

# Budget 2021 – Employment

## Paid Parental Leave overview

Ten years after Australia’s national paid parental leave scheme began operation, the Government has again failed to complete the unfinished business on paid parental leave even though it is clear there is more work to be done on the scheme to ensure it meets its objectives.

The National Foundation for Australian Women (NFAW) and gender equality and parent organisations have been calling with increasing urgency for the Government to address this unfinished business. This oversight is particularly disappointing for a Budget that was intended to deliver for gender equality.

## Paid Parental Leave

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### The Budget

The Government provided around \$2.4 billion in Parental Leave Pay and Dad and Partner Pay payments in 2019/20 ([Women’s Budget Statement p. 42](#)).

In July 2020, parents were able to take their parental leave in discrete blocks. The Women’s Budget Statement notes that, as at 28 February 2021, “...around 9.3 per cent of claimants have split their Parental Leave Pay” ([Women’s Budget Statement p. 42](#)).

There were no new initiatives in the 2021/22 Budget.

## Gender implications

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### Why is this an issue for women?

Reviews of the national scheme [note](#) that it “... had small but significant positive effects on the health, wellbeing and labour market participation of mothers”, but that the gender equality benefits were limited.

This is partly because the scheme focusses on primary carers, and while parts of the pay can be shared between parents, it is the primary parent (presumed to be the mother) who is able to share the pay. Specific Dads and Partners Pay (DAPP) is limited to two weeks. Tu [notes](#) that, “according to [Department of Social Services data](#) only roughly 25 percent of eligible fathers and partners accessed the payments in the years between 2018-2019”.

This entrenches traditional gender norms that see women as primarily responsible for caring for children and has a tendency to exclude men from caring roles. [Baird et al](#) conclude that fathers are cast as "...‘supporters’ rather than recognising substantive involvement in care."

In addition, the scheme is available for only 18 weeks, shorter than international good practice, and recipients do not receive superannuation payments.

These were all limitations of Australia’s national scheme that were intended to be addressed over time, when it was legislated in 2010. Yet these remain outstanding.

NFAW and other organisations have long been [calling](#) for these limitations on the scheme to be addressed. It is time that the Government completed this task.

### What are the 2021 Budget impacts on women?

This is a missed opportunity to address outstanding measures that will help to advance gender equality in Australia.

## Recommendations

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The Government should address outstanding issues around the paid parental leave scheme, in the short term through a review of the scheme, and in the longer term to introduce:

- a more generous scheme of at least 26 weeks of PPL to be shared by both partners, with ‘use it or lose it’ mechanisms to encourage men to use their share
- parental leave pay at Average Weekly Earnings, paid by the Australian Government
- employers be given incentives to top up pay to actual income beyond AWE
- the ability of both parents to split parental leave into blocks of time over the first two years of a child’s life, including paid and unpaid periods
- superannuation to be paid on all government funded PPL
- amendments to the National Employment Standards to address mismatch in the eligibility requirements for unpaid and paid parental leave;

The review should model other changes that could be built onto these fundamental changes to the scheme and ensure the scheme encourages more equal sharing of paid and unpaid work between women and men.

## References

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Marian Baird, Myra Hamilton & Andreea Constantin "[Gender equality and paid parental leave in Australia: A decade of giant leaps or baby steps?](#)" (2021) *Journal of Industrial Relations Online* First 2 May 2021.

National Foundation for Australian Women [Submission to the Senate Community Affairs Legislation Committee Inquiry into the Paid Parental Leave Amendment \(Flexibility Measures\) Bill 2020](#), 3 March 2020.

Jessie Tu "Australia's current Paid Parental Leave scheme only entrenches negative gender stereotypes" *Women's Agenda* 17 May 2021.

Australian Government *Women's Budget Statement 2021/22* Australian Government Canberra 2021.

# Budget 2021 – Employment

## Work and family overview

Many women experienced job loss and reduced working hours during the peak of the COVID-19 pandemic, however, there are positive signs that women's jobs are recovering. This places new pressures on women as they renegotiate paid and unpaid work responsibilities when taking up new employment or increasing their hours of paid work. There is a limited window of opportunity to learn from innovative working arrangements employed during the pandemic, however, in the rush to 'normal', these lessons may be lost. This Budget did not take advantage of the opportunity to embed innovative work practices and supports, with no changes to paid parental leave, no incentives to normalise working from home arrangements and very targeted increases to child care support for some groups. The small career advice initiatives for women returning to work will not impact significantly.

The Australian Bureau of Statistics' Time Use Survey is a valuable tool and its commencement in late 2020 is a welcome development.

## Work and family

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### The Budget

Despite the increased focus on women's economic security in the Budget compared with 2020, there is still no underlying, evidence-based strategy designed to help women (and men) better balance the conflicts between their paid work and unpaid domestic roles.

New initiatives to support work and family balance in the Budget include:

- Increased spending on child care and preschool supports for particular groups of parents (see [Early Childhood Education and Care](#) paper). As pointed out in this paper, the vast majority of funding allocated to women's economic security in this Budget is for these measures.

There is also a very small amount of funding directed towards several initiatives that may benefit women if they are returning from a break from paid work:

- An additional \$12.2 million over 2 years for a fourth grants round of the National Careers Institute Partnership Grants Program to develop and deliver career advice.
- \$2.6 million over 3 years to expand the Career Revive program for an additional 60 businesses – this pays for a business consultant to work with medium to large employers to help them attract and retain women, with a focus on women returning to work after a career break. This will include businesses in male dominated industries.

- The Mid-Career Checkpoint initiative will allow men and women aged 30-45 who have been out of work for 6 months (down from 2 years) to have career counselling - as it mostly women who use this service due to them more commonly having career breaks to manage caring responsibilities, the government has badged this as a women's initiative.

The Women's Budget Statement also included the welcome news that the Time Use Survey, funded in the 2018 Budget, commenced in late 2020 with findings expected to be published in 2022. NFAW welcomes this development and looks forward to the publication of this critical data. The Time Use survey will provide important information on women and men's paid and unpaid work patterns and will provide a strong evidence base for policy making in this area.

## Gender implications

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### Why is this an issue for women?

Women continue to shoulder the burden of most unpaid domestic and caring work, and they often tailor their paid work choices to best fit in with their other responsibilities. This can create conflicts that must be resolved – often this is achieved by women engaging in part-time work, or work with flexible hours or during school hours, working from home and taking time out of the workforce in the form of paid and unpaid parental leave, or career breaks.

This has downstream implications for women's economic security, particularly for their retirement incomes, due time spent in lower paid work or outside the paid workforce.

Working from home practices introduced during the pandemic have the potential to be game-changing for many women seeking to balance their work and family obligations, but there is already pressure to go 'back to the office' for many workers (see [Working from Home](#) paper).

### What are the 2021 Budget impacts on women?

While the additional funding for some groups using child care is welcome, this Budget represents a missed opportunity for the Government to consider a holistic approach to work and family issues for women, across the spectrum of child care and school structures and funding, flexible working arrangements, paid parental and other forms of supportive leave types.

## Recommendations

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NFAW recommends that the 2020 Time Use Survey data should be used to inform a cohesive and comprehensive review of current arrangements and the development of a new root and branch Work and Family Strategy, initiated by Government and including input from academics, the community and families.

## References

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Commonwealth of Australia (2021). *Budget 2021-22. Budget Paper No 2: Budget Measures*.  
<https://budget.gov.au/2021-22/content/bp2/index.htm>

Commonwealth of Australia (2021). *Budget Paper 2021-22. Women's Budget Statement*.

[https://budget.gov.au/2021-22/content/womens-statement/download/womens budget statement 2021-22.pdf](https://budget.gov.au/2021-22/content/womens-statement/download/womens_budget_statement_2021-22.pdf)

Department of Education, Skills and Employment (2021). *Portfolio Budget Statements 2021-22*.

<https://www.dese.gov.au/about-us/resources/portfolio-budget-statements-2021-22>

# Budget 2021 – Employment

## Working from home overview

The Budget’s significant funding for hard infrastructure and to support women’s economic engagement and safety fails to provide leadership on, or direction for, the transition into a post COVID working life that learns from our experiences with working from home during the pandemic.

It is clear that many workers will want to continue a hybrid model of working from home part-time. This could present significant opportunity to create a more flexible, equitable working life, but it requires leadership and incentives from government to take advantage of these opportunities.

## Working from home

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Through the COVID pandemic there has been a rapid and large-scale shift towards working from home for many employees. Research suggests that both organisations and employees expect, and would prefer, this significant shift to continue through a permanent hybrid model of working from home part-time and working in the office part-time. For example, multi-national research by the [McKinsey Global Institute](#) suggests that “more than 20 percent of the workforce could work remotely three to five days a week as effectively as they could if working from an office”.

Such working arrangements will affect employees’ abilities to balance paid work and caring responsibilities, as well as impact on workforce planning, and on transport and urban development needs in the future. All of these effects are highly gendered.

The 2021/22 Budget contains no specific measures to provide strategic direction or funding to manage such a transition.

## Gender implications

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### Why is this an issue for women?

Research demonstrates that while many workers have found remote work delivers productivity benefits, it also increases pressure, particularly on those with caring responsibilities, to manage the intersections between their working time and private lives. (See for example, in the UK context, Zoe Young “Work after Covid: lessons from lockdown for resilience and recovery” in Global Institute for Women’s Leadership [Essays on Equality](#) King College London, 2021, p. 43).

Women report the most difficulty in managing their paid work and caring responsibilities, including while working from home.

Opportunities to work from home are only available to some workers, and are concentrated amongst more highly skilled, knowledge-focussed [workers](#). It is important that any large-scale shift to remote or hybrid working models is managed strategically to avoid exacerbating inequalities within the workforce, many of which will have gender effects.

It is important that organisations manage future working arrangements to ensure gender inequalities are not exacerbated, but that ongoing arrangements help workers better balance their paid work and caring responsibilities in a gender equitable manner, and that any gender gaps in preferences do not mean women fall further behind in their career aspirations. Government must provide leadership and incentives and consider regulation, as appropriate.

This leadership should include support and incentives for men to more equally participate in unpaid caring and domestic work. The imbalance in this unpaid work burden between women and men is one of the key barriers to gender equality in Australia and internationally, and it is time the Australian Government seriously focused on this challenge.

Should a significant structural shift towards a hybrid working model emerge post-COVID, this will have significant effects on [urban development](#), as regional and suburban centres flourish at the potential expense of central business districts. The female dominated retail sector and more male dominated public transport sector will likely be affected.

While the Budget includes a [commitment](#) to \$348.0 million over four years from 2021-22 “...for a package of measures to support regional Australia’s sustainability, resilience and job creation” (2021 Budget Paper No. 2: Budget Measures, p. 169), it is not clear that this is informed by strategic thinking about how the future of work might affect our urban and social infrastructure needs, nor with a view to “build back better” post-COVID.

It is disappointing that the 2021/22 Budget fails to consider the ramifications of any such changes and to provide leadership in shaping a more equal future.

### What are the 2021 Budget impacts on women?

The missed opportunity to consider the future workforce arrangements to emerge from the pandemic means ongoing changes will be inadequately managed. Some employers may consider the effects on women and men’s work and career opportunities, and there is already emerging literature to support them on this. However, many will not. This is likely to mean that gender inequalities will be exacerbated.

Any long-term effects on the mix and location of retail and transport hubs will affect women and men differently. It is likely that, at least in the medium term as the economy adjusts, effects will fall most heavily on employment prospects in female dominated retail centres in central business districts.



## Recommendations

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- The Department of Education, Skills and Employment, with advice from the Office for Women and the Workplace Gender Equality Agency, should carefully monitor changes to working arrangements following the pandemic and identify gender implications.
- Government should work with employers, business, unions, academia and relevant civil society organisations to develop best practice models to support workers to manage hybrid working models in ways that support and promote gender equality.
- The Department of Infrastructure, Transport, Regional Development and Communications should develop a strategic approach to urban and social infrastructure that will be needed into the future to support workers to better manage their paid work and caring responsibilities within a more permanent hybrid working model.
- Government should support civil society to develop a gender equality focused recovery plan, similar to the Canadian Feminist Recovery Plan.

## References

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Global Institute for Women's Leadership *Essays on Equality- Covid-19: the road to a gender-equal recovery* Kings College London 2021 <https://www.kcl.ac.uk/giwl/assets/essays-on-equality-2021.pdf>

KPMG *Ways of working* <https://home.kpmg/au/en/home/insights/2020/05/predictions-after-covid-19/remote-work-reshaping-ways-of-working.html>

McKinsey Global Institute *What's Next for Remote Work* <https://www.mckinsey.com/featured-insights/future-of-work/whats-next-for-remote-work-an-analysis-of-2000-tasks-800-jobs-and-nine-countries>

National Skills Commission *The shape of Australia's post COVID-19 workforce* Australian Government December 2020  
<https://www.nationalskillscommission.gov.au/sites/default/files/2020-12/NSC%20Shape%20of%20Australias%20post%20COVID-19%20workforce.pdf>

# Budget 2021 – Employment

## Women in STEM overview

Two measures identified as aimed at increasing the number of women in science, technology, engineering and mathematics (STEM) fields were announced in the 2021 Budget totalling \$42.4 million for co-funded STEM scholarships for women and the development of a gender equity evaluation toolkit for the STEM sector. These initiatives complement existing small-scale programs provided for under the [Advancing Women in STEM 2020 Action Plan](#) including the WISE program which has, to date, provided \$7.97 million for 46 projects across Australia ([Women’s Budget Statement](#), p. 52).

While NFAW supports efforts to encourage career options free from gendered assumptions, along with workplaces free from discrimination, there is limited evidence that more women in STEM addresses gender inequality at the aggregate level. More women in STEM may fulfil a number of policy objectives including improved workforce capability, but it should not be the key or central plank of a government approach to achieving gender equality. Of significant value would be more attention paid to fairly valuing all sectors of the workforce including, particularly, the care sector (see Social Infrastructure section).

## Women in STEM

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### The Budget

The 2021 Budget announced:

- \$42.4 million over seven years from 2021-22 to establish the Boosting the Next Generation of Women in STEM Program by co-funding scholarships for women in STEM in partnership with industry ([Budget Paper No 2](#), p. 81). This measure is intended to support more than 230 women to pursue Higher Level STEM Qualifications ([Women’s Budget Statement](#), p. 52).
- \$0.6 million over three years from 2021-22 for the Women in STEM Ambassador to develop an evaluation toolkit to support standardised evaluation planning and reporting tools for the STEM sector in the evaluation of STEM gender equity initiatives. Funding for this will be met from within the existing resources of the Department of Industry, Science, Energy and Resources ([Budget Paper No 2](#), p. 82).

## Gender implications

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### Why is this an issue for women?

Women continue to be under-represented in STEM subjects in schools, university and careers. According to the Department of Industry, Science, Energy and Resources' [STEM Equity Monitor 2021](#), in 2019, of all higher education enrolments, only 9 per cent of women were studying STEM courses compared with 35 per cent of men, representing no change at all for women from the previous year (p. 8).

The STEM Equity Monitor also measures outcomes for women and men in STEM post-education. There is a significant pay gap for women in STEM fields from their very first job – of people entering the workforce from all VET fields of education, the median full-time annual income was \$52,000 for women and \$65,000 for men (p. 9). This is consistent with data from the [Workplace Gender Equality Agency](#) showing 'trades and technicians' as the occupational grouping with the highest gender pay gap of 25.4 per cent in full-time earnings, compared to the national average across all occupations of 13.4 per cent in full-time earnings drawn from Australian Bureau of Statistics data.

Drawing on the data in the STEM Equity Monitor, the [Australian Financial Review](#) recently reported that "a \$100 million investment encouraging women to take up jobs in the science and technology sector has come to little, with a new government report showing the number of females in related occupations has barely budged over the past decade". The article commented on key reasons behind the poor level of female representation being "a yawning gender pay gap, low levels of seniority, high levels of unemployment and lack of job satisfaction".

### What are the 2021 Budget impacts on women?

Based on limited progress so far, and on the nature of the measures, the new initiatives – while welcome in themselves – will have minimal impact but for the modest number of scholarship recipients.

Ensuring that girls and young women are equipped with the skills and confidence necessary to enter STEM fields requires a national STEM program for all young people in schools. Such a program would need to be fully funded and resourced (see Schooling section).

Government incentives and programs aimed at STEM industries – such as the digital and patent box measures - should be linked to evidence that the gender imbalance and the gender pay gap in the industry are being addressed. There should be a clear linkage to industry schemes developed under the STEM initiative in the Women's Economic Security Package (see Business Tax section).

It is clear that STEM fields perform poorly in terms of the gender pay gap and inclusive workplace cultures which may impact on women's willingness to enter associated industries and occupations, and that there may be clear value in efforts to improve gender equality within the sector to improve workforce capability and opportunities for women. There may be limited

benefit in investing more in recruiting women to the field without commensurate effort in addressing the barriers and inequities currently endemic within in the sector. The evaluation toolkit may be of value in this context.

More important still is that most women are employed in other largely undervalued industries and that – in the context of improving gender equality outcomes across the economy and community – a much larger return on investment would occur with more fairly valuing all sectors of the workplace including, in particular, the care economy (see Social Infrastructure section). A lack of focus on female-dominated industries represents a lost opportunity. NFAW notes, for example, that Women’s Economic Security package is almost silent about measures to improve the circumstances of those women employed where most women are employed, in the services sector (see Machineries of Government section).

Along with lost opportunities there are clear risks associated with strongly preferencing assistance to some industries over others in terms of achieving gender equality. There is sound [evidence](#) that when more women enter fields in greater numbers, pay declines — for the very same jobs that more men were doing before – highlighting that significant systemic issues exist regarding the valuing of ‘women’s work’ that go beyond individual career choices. Monitoring gendered outcomes across all industries and occupational groups therefore needs to remain a central function of the Workplace Gender Equality Agency (WGEA). Enabling WGEA to conduct more sector-specific investigation, evaluation and promotion, could also valuably assist in ensuring that the correct policy levers are being used to effect genuine improvements in gender equality performance, as these likely differ from industry to industry.

## Recommendations

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A number of recommendations relevant to STEM are made in other papers, including schooling, business tax, and social infrastructure. Additionally NFAW recommends:

- Noting and supporting the additional \$4.3m over four years to WGEA to strengthen reporting on sexual harassment (see Respect@Work section), WGEA be adequately resourced to conduct cross-sectoral analysis on all outcomes measures, and to develop tailored responses based on industry characteristics.
- That WGEA maintain and improve its capacity to collect data on a full range of gender equality indicators, including wages and non-monetary compensation.