent results to date by supporting business continuity, recovery and revitalisation, and could be adapted and expanded nationally. The LaunchMe programs in bushfire-impacted communities in East Gippsland and North-East Victoria, as well as the Small Business Recovery Program in South Australia, mobilised quickly to assist at-risk small businesses, providing tailored coaching and recovery plans, referrals to Good Shepherd services and external services, and financial grants to promote business goals and resilience. A national program would offer similar benefits, along with:

- ongoing brokerage and mentoring to help women create viable, long-term businesses
- linkages to programs such as the NDIS and My Aged Care. Women comprise the majority of workers in these areas and could be supported to build their own businesses in the sector
- opportunities to deliver *place-based* small business programs that would help alleviate disadvantage in targeted communities, and leverage Good Shepherd community connections around Australia.

Specialist small business support: the SA Small Business Recovery Program

"Good Shepherd has been a godsend to our small business. Sometimes when you're just the little guy running a small business, it's hard to know where to turn. Our coach actively listened to our concerns, and asked all the right probing questions to learn about our business to best place how she could help us. Our coach was really creative and thoughtful to tailor solutions to our needs. Good Shepherd have such solid networks that we were offered so many solutions, and it was really lovely that our coach asked about our mental health and how we were coping. Not many organisations do that and just focus on the bottom line, or fixing issues. We have had time with a business coach to help lift our profit from 3.3% and pay us a wage. We cannot thank Good Shepherd enough for being there for us. Like really being there and not just saying it."

Train skilled women for the net zero economy

Australia is on the path to a net zero economy, and must rapidly reduce carbon emissions by 2030 to ensure the survival of our life support systems. Government's plans for a net zero economy can support and create jobs for women. The net zero economy will reinforce gendered workforce segregation and pay gaps if it largely focuses on male-dominated workforces and misses emerging opportunities for women and girls.

Working with the States and Territories, there is an urgent need to **develop and fund a strategy that analyses the benefits of the net zero economy for women, identifies job opportunities in new and growing sectors, and provides supportive education, training and finance.**

Over the coming years and decades, jobs will be created by megatrends such as decentralised, renewable energy; the growth of energy efficiency; the rise of the circular economy; 'nearshoring' and reshoring the production of goods such as clothing to create more sustainable supply chains; and transformations in food supply and security due to changing consumer diets and climate risks.

Accessible and affordable vocational education and training will be an important pathway to new jobs and industries, especially for women on low and middle incomes. Government can also investigate joint initiatives with industry members to support inclusive employment pathways, and can adopt a strong gender equity focus in community-level economic transitions, such as in regional Queensland and Victoria's Latrobe Valley.

Invest in childcare and parental leave to unlock work opportunities

Investments in women's jobs need to be accompanied by childcare and parental leave initiatives that enable women to enter the workforce, sustain connections to work, and achieve a meaningful level of employment that matches their skills and aspirations. This is crucial for women's lifetime economic security, and boosts family incomes and economic stimulus.

It is time for the Australian Government to **map a trajectory towards a free, universal childcare system that includes higher subsidies, removes disincentives to work, and builds a well-qualified, well-paid workforce** that can meet additional demand. Government can build on good first steps in the 2021-22 budget to ensure all women—especially those on low and middle incomes—can access affordable care.

Unaffordable or inaccessible childcare is the biggest barrier to women engaging with meaningful employment and working the hours they need. Childcare costs are such a stretch that women are now being offered debt products to pay for childcare fees.

Australian families are looking for a better way of combining work and parenting. The experiment with free childcare was highly successful during 2020: 82% of Victorian working parents would access childcare if offered for free in future. While childcare benefits the whole family, it is particularly beneficial for women: 61% of women say free childcare would have a very positive impact on their career progression (vs 48% of men) and 58% of women say free childcare had a very positive impact on their work performance during 2020 (vs 48% of men).

To further sustain women's connections to paid work and boost family incomes and stimulus, Government can **offer Australian parents 26 weeks of Paid Parental Leave (the minimum best-practice level) and reform leave allocations so that leave is shared in two-parent households** and women do not become the secondary earner by default. As the Grattan Institute notes, Government should give single parents the full 26-week entitlement in recognition of the financial and emotional challenges of sole parenting.

Raise JobSeeker & Disability Support payment rates

Women's income security is not only about meaningful employment, but adequate incomes during life stages when paid work is not possible or is insufficient to live on. This includes when studying and looking for work; caring for children and others; and not working due to age or disability. To build income security for women, Government can **lift the JobSeeker payment from \$45 to at least \$69 a day to bring it into line with the Age Pension, and increase the Disability Support Pension (DSP) to a safe and dignified level**.

Punishingly low JobSeeker levels disproportionately affect women, including sole parents with primary school-aged children, older women shut out of the Age Pension, women with disabilities barred from the DSP, and women escaping violence. Concentrating women on JobSeeker—the lowest unemployment payment in the OECD—is driving and compounding women's poverty.

The future can be different. The excellent COVID income support supplement showed we can quickly and dramatically reduce poverty, with poverty rates among JobSeeker and Youth Allowance recipients almost eliminated, from around 67% to just under 7%. Higher payments, and mutual obligations suspension, helped people into work: many could devote time to re-engaging with the workforce, and were freed to do things that boost employment prospects, like study, properly looking for work, or buying tools for work. Higher payments also better allowed care of children and older parents. Mental health was transformed as people could turn their attention from day-to-day survival and work towards a financially secure future.

Australians expect and value a social security system that protects them from the randomness of job loss, health and disability needs, and supports them to care for others.



**Our vision is that
all women, girls
and families are
safe, well, strong
and connected.**

