



Australian Government

# Greater Choice for Australian Women

WOMEN'S ECONOMIC  
SECURITY STATEMENT

2018

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Women's Economic Security Statement 2018

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# Foreword

The progress of women in Australia over the past few decades has been truly remarkable.

Australian women have benefitted from a growing economy that creates jobs and careers, an education system that nurtures talent and ability, and a society that genuinely strives for equality of opportunity.

We now have so many more women serving at senior levels in business, in the professions and in government to highlight just a few. However, women are still not represented at all levels, in all sectors, or in equal numbers to men. There is still more work to be done to ensure that all women, whether in rural and regional communities, or in metropolitan centres, can fulfil their full potential.

Financial security, resilience and empowerment give women real opportunities and choices about their lives and those of their families.

When women do well, their families do well, and our economy and nation prospers.

That is why I have initiated, and am delivering, the first Women's Economic Security Statement – to shine a floodlight on the barriers that might limit women building their financial security and focus on practical measures to help change that.



## Women's Economic Security Statement 2018

The measures that form the Women's Economic Security Statement are important steps along our ongoing journey as a nation to gender equality.

Gender equality isn't about pitting girls against boys, or women against men – we want everyone to do well. Gender equality is recognising that girls and women deserve an equal stake in our society and our economy.

The new measures outlined in the Women's Economic Security Statement build on the success we have had to date in removing barriers for women's economic participation. The Statement also builds on the important work that we continue to undertake, in conjunction with the states and territories, to help reduce domestic violence.

The new initiatives and funding contained in this Statement target key areas that promote greater choice for Australian women by boosting their education and skills; increasing their financial literacy and empowerment; helping them get a job or return to work; helping them to establish and grow their businesses; working with the private sector to close the 'flexibility gap' and gender pay gap; and importantly, helping improve their economic recovery if critical life changing events, such as separation or domestic violence, occur.



### **The Hon Kelly O'Dwyer MP**

Minister for Jobs and Industrial Relations

Minister for Women

Federal Member for Higgins

20 November 2018

# **The Women's Economic Security Package (\$109 million over four years)**

## **Building on strong foundations**

The Women's Economic Security Package is built around three pillars:

- Workforce participation
- Earning potential
- Economic independence

## **Measures to increase women's workforce participation (\$54.8 million over four years):**

- reinstating the Time Use Survey, a contemporary evidence base to measure women's economic security
- improvements to Workplace Gender Equality Agency systems to enhance Australia's gender equality data and reduce the cost of reporting for business
- establishing the Reducing Barriers to Work Forum
- increasing flexibility in the Parental Leave Pay system and extending access through changes to the work test
- supporting regional employers through the Career Revive initiative to develop action plans for their business to attract and retain women returning to work after a career break
- providing scholarships for women in economics and finance through the Women's Leadership and Development Program

## **Measures to support women's economic independence (\$35.6 million over four years):**

- providing Specialist Domestic Violence Units and Health Justice Partnerships, including for financial support services
- extending early release of superannuation for victims of domestic and family violence

- expanding the No Interest Loan Scheme run by Good Shepherd Microfinance to women experiencing family and domestic violence
- funding legal assistance to ensure victims of family violence are protected from direct cross-examination by their perpetrators in family law matters
- improving the visibility of superannuation assets in family law proceedings
- providing family law property mediation
- establishing a new Small Claims Property pilots program

### **Measures to improve women's earning potential (\$18.6 million over four years):**

- an expansion of the Curious Minds program
- establishing a Future Female Entrepreneurs program in partnership with the private sector
- creating a new grants program, Boosting Female Founders, to ensure women can access the finance they need to achieve their entrepreneurial goals



# **Increasing Workforce Participation**

# The Challenge

Australian women are benefitting from the Government's strong record of jobs creation. More than 1.1 million jobs have been created since 2013 with the majority being full-time. Importantly, the majority of these jobs have been taken up by women.

There are more women in work than ever before.

Female full-time employment is now also at a record high of 3,214,100.

However, women are still less likely to be in the workforce than men, spend longer outside the workforce and work part-time at more than twice the rate of men.

Increasing opportunities for workforce participation will help build women's financial security and independence. It will give women more choice about how they live their lives and make decisions about their family priorities, no matter their age or where they live. Importantly, growing women's workforce participation also helps to grow the Australian economy.

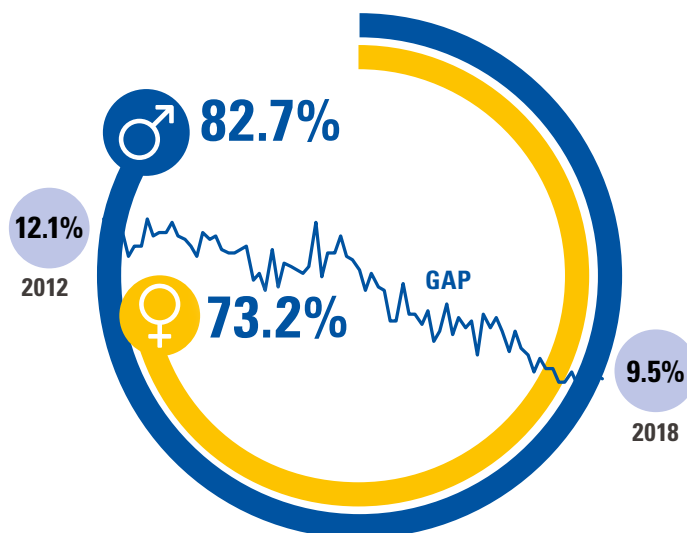
## Our G20 Workforce Participation Target

The 2014 G20 meeting in Brisbane saw leaders from G20 countries agree to reduce the gender participation gap between working aged men and women (aged 15–64 years) by 25 per cent by 2025.

For Australia, this meant decreasing the gap by three percentage points from 12.1 (the 2012 starting point) to 9.1 percentage points by 2025. With the gap currently at 9.5 percentage points, we are well on our way to meeting this target.

At present 73.2 per cent of women aged between 15 and 64 are in the labour force, compared to 82.7 per cent of men.

### Progress towards G20 workforce participation target



**WE ARE CLOSING THE GAP**  
between men and women's  
workforce participation to meet our  
**G20 TOWARDS 2025 TARGET.**

Source: ABS cat. no. 6202.0, Labour Force, Australia, October 2018.

## Employment services

The Government's mainstream employment service, **jobactive**, helps job seekers move from welfare into work. It gives job seekers support to secure and stay in work, taking into account their individual circumstances.

- Since its introduction in July 2015, jobactive has helped over 863,000 women.
- jobactive includes a **Parents Wage Subsidy** of up to \$6,500 per individual job placement which is targeted to help parents secure paid work, the majority of whom are women.
- Women also benefit from other wage subsidies that encourage employers to hire, train and retrain long-term unemployed job seekers and people who are at risk of becoming unemployed. In particular, employers of Indigenous women, young women (under **Youth Bonus**) and mature age women (under **Restart**) may be eligible for a wage subsidy of up to \$10,000.

### Helping young women into the workforce

The Government's **Transition to Work** program helps young people aged 15-21 years engage in further education or skills training so that they can find work. Transition to Work providers help young people develop practical skills to get a job, connect with education or training, find and complete work experience placements, find job opportunities in their local area, and connect with relevant local community services.

- Between 1 February 2016 and 31 October 2018, more than 27,100 young women have commenced in Transition to Work and 8,637 women have secured a job following their participation in the service.

The Government has invested \$820.9 million over four years from 2018–19 to help young job seekers under 25 years to move off welfare and into work through **Youth Jobs Path (Prepare, Trial, Hire)**. Youth Jobs PaTH creates opportunities for young Australians to improve their job readiness, gain valuable work experience and get a job.

It also helps Australian businesses with their recruitment needs by connecting them with young people who are looking for work.

As at 31 October 2018, around 22,160 young women participated in at least one element of Youth Jobs PaTH with around 63 per cent getting a job.

## **CASE STUDY**

### **Getting more women into trades through Youth Jobs PaTH**

Janaya Paul, a young Indigenous woman from the Gold Coast, got a job as an apprentice mechanic with the help of the Youth Jobs PaTH program.

Janaya undertook Employability Skills Training before commencing an internship at Gullwings Mechanics.

The co-owners of Gullwings were very happy with the way the PaTH program helped them find and hire Janaya. They didn't hesitate to offer Janaya an apprenticeship after her internship and noted that in the past they'd found recruiting staff quite a challenging exercise.

According to *Australian Jobs 2018*, there were 109,900 motor mechanics employed around Australia in November 2017, and only one per cent were female.

But Janaya said women should be encouraged to pursue a career as a mechanic if it's what interests them. "Being a female in a male-dominated industry, it can be daunting and overwhelming at the start. But go get it. It's the best decision I've made, and everyone's accommodating," she said.



## Obtaining a job or returning to work

The Government is investing \$351 million over the next four years to expand the **ParentsNext** program nationally. ParentsNext provides pre-employment support to eligible parents of young children who are on income support to help them build confidence, pursue education or skills training, overcome social isolation and proactively plan for employment, including a return to the workforce.

- The national expansion, which started on 1 July 2018, will help around 68,000 parents each year to plan and prepare for employment by the time their child starts school. Of these parents, approximately 96 per cent will be women. Approximately 10,000 parents will be Indigenous.
- The ParentsNext 2016–2018 Evaluation Report shows participating in the program generally improved participants' attitude to work, wellbeing, and chances in engaging in employment and study or training, creating positive role models for their families.

## Helping rural and regional women return to work

To support women in regional areas get back into employment, the Government will provide regional employers with professional assistance to review their business and identify and remove the barriers preventing them from attracting and retaining women returning to work after a career break. It will also find women who are looking to return to work and support them in that process. Starting as a pilot in regional Australia, the **Career Revive** initiative will initially partner with 30 medium-to-large regional employers and learnings from the pilot will inform further measures to support women's workforce participation in regional areas.

The Career Revive initiative will also deliver an employer toolkit that will provide best practice, practical resources and learnings that will be available to all business.

## Creating your own job

The Government recognises that self-employment can provide an alternative pathway for people to get a job.

- Since 1 July 2015, more than 19,900 people have started a small business with the **New Enterprise Incentive Scheme** (NEIS) across Australia. Of these, 10,027 (50 per cent) have been women. The NEIS provides mentors to help with business plans, coaching and trouble shooting.
- The Government is supporting more people in regional Australia to get into self-employment and establish a small business. We will deliver roadshows across rural and regional Australia to help link budding entrepreneurs to Government-funded services, financial support and tools to help small businesses in reaching their full potential.

### CASE STUDY

#### Building a business

For Martina Sill, participating in NEIS has meant financial independence for her and her son, something she might not have believed possible when she was an early school leaver who wasn't able to live at home. New Business Assistance with NEIS helped Martina enrol in a Certificate IV in Small Business Management.

Her business, Backstage Beauty, has now been operating more than four years and Martina and her business recently won a 'Bride's Choice' award in the Sunshine Coast region.

"The most helpful part of NEIS was the business mentor. I think it's very easy to give up on a business when you're really struggling," Martina said. "But to have that business mentor there to help you and support you and build up your confidence really helped."

"Now... I've got a team of 12 girls and we do over 150 weddings a year."



The Government's three **Entrepreneurship Facilitators** have provided mentoring and assistance to 23,211 people since they started in December 2016. Of these, 1,130 received comprehensive assistance (one-on-one or small group support). Women account for 56 per cent of people receiving the comprehensive element of one-on-one or small group support.

Recognising the success of this program, from 2019, the Government will introduce an additional 20 Entrepreneurship Facilitators across Australia to empower more people to pursue their business aspiration.

## **CASE STUDY**

### **Empowering women through self-employment**

Maryjane Gibbs was a single mum from Albany, Western Australia, going through a period of unemployment when she came to NEIS. The assistance she received through the NEIS program gave Maryjane the confidence and support she needed to pursue her business idea – beeswax food wrappings as a sustainable alternative to single-use plastic kitchen waste.

Maryjane is now a small business owner and employer of a small team. Her success in establishing her business, Waxiwraps, was recently acknowledged as the Best New Business 2018 at the National NEIS Awards.

"Anyone with a good business idea can have a go and potentially succeed once the viability of the idea has been tested and a business plan has been put in place," she said.



## Helping older women into the workforce

Under the **More Choices for a Longer Life** package, the Government is investing \$189.7 million on a range of jobs and skills measures to help mature age Australians, including women, to find the right job, stay in the workforce, have flexibility in their later working years and retire with security. These measures include:

- Trialling a new **Skills and Training Incentive** to encourage lifelong learning and help workers aged 45–70 years to gain new skills for future workforce opportunities. It complements the introduction of **Skills Checkpoint for Older Workers** to help people assess their current skills.
- Expanding the **Career Transition Assistance** program nationally a year earlier so mature age job seekers can benefit sooner from guidance and training to be competitive in their local jobs market. The national rollout from 1 July 2019 will be extended to 45 to 49-year-olds, beyond the current age bracket of 50 and over.
- Expanding the **Entrepreneurship Facilitators** initiative by adding a further 20 facilitators to support areas of high mature age unemployment impacted by structural adjustment by encouraging entrepreneurship and self-employment.
- Providing an online self-assessment **Skills Transferability Tool** to assist workers to find jobs that closely match their skills, knowledge and attributes.
- A range of targeted assistance under the **Job Change** initiatives to increase the re-employment rate of mature age retrenched workers including early access to support through the Government's employment services program and hosting Job Fairs in regions undergoing significant structural change to help match workers to employment opportunities.
- Working with industry, via a **Collaborative Partnership on Mature Age Employment**, to drive cultural change in hiring practices, combat

age discrimination in workplaces and equip managers and business owners to work with an ageing workforce.

- A new funding arrangement for wage subsidies, including the **Restart Wage Subsidy** which offers up to \$10,000 for hiring those aged 50 years and over, to ensure that employers continue to receive financial incentives to hire disadvantaged job seekers.
- Increasing the amount that can be earned under the **Pension Work Bonus** to \$300 per fortnight and extending eligibility to the self-employed.

## **Better child care arrangements**

Families must be free to make decisions about the arrangements that make sense for them. But it is hard to work, whether full-time or part-time, if you don't have access to affordable, reliable and flexible child care.

In 2018–19 the Government is investing a record amount of funding totalling \$8.3 billion into the new child care system. Over the next few years, the Government's Child Care Subsidy expenditure will reach around \$10 billion a year. The new Child Care Package includes a Child Care Safety Net which aims to give the most vulnerable children a strong start, while supporting parents to work.

The majority of Australian families balancing work and parenting responsibilities benefit from the new child care package. Most families (those earning \$186,958 or less) no longer have an annual cap on the amount of Child Care Subsidy they can receive, and families earning more than \$186,958 and less than \$351,248 benefit from an increased annual cap of \$10,190 per year per child. The package also includes a number of other mechanisms to help reduce child care costs for parents, recognising this is a key factor in families' decisions to increase their workforce participation.

## **CASE STUDY**

### **Parents returning to work**

Eve and David Lee have two children aged two and three.

David works full-time, while Eve works part-time three days a week. Their combined family income is \$94,000 per year. Eve has only recently returned to work after taking some time off to look after their younger child. She is enjoying being back in the workforce and the personal interaction she has with her clients and colleagues.

The Lees take both their children to a centre based day care service for three days a week. They use the centre based day care service on Tuesdays, Wednesdays and Thursdays each week and are charged \$100 per day per child.

Under the new child care package, the subsidy that families are entitled to is calculated by using three key factors: combined family income per year; activity levels of parents including work, education and training; and the type of child care service that is being used.

Based on their combined family income of \$94,000 per year and their workforce activity, the Lees will be around \$2,600 better off under the Government's new child care package.

## Measuring progress and helping close the gender pay gap

The Workplace Gender Equality Agency (WGEA) measures and reports the gender pay gap for non-public sector organisations with 100 or more employees. By reporting progress we can encourage more employers to close their gender pay gap.

We are investing in a new system to make workplace gender reporting easier.

The Government is providing \$8 million to WGEA to upgrade its reporting and data management system to improve reporting on Australia's workplace gender equality.

The upgrade will enable voluntary reporting, and streamline the reporting process, reducing the time and cost to business of reporting to WGEA.

This new technology will strengthen WGEA's work with employers to promote and further improve gender equality in our workplaces, which will in turn help to grow the Australian economy.

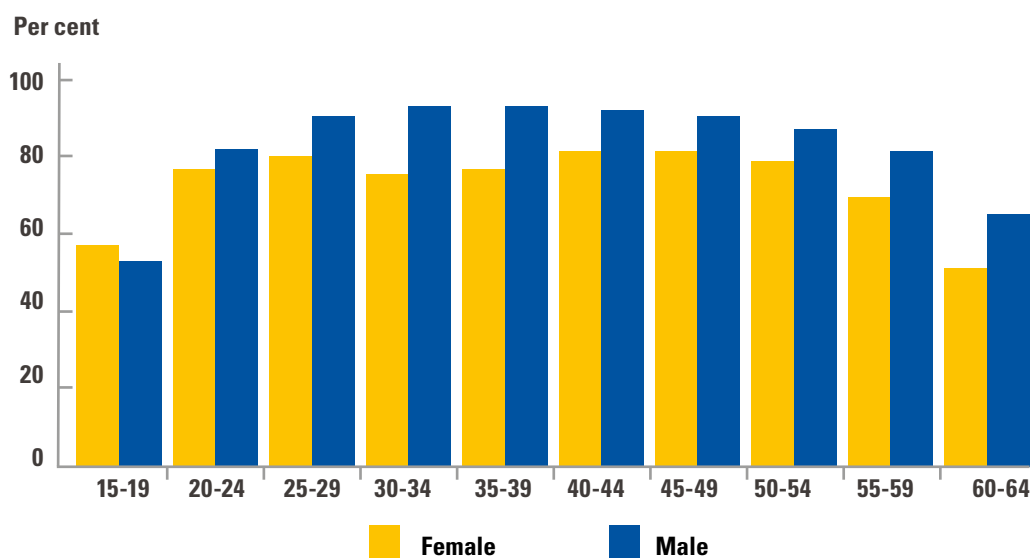
The upgraded system will enable public sector employers to voluntarily report on their pay gaps for the first time, potentially increasing the size of WGEA's dataset to around 75 per cent of Australian employees, up from the current 40 per cent.

Data analysis will enable businesses, not-for-profits as well as the public sector to take direct action to address gender equality in their workplace.

The WGEA Employer of Choice for Gender Equality Citation commenced in 2014. The Citation provides important public recognition and promotion of employers' commitments to achieving gender equality in their workplaces.



### Workforce participation by age and sex



Time out of the workforce to care for children affects women’s pattern of workforce participation.

ABS cat. no. 6291.0.55.001, Labour Force, Australia, Detailed - Electronic Delivery, September 2018, original data, 12 month average.

## **Reducing Barriers to Work Forum**

Whilst access to affordable, flexible and reliable child care can be one of the biggest barriers to workforce participation, there are others - which is why the Minister for Women will host the Reducing Barriers to Work Forum. This national forum will bring together leaders from business, both big and small; key employer networks; innovative employment, career and recruitment service providers; and relevant not-for-profit organisations to seek better pathways to employment, workforce participation, flexibility and closing the gender pay gap.

The forum will focus on:

- finding ways to close the 'flexibility gap' where only 18 per cent of working men work part-time or flexibly, compared with 46 per cent of women;
- developing practical measures to help more women transition back into work following career breaks;
- encouraging more Australian employers to embrace flexible working arrangements that recognise family circumstances which, in turn, will unlock the skills and experience they need;
- looking at practical measures to help close the gender pay gap; and
- highlighting workplace exemplars.

## **CASE STUDY**

### **Fathers and mothers working flexibly, Peter Kennedy, EY Assurance, Brisbane**

It is very important for Peter to integrate work and family life together, which allows him to be a better father to his three young children and to support his wife's flourishing career too. Having the flexibility to work from home allows him the freedom to share the responsibility of picking up the children while also being able to travel for work to meet client demands. One day he may be flying to Perth to meet a client to discuss critical health and safety risk management, while the next he will be picking his daughters up from day care or dropping them off to swimming lessons on a Friday morning. Flexible working arrangements are important for men and women in order to balance work and family life. Allowing men to work flexibly reduces the load on women in terms of home life and caring responsibilities, and helps families make choices that are right for them.

## **Scholarships for women in economics and finance**

There is a 26.4 per cent gender pay gap in financial and insurance services – the largest gap of all industries – and poor career progression is a contributing factor. Women studying accounting and finance and those working in economics related fields will be able to access scholarships, internships and other work experience opportunities to support their career development, including for women re-entering the workforce. Funded through the Women's Leadership and Development Program, these scholarships will help create a talent pool and pipeline for diversity in business leadership for the future.

## Parental Leave Pay Flexibility

Currently each year around 2,300 people access only a portion of their Government-funded Parental Leave Pay (PLP) before returning to work. The Government will support women's choice by allowing PLP to be accessed more flexibly. The new policy would apply to all parents of children born and adopted on or after 1 July 2020. Flexibility would be added by:

- allowing families to split their PLP period into blocks of leave, with an initial minimum 12 week period to be taken within the first 12 months
- allowing the remaining PLP (up to 6 weeks) to be taken at a later time, within two years of the birth or adoption.

This change reflects both working demands and personal preference supporting women and their families. It will be particularly beneficial to the increasing number of women who may be running their own business.

## CASE STUDY

### Getting more women into mining with St Barbara Ltd

Mining is a highly gender segregated industry. Australian mining company St Barbara Ltd recognised this and has worked to challenge perceptions of mining as a 'man's domain', breaking down barriers to women's participation and creating a pipeline of qualified women to fill professional and technical roles. They have also worked to retain valuable employees who would have otherwise left the workforce entirely.

St Barbara supported a local Indigenous woman to complete her boilermaker's apprenticeship by helping with the costs of accommodation and travel for her and her family after she became pregnant. The young mother became a valued team member and mentor to two other Indigenous apprentices and is now working towards her goal of becoming a TAFE instructor and encouraging more women to learn trades.

## Extending Access to Parental Leave Pay

The work test will be amended for Government-funded Parental Leave Pay (PLP) to allow more women to qualify. Currently to qualify for PLP, a parent must have worked a minimum of 330 hours in 10 of the 13 months prior to the birth, with no more than an 8 week break between two working days. We will extend the break between working days from 8 to 12 weeks and allow women to move their work test period if they have had to stop work early due to a workplace hazard. The changes will apply to parents of children born or adopted on or after 1 January 2020.

## Keeping more of the money you earn

The Government has delivered income tax relief for hard-working Australian families by legislating its Personal Income Tax Plan.

In 2015–16, about 86 per cent of women had a taxable income of \$90,000 or less and that is where the tax relief is focused. The low and middle income tax offset will assist over 10 million taxpayers, with around 4.4 million Australians receiving the full \$530 benefit for 2018–19.

Under the plan, around 94 per cent of taxpayers are projected to face a marginal tax rate of 32.5 per cent or less in 2024–25.

## Enterprising Women

The Government is also ensuring millions of small and medium-sized businesses across Australia will pay less tax, with new laws **fast-tracking small and medium business tax relief**. This means businesses will keep more of their own money – that's money they can invest back into their business, to create jobs, to boost their productivity and grow.

From 2021-22, a business with a turnover below \$50 million will have a tax rate of just 25 per cent, five years earlier than planned. Similar timing changes will also apply to the roll out of the 16 per cent tax discount for unincorporated businesses.

With approximately 700,000 female business operators in Australia, our plan to fast-track tax relief for small and medium Australian businesses will support those women, and the people they employ.

### **Restore and enhance the ABS Time Use Survey**

The Australian Bureau of Statistics (ABS) Time Use Survey will collect high-quality data on how we spend our time. Our lives have changed a lot since the last Survey was conducted by the Government more than 10 years ago and the way we work, and the technology we use, has also changed. New markets for products and services have been created and expanded by our export agreements with China, Japan and South Korea as well as our closer economic engagement with India, Indonesia and Singapore. Digital technology allows access to markets around the world creating employment and business opportunities.

The ABS Time Use Survey will help the Government design policies to fit the way people actually live their lives. It will also ensure better service delivery from Government departments. The Time Use Survey will also provide useful de-identified data that can prompt business to solve some of the challenges we face day-to-day, creating new employment opportunities. A new eDiary approach will make it easier for survey participants to record their information, and make the results more timely and more accurate.

It will also help us understand the economic value of unpaid work, including care work, a key factor in the workforce participation gap.



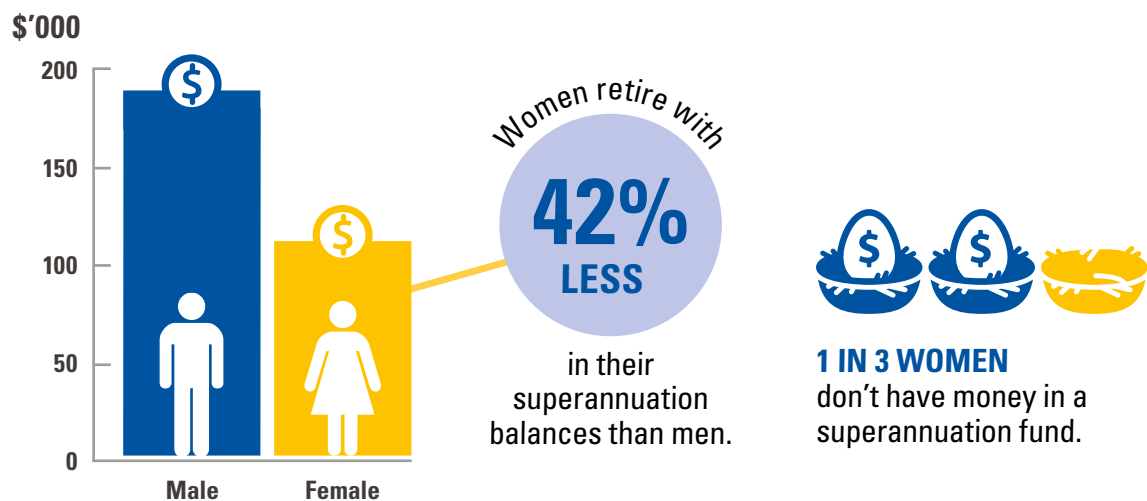
# **Building Financial Security, Resilience and Independence**

# The Challenge

Notwithstanding Australia's recent success in improving gender equity, the economic gap between Australian men and women remains considerable. Without action, the gap is unlikely to shift on its own. By bridging this gap, we can ensure that women and their families have choices and we can help to grow the Australian economy.

The gender pay gap, prevalence of part-time work, and time out of the workforce due to caring responsibilities means that **women retire with 42 per cent lower superannuation balances than men**. The significance of this gap is amplified by the fact that women, on average, live longer than men and therefore need their retirement savings to stretch further. Whilst we have a strong, sound, social safety net, women don't want to have to rely on the pension.

## Superannuation

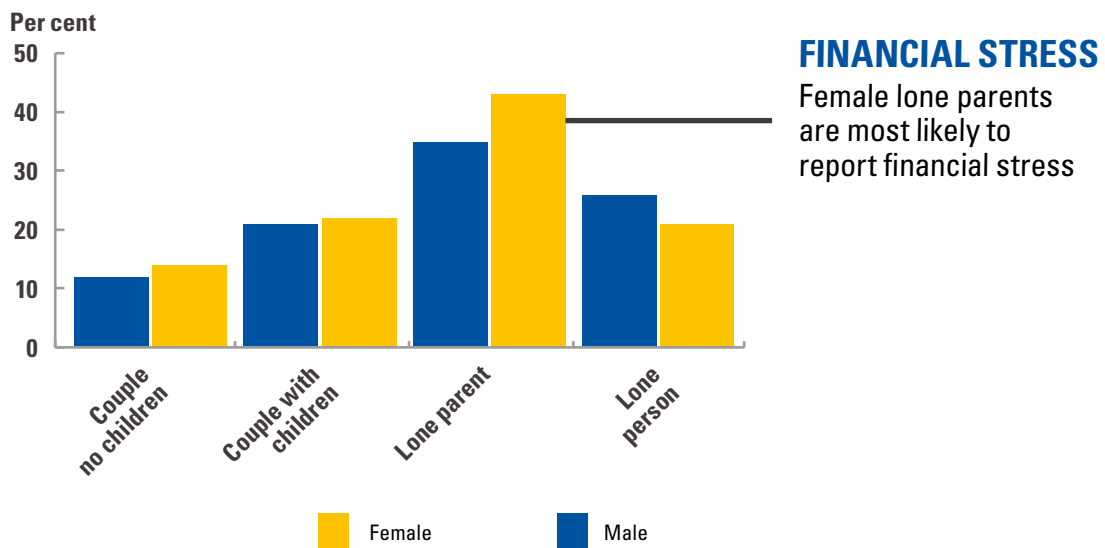


Source: ABS cat. no. 6523, Household Income and Wealth, 2015-16, median superannuation balances of persons aged 55-64.

The issue is made all the more difficult by a superannuation system that is not working as well as it should for the most important participants—the members. As the Productivity Commission's May 2018 draft report on the superannuation system makes clear, the system is operating as 'an unlucky lottery', with multiple accounts, high fees and expensive insurance policies conspiring to potentially reduce members' balances by more than \$200,000 by retirement. Given their on average lower balances, these issues are of particular concern for women.

It isn't surprising then that Household, Income and Labour Dynamics in Australia (HILDA) survey data reveals that the proportion of women reporting financial stress was higher than for men in all age groups in 2016. Female lone parents were the most likely to report financial stress.

**Experience of at least one indicator of financial stress**



Note and Source: Derived from HILDA release 16, for selected household types. Indicators of financial stress include an inability to pay bills or afford essential services, requiring financial assistance from others and selling assets due to a shortage of money.



This financial stress is increased when family relationships break down. After separation or divorce, women experience far more significant drops in household disposable income than men. Disputes over family assets and failure to resolve these disputes in a timely manner hurts families and in particular women who often end up finding it harder to rebuild their lives – particularly if they have had time out of the workforce to care for children or will continue to have primary caring responsibility for children.

Stronger economically resilient women make for stronger families and communities. The Government is supporting women in building financial security and independence by changing some of the key structural barriers that exist in superannuation to help women save more for their retirement and by ensuring that if they suffer significant economic harm from life changing events, there are tools and support available to put them back on track.

# Practical Action

## Superannuation

The measures in the Women's Economic Security Statement complement existing Government reforms that are already before the Parliament, and build on the Government's proud record of introducing real, tangible measures to help build women's retirement savings.

### CASE STUDY

#### **Samantha and Georgina—High fees and insurance premiums**

Samantha commences full-time work aged 21, earning \$50,000 a year. Samantha's twin sister Georgina also commences full-time work aged 21, earning \$36,000 a year.

Samantha's fund charges her 0.5 per cent higher fees than her sister's fund. Georgina's fund includes life, Total Permanent Disability (TPD) and income protection insurance cover by default and continues to deduct premiums while Georgina is taking time out of the workforce.

Upon reaching retirement, Samantha's high-fee charging fund has reduced her retirement balance by \$100,000 compared with a fund that charged 0.5 per cent less in fees.

Georgina's retirement savings are reduced by \$125,000 due to her paying expensive insurance premiums on multiple accounts, including when she was out of the workforce.

## 'Protecting Your Super'—fee and insurance protections

The Government's Protecting Your Super Package will impose a 3 per cent cap on certain fees charged on low-balance superannuation accounts, ban exit fees on all accounts and make insurance 'opt-in' by default for low-balance accounts, inactive accounts, and accounts of new members aged under 25. Based on the most recent data, **around 2 million women** who hold low-balance, inactive accounts and **around 1.6 million women** who are still contributing to low balance accounts will be protected from erosion through excessive fees and inappropriate insurance premiums as a result of the Government's Protecting Your Super package.

### CASE STUDY

#### Rachel—Multiple accounts

Rachel starts her working life with a part-time job, with a starting salary of \$24,000. Over the course of her life, Rachel ends up working four jobs, with her superannuation contributions paid to an account set up through her employer's default superannuation fund each time, leaving her with four different accounts.

Rachel pays fees and insurance premiums on each account, gradually eroding her inactive accounts and giving her a balance at retirement of \$397,000.

Under the measures provided by the Government's Protecting Your Super Package, including the account unification measure, Rachel would have a retirement balance of \$454,000 – around \$57,000 more than what it would be under current settings.



## **‘Protecting Your Super’—reuniting your super**

The Productivity Commission noted in its recent report on superannuation that around one third of all accounts are unintended multiples costing Australians around \$2.6 billion a year.

The Government will proactively reunite Australians with their lost and low-balance inactive superannuation accounts. The accounts will be transferred to the Australian Taxation Office (ATO) after 13 months of inactivity and then automatically sent to a person’s active account.

Around **1.3 million women** will have their savings boosted by around **\$2.5 billion** in the 2019–20 year alone due to the Government’s Protecting Your Super package.

## CASE STUDY

### Katie—Reuniting lost and inactive super accounts

Katie is 40 years old and has decided to return to the workforce part-time, earning \$30,000 a year. Katie has three superannuation accounts from previous jobs which she has never got around to consolidating.

Katie nominates her most recent superannuation account to receive her new employer contributions. Her two other accounts have balances of \$3,500 and \$5,000 and have not received a contribution for more than 13 months.

As a result of the Government's Protecting Your Super package, Katie's two inactive superannuation accounts are transferred to the ATO by their respective funds without charge (since exit fees will also be banned as part of the package). The ATO then consolidates these balances into Katie's active superannuation account.

Without these reforms, Katie's two inactive super account balances would be eroded by fees and insurance. Thanks to the reforms, Katie will have an additional \$24,500 when she retires.

## Low Income Superannuation Tax Offset (LISTO)

The Government has ensured individuals don't pay more in tax on their super contributions than they would otherwise pay on their take-home pay through the LISTO. This benefits around 3 million people, including around **1.9 million women** who **save around \$500 million per year**.

## CASE STUDY

### Emily—LISTO

In the 2018–19 year, Emily worked part-time as a nurse and earned \$35,000. By law, 9.5 per cent of her wage must be put into superannuation and as such superannuation contributions totalling \$3,325 were made. Emily did not make any further superannuation contributions.

Given her income, Emily is eligible for the LISTO and receives \$498.75 into her superannuation account to ensure she does not pay more tax on her superannuation contributions than she does on her take-home pay.

## Catch-up contributions

Many women miss out on superannuation contributions if they have time out of the workforce. The Government wants to make it easier for these women to contribute when they return to work if they have the financial capacity to do so.

**The Government has enabled the roll-over for five years of unused concessional cap amounts** for individuals with superannuation balances of \$500,000 or less, so they can make 'catch-up contributions'. Around **230,000** people, in particular those with interrupted work patterns or irregular income will benefit from the change.

## Superannuation that works for everyone

**The Government has abolished the restriction on who can make personal deductible contributions so that now anyone can make deductible contributions regardless of how they are employed.**

Previously these sorts of contributions were not available to individuals earning 10 per cent or more of their income as an employee through, for instance, salary and wages. Scrapping this restriction is estimated to benefit some **800,000** people and is particularly useful for those working in roles without access to formal salary sacrifice arrangements.

## Extending spouse tax offset

**The Government has increased the number of people who can claim a tax offset for spouse contributions** to superannuation by increasing the income test threshold for the recipient spouse to \$40,000 (previously the limit was \$13,800).

## Government co-contribution

**The Government is matching after-tax contributions of low income earners** (from below \$37,697 and up to \$52,697 in 2018–19) at a rate of 50 per cent of the contribution **up to \$500 per year.**

In 2015–16 **some 490,000** individuals were paid \$154 million as a result of this measure, **including around 320,000 low and middle income women who were paid around \$100 million.**

### CASE STUDY

#### Chloe—Government co-contribution

Chloe is 22 years old and earns \$37,697 per year. Chloe puts money aside throughout the year and makes an additional contribution of \$1,000 to her superannuation fund on top of her employer's superannuation guarantee contributions. The Government provides a co-contribution of \$500 into Chloe's superannuation fund.

## Building financial literacy and capability

A new not-for-profit body, **ecstra**, has been established as a one-stop-shop to help Australians build their financial literacy and capability.

ecstra combines **ec**onomic **stra**tegy in order to help Australians, particularly Australian women, get that little bit extra from their finances.

ecstra will be to financial literacy and capability what beyondblue has been to mental health.

The new body is overseen by a Board chaired by Paul Clitheroe AM, one of Australia's leading experts and advocates on financial literacy and capability.

The \$50 million body will provide educational support and increase Australians' awareness of financial products and services, as well as administer grants to support specific initiatives to boost the financial capabilities of Australians across the country.

ecstra will have a particular focus on enhancing the financial capability of Australian women.

In the 2018–19 Budget the Government committed \$10 million to ecstra to support initiatives that will help to ensure Australian women are in control of their financial lives, now and into the future.

ecstra has also received over \$40 million in funding as a result of settlement agreements between the Australian Securities and Investments Commission (ASIC) and financial institutions.

The new body follows action already taken by the Government to grow the financial capabilities of Australian consumers through the **National Financial Capability Strategy 2018** and the **More Choices for a Longer Life Package**.

## Addressing Domestic Violence

In order to participate in the economy women need to be safe. Women have the right to be safe in their homes, in their communities, online and in their workplaces. Domestic and family violence not only takes a heavy emotional toll, but can also have a lasting financial impact.

This Government has invested well over \$300 million to improve women's safety since 2015. This investment has included work in areas of Commonwealth responsibility and coordinated action with the states and territories. It includes measures to increase services available to victims of domestic and family violence and a focus on changing the culture that leads to violence noting that while disrespect doesn't always lead to violence, all violence begins with disrespect.

The Government's Women's Safety Agenda is implemented through:

- The *National Plan to Reduce Violence Against Women and their Children 2010–2022* (the National Plan);
  - Key services and organisations such as 1800 RESPECT, Our WATCH, ANROWS and DV Alert have been funded under the National Plan.
- Initiatives agreed by the Council of Australian Governments (COAG) including the 'Stop it at the Start' campaign, the interim National Domestic Violence Order Scheme launched on 25 November 2017, and the National Outcomes Standards for Perpetrator Intervention;
- \$54.4 million in the 2018–19 Budget for cybersafety, support services and elder abuse;
- \$39 million in the 2017–18 Budget for community legal centres, to be prioritised for family law and family violence matters;
- The Women's Safety Package; and
- The work of the eSafety Commissioner.

1800 RESPECT is the national sexual assault, domestic violence counselling service. It is a confidential counselling service available 24 hours a day, seven days a week. The demand for 1800 RESPECT has grown year on year providing more support to those who are experiencing violence or supporting friends and family who are experiencing violence.

DV alert builds capacity in front-line workers for whom family violence is not a core function of their role. This allows them to better recognise and assist those in need.

The national 'Stop it at the Start' campaign aims to generate long-term change by changing disrespectful attitudes and behaviours.

It targets the 'influencers' of young people – people like parents, friends, teachers and sports coaches – to help them understand how their actions and attitudes can break the cycle of violence against women. The second phase of the campaign was launched on 3 October 2018.

## **Early access to super on domestic violence grounds**

Sadly we are all familiar with the abhorrent statistics regarding family and domestic violence in this country. Around 17 per cent of women have experienced violence from a current or former partner since the age of 15. That is 1.6 million Australian women.

Much has been done, and must continue to be done, to address this issue. Early release of superannuation is currently provided in limited circumstances such as terminal illness and severe financial hardship.

While superannuation should ideally be preserved until retirement, there are certain immediate and extreme circumstances where the benefits today outweigh the benefits of maintaining those savings until retirement. The Government considers that family and domestic violence is one of these special circumstances based on stakeholder feedback.

The Government will extend the ability to access early release of superannuation to victims of family and domestic violence.

Extending early access to superannuation, in addition to other support, can provide an important last resort lifeline needed to begin the recovery process in a safe environment.

## **Specialist Domestic Violence Units and Health Justice Partnerships, including Financial Support Services**

The Government will continue to fund existing Specialist Domestic Violence Units and Health Justice Partnerships, and extend funding to include helping women get on top of their finances through financial counselling, literacy training and support.

## **No interest loans**

Good Shepherd Microfinance's "No Interest Loan" scheme will help women experiencing family and domestic violence access finance when they most need it, without high interest holding back their financial recovery into the future. The loans will be able to assist with relocation, essential household items, rental bonds, or, where appropriate, debt consolidation.

## **Family Violence and Cross-examination of Parties Scheme**

Many women escaping family violence settle family law disputes for less than they are entitled to, to avoid being directly cross-examined by their ex-partner in court.

There is no question that directly facing a perpetrator or alleged perpetrator of family violence compounds the trauma of that violence and can also impact on the ability of a victim to give clear evidence in legal proceedings.

The Government will prohibit direct cross-examination in specific and serious circumstances to protect victims from re-traumatisation. This includes where there are convictions, charges or final family violence orders in place between the parties.

Courts will also have discretion to prohibit direct cross-examination in cases where family violence is alleged and, if a court does not exercise that discretion, it will be mandatory for the court to apply other protections, such as the use of video links or screens in the court room.

In cases where direct cross-examination is prohibited under these amendments, cross-examination must be conducted by a legal representative. Parties will be able to obtain their own legal representation in these proceedings. However, parties will also have access to representation through Legal Aid Commissions funded by the Government.

## **Improving economic recovery following separation or divorce**

After separation or divorce, women experience far more significant drops in household disposable income than men. Divorce, in some circumstances, leads to court proceedings adding a heavy burden on people who are already emotionally and financially stressed. It is a time consuming process and for many women it is too costly and is resolved too late to support them when they need it most.

### **New funding for Family Law Property Mediation**

The Government will provide \$50.4 million for new mediation services to help separating families resolve their family law property disputes faster and, importantly, keep them out of court. \$13 million will be provided each year, on an ongoing basis, to the 65 Family Relationship Centres across Australia to provide mediation in property disputes. Legal Aid Commissions will receive \$10.3 million in new funding to run a two year trial of lawyer-assisted mediation to support families with more complex needs to reach agreement between themselves without going to court. This support and assistance will allow more women to achieve equitable property settlements, and increase their financial independence.

### **Small Claims Property Pilots**

Some family law property disputes will end up in court. The Government will provide \$5.9 million for the courts to design and run a two year trial of simpler and faster court processes for resolving small value family law property cases. This will support families with an asset pool of up to \$500,000 to resolve their dispute quickly and more cost effectively.

### **Better visibility over superannuation assets**

Superannuation often represents a significant household asset, and therefore makes up a large portion of the overall asset pool during separation proceedings. As it stands, where parties to family law proceedings are not forthcoming about their assets, costly and time-consuming information gathering exercises are required in order to establish the identification of superannuation accounts—let alone their balance.

The Government will develop an electronic information sharing mechanism between the Australian Taxation Office (ATO) and the Family Law Courts to allow the superannuation assets held by relevant parties during family law proceedings to be identified swiftly and more accurately.

Allowing the ATO to provide this information to the Courts will reduce the need for such exercises and ensure more just and equitable superannuation splitting outcomes.

### **Housing and homelessness**

Homelessness is an increasing problem for many women, in particular older women.

That is why the Government spends more than \$1.5 billion annually to support housing and homelessness services.

The new National Housing and Homelessness Agreement (NHHA) took effect on 1 July 2018 and has been signed by every state and territory. The agreement identifies priority cohorts for the delivery of housing and homelessness services. Funding will be targeted to those who need it most, including women and children who are escaping domestic and family violence, as well as older Australians, many of whom are women.

## Addressing Workplace Sexual Harassment

In addition to the measures above, the Government is supporting practical action to address sexual harassment, by contributing \$500,000 towards the Australian Human Rights Commission's Inquiry into Sexual Harassment in the Australian Workplace led by Sex Discrimination Commissioner, Kate Jenkins. The first of its kind in the world, the Inquiry is considering the drivers of sexual harassment in order to provide practical recommendations on how it can be addressed. This Inquiry will be a positive and meaningful step forward in reducing sexual harassment at work and ensuring that, when it does occur, it is dealt with sensitively and appropriately. It is also the first time that economic modelling will be drawn upon in Australia to provide the evidence around the cost to individual business and the economy.

## Preventing online abuse

Technology facilitated abuse is a growing area of violence against women. One in five women aged 18 to 45 have experienced image based abuse. The Government is taking action to ensure that legislation and enforcement keep up with technology given the potential impact on women's employment and confidence.

That is why the Government created the eSafety Commissioner and her office as a one-stop-shop for online safety across government, industry and the not-for-profit community to promote online safety. The Government committed \$54.4 million to services for women affected by violence and for online safety initiatives in the 2018–19 Budget. This included \$14.2 million over four years for the Office of the eSafety Commissioner to help make cyberspace safer, including \$1.2 million to expand the **eSafety Women program**, and \$4 million for a penalties regime targeting perpetrators and content hosts who share intimate images without consent. In addition, perpetrators who share intimate images online without consent could face up to five years' imprisonment under new criminal offences.

The Minister for Women has instituted a regular **Women's Online Safety Dialogue** with Kate Jenkins, the Sex Discrimination Commissioner, Julie Inman-Grant, the eSafety Commissioner and leading technology platform providers to share and discuss ways to improve women's safety online.

## Healthy living

The Government recognises that women have specific health needs at different stages of their lives, and is committed to providing healthcare that supports women – from birth to childhood and adolescence, adulthood, pregnancy and ageing. The Government is guaranteeing services that Australians rely on, now and into the future. In particular, the Government is committed to providing health care that supports women at every stage of life.

Australia's more than 12 million women continue to benefit from the Government's record investment in health care, which is expected to increase from \$78.8 billion in 2018–19 to \$85 billion in 2021–22.

The Government's record investment in health has specific initiatives to help women, including \$4.7 million to improve diagnosis and treatment of endometriosis and \$703.6 million to treat advanced or metastatic breast cancer.

The Government is providing \$20.5 million to continue support for 57 breast care nurses. These nurses provide information, care and support to women diagnosed with breast cancer, their families and carers. The majority of the nurses are located in rural and regional Australia.

The Government has invested \$64.3 million over four years to enable BreastScreen Australia to continue to actively invite women aged from 70 to 74 years to continue to screen for early detection of breast cancer. More than 200,000 women will be able to access this screening.

The Government is providing \$2.96 million over four years (2017–18 to 2020–21) to Ovarian Cancer Australia, in partnership with Peter MacCallum Cancer Centre, for a ground-breaking new project called TRACEBACK. TRACEBACK will identify women who have previously had ovarian cancer, allowing women and members of their family to be tested for the BRCA1/2 gene variant, to inform them of their risk of developing ovarian or breast cancer. This will give carriers of the gene the option to take preventative action.

The Government is currently developing a new **National Women's Health Strategy 2020–2030**. Building on the **National Women's Health Policy 2010**, the Strategy will provide a framework for action to improve health outcomes for women and girls. The Final Strategy will be released in early 2019.

## Ageing

Australians are now expected to live 10 years longer than they were 50 years ago. Life expectancy for Australian women is now 84.6 years. Around two thirds of recipients of aged care services are women because, on average, they live longer.

Through the **More Choices for a Longer Life** package, the Government is investing \$1.6 billion to support 14,000 additional high level home care packages to support the choice of older Australians who wish to stay at home. High level home care is for people with more complex needs. By 2021–22, over 74,000 high level home care packages will be available – an increase of 86 per cent from 2017–18.

The Government has also increased support for mature women through expanding the pension and ensuring it is targeted to those most in need. On January 2017, around 165,200 part rate assets tested pensioners with more modest assets have received an average of \$25 per fortnight extra, including about 47,600 previously part rate pensioners who have qualified for a full pension.

## Sport

To live healthy lives, women need to be active and there is no better way than through sport. Improving access for girls and women to sporting facilities has been a key focus.

The Government has provided \$29.7 million in 2018–19 for a competitive **Community Sport Infrastructure** grants program. This grant program will fund accessible, safe, inclusive and sustainable sporting infrastructure that is essential to getting women and girls to be more physically active. It will provide community-based sporting clubs and associations and local governments with funding to upgrade facilities, such as change rooms and toilets. This includes making them accessible and safe for women and girls, and ensuring the current spike in women and girls' interest in playing sport leads to sustainable increases in participation.

The Government has also invested over \$2 million (2016–17 to 2018–19) in funding for the **Women Leaders in Sport** program to provide women with development opportunities to reach their leadership potential in the sports industry as coaches, officials, administrators, team captains and mentors. The Women Leaders in Sport program for 2019 comprises Leadership Workshops for individuals and organisations, as well as development grants of up to \$3,000 (individuals), and up to \$20,000 (organisations).

The Government is boosting coverage of women's sport by providing \$30 million over four years (2017–18 to 2020–21) to subscription television to increase coverage of sports that receive low or no broadcast exposure.



# Better Earning Potential

## The Challenge

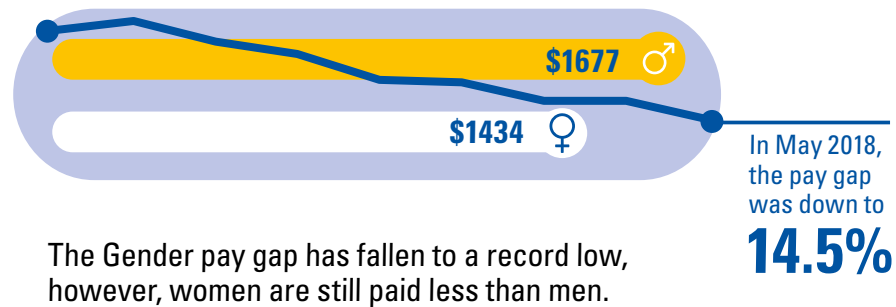
**While women have made significant progress in recent years, men still earn more than women. In May 2018, the weekly gender pay gap reached a historic low of 14.5 per cent. That translates to women taking home, on average, \$243.20 less than men each week.**

Women are also considerably underrepresented in senior roles across the Australian economy. The latest statistics from the Workplace Gender Equality Agency show that women hold 39.1 per cent of management positions. Just 17.1 per cent of CEOs are women, while women currently make up 28.5 per cent of directors of ASX 200 companies. More than one third of boards have no women, compared with less than one per cent which have no men.

Government initiatives to boost women's earning potential will help narrow the gender pay gap, and help grow the economy. We know that the digital economy and new technology will transform the future economic landscape. Australian women need to be prepared for that change and the jobs of the future. In the 2016 Census, only 17 per cent of University and Vocational Education and Training Science Technology Engineering and Maths (STEM) graduates were female, yet by 2030 it is estimated that Australian workers will spend 77 per cent more time using science and maths skills. The Government is supporting a range of measures to ensure women are better represented in STEM.

Self-employment is another path to building economic security which is why the Government is providing additional support to help women thrive as entrepreneurs. The number of Australian women owning their own businesses and the share of businesses owned by women has increased over the last decade. The Government sees significant opportunity to support more women into entrepreneurship, particularly in rural and regional areas.

### The gender pay gap—average weekly ordinary time earnings



Source: ABS cat. no. 6302, Average Weekly Earnings, May 2018.

## Practical Action

### Increasing opportunities in STEM

The 2018-19 Budget included funding of \$4.5 million over four years to advance women in STEM which will be used to:

- develop a **Women in Science Strategy** to coordinate the Government's efforts to increase women's participation in STEM;
- support the work of the new **Women in STEM Ambassador** who will focus on engaging with schools and school-aged girls;
- a **Girls in STEM Toolkit** to improve the representation of girls in STEM education; and
- a **Decadal Plan for Women in STEM** which will provide a roadmap for sustained increases in women's STEM participation.

These commitments build on the \$13 million National Innovation and Science Agenda (NISA) **Women in STEM and Entrepreneurship initiative** to encourage more women to choose and stay in STEM education and careers. This included funding for the Science in Australia Gender Equity (SAGE) project; the Women in STEM and Entrepreneurship grants program; and a new group of 'Male Champions of Change' focused on STEM based and entrepreneurial industries.

The Government's \$25 million investment in the **Indigenous Girls STEM Academy**—to support high achieving Indigenous girls from middle to high school years through to higher education and graduate employment—includes \$5 million for the **Stronger Smarter Institute** to support Aboriginal and Torres Strait Islander women who are teachers in STEM.

### STEM Occupational Segregation



Source: 2016 Census.

## Encouraging early interest in STEM

To encourage girls to have the skills and education for the jobs of the future, the **Curious Minds** program, which has proven to be successful in encouraging interest in STEM at a young age, will be expanded. This will offer high school students, who have had limited opportunities because of where they live or their socio-economic background, the opportunity to engage in hands on summer schools and a mentoring program.

## Enabling entrepreneurship

### Future Female Entrepreneurs

The **Future Female Entrepreneurs** program will engage around 55,000 girls and young women nationwide, particularly those in rural and regional communities, through a digital platform and in-person workshops.

The Government is supporting girls and young women to become entrepreneurs through \$3.6 million in funding for a new Future Female Entrepreneurs program across Australia.

Girls and young women across Australia need to have the knowledge and skills to start their own small businesses and create employment opportunities for themselves and for others.

The digital economy and technological change have transformed the Australian economy and our smart and creative young women need to be well placed to take advantage of these opportunities.

The Future Female Entrepreneurs program will help provide young women and girls with the tools and support they need to prosper in the digital economy, start their own business and secure their own economic future.

A number of successful female entrepreneurs and leaders will be appointed as ambassadors of the program.

The Government will work with partners in the digital industry and non-government sector to deliver the program, and the private sector will match funding to achieve this.

### **Boosting Female Founders**

Women often face challenges in accessing capital when they establish or try to grow their business.

Early stage direct co-funded capital grants to female founders and operators of a business can help that business grow and access new markets, whether domestic or overseas.

Priority for the competitive grants will be given to women from groups that typically experience higher barriers to finance, including those women from rural and regional areas.

## **More women in leadership positions**

The Government has committed to a **gender diversity target** of women holding **50 per cent** of Government board positions overall, and at least 40 per cent women on each individual board.

We are making strong progress on this target, **with more women than ever now on Government boards**. As at 30 June 2018, women now hold **45.8 per cent** of positions, an increase of 3.1 percentage points since 30 June 2017. Across the 2017–18 financial year, 53.1 per cent of new appointments were women.

The Government is also working with business to increase women's leadership opportunities in the private sector, which is the largest employer of Australian women.

The Government has invested over **\$1 million in board scholarships** for women through the Australian Institute of Company Directors, including specific initiatives that will help Aboriginal and Torres Strait Islander and other culturally and linguistically diverse women, and women working in the disability sector.

The Government's **BoardLinks** program connects Australia's leading women with opportunities to be considered for Government board appointments. The BoardLinks database is used by the Government to source female candidates for appointment to Government boards.

The Government is expanding the BoardLinks program to allow any woman who is interested in being considered for a Government board appointment to register on the database.

Inclusion on the BoardLinks database has previously been limited to individuals personally endorsed by a BoardLinks Champion, Government Minister, or Departmental Secretary. The Government is now expanding the program to allow any woman who is interested in being considered for a Government board appointment to register via the BoardLinks website: [boardlinks.gov.au](http://boardlinks.gov.au).

**Regional Development Australia** (RDA) is a Government initiative that brings together all levels of government to enhance the development of Australia's regions. In June 2018, women held 37 per cent of the overall percentage of positions on RDA Committees and occupied 50 per cent of CEO positions employed by RDA committees.

The Government continues to make good progress towards achieving gender balance on Agriculture portfolio boards. On 1 June 2018, women comprised 42.3 per cent of boards in the agriculture portfolio. The **Diversity in Agriculture Leadership Program** supports more women into board and leadership positions in agribusinesses.

