



Pre-Budget Submission to the Australian Treasury

Budget 2021-2022

January 2021

The Parenthood welcomes the opportunity to provide this submission to the Australian Treasury for the 2021-2022 Federal Budget.

The Parenthood

The Parenthood is an inclusive, independent, not-for-profit advocacy organisation that represents 68,000 parents, carers and supporters across Australia. Our mission is to make Australia the best place in the world to be a parent because when parents are supported, children can thrive and our whole community will be stronger.

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Overview

In raising children, parents and carers have the future of Australia in their hands. Every child, in every family, shapes our future. By the age of 5, 90% of a child's brain is fully developed¹. The early years set the foundations for life long optimal health, educational², wellbeing and economic outcomes³.

For children to thrive and lead happy, healthy and productive lives, they need support, and so do their parents and carers. Children fare best when they are well nourished, responsively cared for, have access to learning opportunities from birth onwards and are protected from disease, violence and stress⁴. Successful early childhood development policies focus on equipping families with the time, resources, knowledge, and skills to provide nurturing care.

Investing in children represents an investment in human capital and potential that benefits everyone and can create intergenerational change. Current policy settings do not sufficiently support children, families and parent which leads to negative social and economic outcomes including:

- Poorer educational and health outcomes for children and lower lifetime earnings;
- Poorer health and wellbeing outcomes for parents;
- Reduced participation in the workforce, particularly for women; and
- Lower rates of fertility that undermine long-term sustainability of government finances.

Pursuing best-practice, evidence-based policies that support parents and children will deliver improved child development outcomes, reduce inequality and drive significant economic growth. Against the backdrop of an ageing population, a declining tax base, constrained migration and increased intergenerational disadvantage and inequity, the importance of supporting children to thrive and maximising the workforce participation of all Australians is fundamental to securing Australia's future prosperity.

The unprecedented, turbulent social and economic conditions created by the coronavirus pandemic in 2020 has exacerbated the case for reform. There are around 2.6 million families with dependent children aged under 15 in Australia. Prioritising support for those parents and children is a critical investment in Australia's COVID

¹ Center on the Developing Child (2007), The Science of Early Childhood Development (InBrief).

² Brennan and Pascoe (2017), Lifting our Game.

³ Mitchell Institute. Preschool – Two Years are Better Than One. 2016.

⁴https://www.aracy.org.au/publications-resources/command/download_file/id/329/filename/Second_edition_The_Nest_action_agenda.pdf

recovery and future that will yield rich rewards for children, families, the economy and community.

The Parenthood's primary recommendations are:

Recommendation 1: Increase statutory paid parental leave for parents and carers.

Recommendation 2: Make high quality early childhood education and care universally accessible to all children.

Recommendation 3: Protect children from poverty.

Recommendation 4: Commit to reducing gender inequality.

Recommendation 5: Support parents and caregivers through family inclusive workplace policies.

Background

Australia lags developed countries in the provision of best practice, evidence-based policies that optimally support children, parents and families.

In UNICEF's 2020 annual report analysing child well-being, Australia ranked 32nd among OECD and EU countries in relation to children's mental and physical health, and academic and social skillsets. The report found Australia is "falling short in delivering consistently good health, education and social outcomes for children"⁵.

The price Australia pays for not providing the requisite early support to children and families, or late intervention, is estimated at \$15 billion annually⁶.

Among OECD nations Australia has one of the least adequate statutory paid parental leave programs, with just 18 weeks offered at the minimum wage. The OECD average is more than 50 weeks of paid leave. Less than 50% of the largest employers in Australia offer any paid parental leave⁷. Fathers in Australia take less than 20% of the paternity leave days as their global peers⁸.

Caring patterns that are established in the first year of a child's life persist so the underutilisation of parental leave among fathers entrenches stereotypical gender

⁵ World of influence: understanding what shapes child well-being in rich countries. 2020 UNICEF

⁶ Teagher, Fox and Stafford, 2019

⁷ WGEA Gender Workplace Statistics at a Glance (August 2020), <https://www.wgea.gov.au/data/fact-sheets/gender-workplacestatistics-at-a-glance-2020>

⁸ Organisation for Economic Co-Operation and Development. (2019). Information drawn from the OECD family database: <http://www.oecd.org/els/family/database.htm> cited in: van der Gaag, N., Heilman, B., Gupta, T., Nembhard, C., and Barker, G. (2019). State of the World's Fathers: Unlocking the Power of Men's Care. Washington, DC: Promundo-US

roles. The gap between how mothers and fathers work, care and earn after a baby is more pronounced in Australia than in comparable nations⁹.

Australia has the fourth most expensive early childhood education and care (ECEC) fees in the OECD and participation rates among 3 and 4 year old children in ECEC lag global peers¹⁰. More than 20% of children in Australia arrive at school developmentally vulnerable. Children who attend quality ECEC for at least one year before school are half as likely to arrive at school developmentally vulnerable as their peers who don't.

Australia's female workforce participation is peculiarly low, ranked by the World Economic Forum as 53rd out of 153 nations¹¹. A 2020 Grattan Institute report found that the most significant financial barrier to women in Australia working more is the high cost of childcare¹². Other factors include inadequate paid parental leave¹³, a punitive effective marginal taxation rate for secondary earners¹⁴, a lack of support for carers in workplaces and prevailing stereotypical gender roles¹⁵.

Workplace discrimination against parents in Australia remains prevalent. One in two (49 per cent) of Australian mothers have experienced pregnancy-related discrimination at work at some point during pregnancy, parental leave or on their return to work¹⁶.

The cumulative impact of these policy settings and practices compromises child development outcomes, places undue pressure on parents' mental and physical health, hampers efforts to reduce inequality and acts as a handbrake on Australia's economic growth and future prosperity.

That Australia's birth rate slowed substantially even before the Coronavirus pandemic hit in 2020 makes these issues more pertinent as reduced fertility undermines the long-term sustainability of government finances. That migration to Australia is estimated to fall by 85% next year is also relevant.

⁹ Global Gender Gap Report 2020. World Economic Forum

¹⁰ McKinsey Global Institute (2018), 'The Power of Parity: Advancing Women's Equality in Asia Pacific', p. 66. OECD Family Database data updated as at 2017

¹¹ Global Gender Gap Report 2020. World Economic Forum

¹² Cheaper childcare A practical plan to boost female participation. Grattan Institute August 2020

¹³ Organisation for Economic Co-Operation and Development. (2019). Information drawn from the OECD family database: <http://www.oecd.org/els/family/database.htm> cited in: van der Gaag, N., Heilman, B., Gupta, T., Nembhard, C., and Barker, G. (2019). State of the World's Fathers: Unlocking the Power of Men's Care. Washington, DC: Promundo-US

¹⁴ The Cost of Coming Back: Achieving A Better Deal for Working Mothers. KPMG 2018.

¹⁵ Wood, D., Griffiths, K., and Emslie, O. (2020). 'Cheaper Childcare: A Practical Plan to Boost Female Workforce Participation'. Grattan Institute, p.45.

¹⁶ During pregnancy, parental leave or on return to work. Human Rights Commission (2014), 'Supporting Working Parents: Pregnancy and Return to Work National Review Community Guide', p. 8.

Pursuing best practice, evidence-based policies that value the role and function of parenting and caring, provide support that enables parents to combine paid work with caring responsibilities, and recognise the wellbeing of children as a national priority, will deliver profound health, social and economic benefits.

Recommendations

1. Increase statutory paid parental leave for parents and carers.

The benefits associated with paid parental leave are wide-spanning for children¹⁷, parents, government, workplaces and the economy. It is recognised as one of the “few policy tools available” to governments to directly influence behaviour among parents¹⁸. PPL impacts the start of a child’s life and sets up a pattern for parental involvement and caring that persists¹⁹.

Longer paid leave has been associated with:

- Benefits for mothers such as a lower employment gap between mothers and non-mothers, an increase in the proportion of household income earned by women and a more equitable division of housework, as well as long-term improved maternal mental health²⁰.
- Increased rates of breastfeeding until a baby is six months old.
- Enhanced workplace diversity with research showing the low numbers of women in leadership positions in the private sector “can be linked to the uneven distribution of parental leave and care at home”²¹.

Paternity leave benefits include:

- Improved child development outcomes; engaged fatherhood is linked to positive outcomes for children such as higher school achievement, better cognitive and social skills, higher self-esteem, fewer behavioural problems and increased stress tolerance²².
- Enhanced gender equality in caring roles: The likelihood that fathers will share care

¹⁷ Mirkovic, K & Perrine, C & Scanlon, K. (2016). ‘Paid Maternity Leave and Breastfeeding Outcomes.’ *Birth* (Berkeley, Calif.). 43. 10.1111/birt.12230

¹⁸ OECD (2011), ‘Doing Better for Families’, OECD Publishing, p. 137.

¹⁹ Norman, H., Elliot, M., Fagan, C. (2014) ‘Which Fathers Are The Most Involved In Taking Care Of Their Toddlers In The UK? An Investigation Of The Predictors Of Paternal Involvement, *Community, Work & Family*, 17:2, 163-180, p. 174

²⁰ Johansson, E. (2010) ‘The Effect of Own and Spousal Parental Leave on Earnings’, *Institute for Labour Market Policy Evaluation*, p. 28

²¹ Nordic Council of Ministers (2019), ‘The Nordic Gender Effect at Work - Nordic Experiences on Parental Leave, Childcare, Flexible Work Arrangements, Leadership and Equal Opportunities at Work’, *Nordic Information on Gender* (NIKK), p. 46

²² McMunn, A., Martin, P., Kelly, Y., & Sacker, A. (2017). ‘Fathers’ Involvement: Correlates and Consequences for Child Socioemotional Behavior in the United Kingdom’. *Journal of Family Issues*, 38(8), 1109–31. doi:10.1177/0192513X15622415.

when their child is three years old is significantly higher if the father shared care in the first nine months after birth²³.

- Paternity leave take-up has been linked with improved parental relationships²⁴.
- Increased earnings for mothers: In Quebec, the introduction of non-transferable paternity leave reserved for men led to mothers earning an additional \$5,000 per year and doing an hour extra of paid work per day²⁵.

With the exception of the United States, Australia offers the lowest level of statutory PPL support among OECD nations²⁶. Australia offers 'primary carers' up to 18 weeks of PPL at the minimum wage, and Dad and Partner Pay of up to 2 weeks at the minimum wage. The OECD average is in excess of 50 weeks of paid leave.

The OECD average for paid parental leave at a full-time equivalent pay is 36 weeks, while Australia offers 8.6 weeks.

The use of parental leave by fathers is very low by global standards. Fathers in Australia take less than 20% of the parental leave their international peers take and receive just 0.04% of all publicly-provided PPL.

Some large employers offer employees very generous PPL and are promoting "shared care" among new parents by openly encouraging men to take extended parental leave and removing labels like 'primary' and 'secondary' carers. These are very attractive policies that benefit children, parents and the employer but remain rare. Less than 50% of Australia's largest employers offer *any* paid parental leave.

The Federal Government can amend the statutory PPL scheme to provide one year of paid leave to be equally shared between both parents.

2. Make high quality early childhood education and care (ECEC) universally accessible to all children.

The evidence that quality ECEC has a profound impact on a child's development and their future learning and economic outcomes is compelling and irrefutable. It is a critical component of a child's education. Investing in early childhood education and care boosts educational achievement, workforce participation and tax revenue.

²³ Kotsadam, A. and Henning F. (2011) 'The State Intervenes in the Battle of the Sexes: Causal Effects of Paternity Leave.' *Social Science Research* 40.6. 1611-622, p. 1611

²⁴ O'Brien, M; Wall, K. (2017) 'Comparative Perspectives on WorkLife Balance and Gender Equality' Vol. 6. Cham: Springer International. *Life Course Research and Social Policies*. Web., p. 77-78

²⁵

<https://grattan.edu.au/wp-content/uploads/2020/08/CheaperChildcare-Grattan-Institute-Report.pdf>, p. 48

²⁶ High Income OECD countries offer an average of 56 days of paid paternity leave, relative to Australia's 10 days. Source: World Bank (2020), 'Women, Business and the Law 2020'. Women, Business and the Law. Washington, DC: World Bank, p. 8.

Australia lags the OECD average in access, participation, affordability and investment in early childhood education and care. A PWC report commissioned by The Front Project in 2019 concluded that \$2 of benefits flow for every \$1 spent on early childhood education²⁷. Disadvantaged children stand to benefit most and the return on investment is greater than 2:1.

One in five children in Australia start school developmentally vulnerable²⁸ and children who start behind their peers rarely catch up. Children who attend quality ECEC for at least a year before starting school are half as likely to have developmental vulnerabilities when they start school as children who have not²⁹.

Aboriginal and Torres Strait Islander children are twice as likely to arrive at school with developmental vulnerabilities, and half as likely to attend an ECEC program, as non-Indigenous children.

Despite success in lifting enrolments of children in preschool programs in the year before school (four year olds) Australia is in the bottom third of countries ranked by the OECD in relation to enrolment of three-year-olds. Participation of four-year olds in ECEC in Australia is significantly lower than in the United Kingdom, New Zealand and Norway.

The cost of ECEC is very high: among OECD countries Australia has the 4th most expensive fees. Out-of-pocket fees for ECEC absorb about a quarter of household income for an average earning couple with two young children in Australia (Grattan Institute, 2020). Even before the COVID19 pandemic hit and the economy contracted, half of Australian parents with children under five struggled with the cost of ECEC.

The fee-free period introduced by the Federal government in April 2020 in response to the pandemic provided significant, welcome relief to families. In a national survey in June of 2,280 families by The Parenthood 42% of families reported at least one parent earning less as a result of COVID, with 16% of respondents reporting both parents have seen income reduced. More than a third (34%) said they would have to reduce the days their children attend ECEC or remove them altogether when fees returned.

A 2020 Grattan Institute report recommended improving the design of the Child Care Subsidy so that second income-earners take home more pay from additional hours of work and increasing the subsidy from 85 to 95% for low-income households, gradually tapering for families with incomes above \$68,000.

²⁷ The Front Project (2019), [A smart investment for a smarter Australia](#).

²⁸ Dept of Education and Training, AEDC, 2019

²⁹ Pascoe & Brennan (2017), [Lifting our Game](#).

They noted that doing this would provide a triple dividend by supporting children's access to early learning, putting more money back into family budgets and supporting economic recovery. It would cost an estimated \$5billion, but would boost GDP by \$11billion a year.

Eliminating the annual child care subsidy cap that affects families earning over \$189,000 per annum reduces workforce disincentives to working full-time³⁰.

Appropriate and secure funding for the workforce that delivers early education and care is critical. Building workforce capability in ECEC was identified as a key initiative in improving the quality of early learning in the Lifting our Game report.³¹

Well-qualified, well-supported educators are essential to providing high-quality early learning and care³². Recent research indicates the looming national shortage of early childhood teachers poses an immediate challenge in maintaining the current national universal access to early childhood education as well as ensuring early childhood services meet the National Quality Framework. The quality of the workforce has a direct impact on the experiences of children.

We note in December 2019, the COAG Education Ministers endorsed the development of a new National Early Childhood Education and Care Workforce Strategy. It is vital to address the supply and retention of suitably qualified teachers and educators, particularly in rural and remote areas, to ensure there is a pipeline of future teachers in place for a national roll-out of three year old programs, provide professional development and support, and build a continuous learning culture to underpin quality improvement in programming and pedagogy in early childhood education.

The Federal government can reform current ECEC policy settings to ensure:

- Children can attend at least two days per week of quality ECEC, irrespective of their parents' workforce participation or other activity;
- Children have access to high-quality early education for at least two years before school, with the national rollout to prioritise children experiencing educational disadvantage including children in rural and remote areas and children from non-English speaking backgrounds;
- All Aboriginal and Torres Strait Islander children have access to quality early learning and family support by following the recommendations made in the SNAICC and Early Childhood Australia (ECA) position paper – Working

³⁰ KPMG (2020), The Child Care Subsidy: Options for increasing support for caregivers who want to work.

³¹ Pascoe & Brennan (2017)

³² Early Learning Everyone Benefits. (2019). State of Early Learning in Australia 2019. Canberra: Early Childhood Australia. p. 28

Together to ensure Equality for Aboriginal and Torres Strait Islander Children including:

- Ensure Aboriginal and Torres Strait Islander three and four-year-olds have a minimum of three days per week of high-quality preschool with a bachelor-qualified teacher;
- Adjust the activity test within the Child Care Subsidy so that Aboriginal and Torres Strait Islander children can have up to 30 hours per week of subsidised early education and care, without parents having to meet work or study requirements;
- Fund a targeted program to support evidence informed, culturally safe, and well integrated early childhood and family-focussed programs, across the nurturing care spectrum in early education and care services that work with high numbers of Aboriginal and Torres Strait Islander children.
- Affordability is addressed by:
 - Improving the Child Care Subsidy so that second income-earners take home more pay from additional hours of work;
 - Increasing the Child Care Subsidy from 85 to 95 per cent for low-income households, gradually tapering for families with incomes above \$68,000;
 - Removing the annual Child Care Subsidy cap of \$10,560 per child per year;
- Long-term funding commitments are made to provide security for children, parents, educators and early learning centres.
- The development and implementation of the National Early Childhood Education and Care Workforce Strategy agreed at COAG Education Council in December 2019 is funded.
- Establish a roadmap to achieve universal access to quality ECEC.

3. Protect children from poverty.

One in six children in Australia live in poverty. Children in single parent families are more than three times as likely to live in poverty (44 per cent) as children in couple families (13 per cent). In 2017, half a million children were living in jobless families.

Family poverty and financial stress have significant adverse impacts on children's development, wellbeing and future outcomes throughout their lives, including poorer health and educational outcomes. To create positive outcomes for children requires action to address the social determinants of disadvantage and poverty.

We note that the biggest risk to living in poverty in Australia is to receive Newstart, Youth Allowance or another allowance as the sole source of income. These payments have not been increased in real terms in 25 years and trap people in poverty. We

support the advocacy of ACOSS to raise the rate of Newstart and Youth Allowance and other allowances.

To protect children from poverty the Federal government can:

- Commit to a permanent increase in JobSeeker and Youth Allowance and other improvements to the income support system as outlined by ACOSS in their submission.
- Increase family payments for single parent families and commit to a single parent supplement to be benchmarked to the costs of children of different ages and reflect the diseconomies of scale experienced by single parents, and indexed to wages.
- Invest in localised housing and job generation collaborations in disadvantaged locations to address intergenerational unemployment, overcrowding and homelessness that create poverty for children.

4. Commit to reducing gender inequality.

Gender inequality remains firmly entrenched in Australia. Meaningful progress towards improving the economic security of women living in Australia, and closing the gender gap in key dimensions including workforce participation, the wage gap and superannuation, has been limited³³. Relative to other countries the gender gap between men and women in Australia has grown in recent years³⁴.

Significant structural, systemic and cultural barriers prevent women from engaging in paid work to the same extent as men. The average superannuation balance of a woman in Australia is less than a man across all ages³⁵. Women are at greater risk of experiencing absolute poverty in retirement than men.

The vulnerability of women to economic insecurity is evidenced in the fact women aged over 55 have comprised the fastest growing demographic of Australians experiencing homelessness for several years³⁶. COVID-19 has served to perpetuate these inequities, with women adversely affected in the economic fall-out.

Women's financial disadvantage and economic insecurity has far-reaching impacts. There are just under 1 million single parent families, with 81.8 per cent headed by a single mother so the impact of women's poverty and financial insecurity on children

³³ Economic Security4Women's White Paper (June 2018 Update) 2020 @ <https://www.security4women.org.au/boosting-womens-economic-security/policy-reforms-needed-to-boost-womens-financial-well-being/>

³⁴ Global Gender Gap Report, 2020, World Economic Forum

³⁵ Grattan Institute, "What's the best way to close the gender gap in retirement incomes" Brendan Coates, 2018, <http://bcec.edu.au/assets/AGEW-2018-Brendan-Coates-Whats-the-best-way-to-close-the-gender-gap-in-retirement-incomes.pdf>

³⁶ ABS Census of Population and Housing, Estimating Homelessness, 2016, cat no. 2049.0

is significant³⁷. The “motherhood penalty” which describes the additional economic disadvantage women face upon having a child is relevant and concerning.

As a member of the United Nations and G20, Australia is committed to achieving the 17 Sustainable Development Goals (SDGs) that form a roadmap for global development efforts to 2030 and beyond. In 2016 the G20 marked its commitment to achieve all 17 SDGs by 2030 through its Action Plan on the 2030 Agenda for Sustainable Development.

SDG 5 seeks to achieve gender equality and empower all women and girls. Due to the universal nature of the SDGs Australia has committed to examine domestic policy and progress to ensure we are universally meeting the goals and targets set within the SDGs. In 2014, under Australia’s presidency, G20 leaders committed to reduce the gender participation gap between men and women (aged 15-64) by 25 per cent by 2025 in their respective countries.

We note and support the recommendations made by Economic Security4Women in its 2020-2021 pre-budget submission. To address gender inequality, and drive significant economic growth, the Federal Government can:

- **Apply a robust gender lens to all budgets and policies:** In 1984 Australia was the first country in the world to develop, apply and implement Gender Responsive Budgeting and had a 30-year history of delivering the Women’s Budget Statement (WBS). In 2014 under the Abbott Liberal-National Coalition Government a WBS was not published. This was despite major policy and budgetary changes in the 2014-15 federal budget that had major implications for gender equality and women's empowerment.
A robust gender lens is needed to evaluate policies and practices affecting women³⁸. The Federal Government can reinstate the annual gender budget statements and integrate gender impact assessments into budgetary decision-making processes.
- **Take measures to increase women’s workforce participation:**
 - Prioritise access to high quality, affordable ECEC and establish a roadmap to achieve universal access to quality ECEC³⁹;
 - Strengthen the support, funding and reporting role of the Workplace Gender Equality Agency’s (WGEA) gender equality reporting scheme with the requirement for employers to specify targets, timeframes, and incentives for addressing workplace gender equality outcomes,

³⁷ David Tennant and Kelly Bowley, (Treating Families Fairly, 2019),

³⁸ eS4W Issue Paper – A gender lens on economic policy including in the budget @ <https://www.security4women.org.au/boosting-womens-economic-security/issues-post-covid/a-gender-lens-on-economic-policy-including-in-the-budget/>

³⁹ Cheaper childcare. A practical plan to boost female workforce participation. Grattan Institute. August 2020

including with the engagement on and uptake of formal flexible working arrangements by gender;

- Invest in the female-dominated 'care economy', including early learning and care and other social services, as it will create twice as many jobs as the same level of investment in construction and can lift women's employment by 5.3%⁴⁰.
- **Address the pay gap and superannuation gap:**
 - Legislate above average wage increases for sectors and professions with a high proportion of female workers;
 - Amend the equal pay legislation by ensuring women in historically underpaid female-dominated industries receive the same remuneration as men in different but equal-value work;
 - Maintain the legislated timeframe for increase in the SDG levy and increase the government's superannuation contribution to at least 12 per cent;
 - Remove the \$450 monthly threshold for superannuation.
 - Introduce legislation that ensures all employers continue to provide the superannuation guarantee to staff while on parental leave.
- **Recognise unpaid care work:** While women and men work a similar number of total hours each week in Australia, almost two-thirds of the hours worked by women are unpaid care work, which contrasts with just over one-third of hours worked for men⁴¹. Women shoulder a significant financial burden when providing care often with little or no payment and at an enormous saving to the government. The annual value of unpaid care work in Australia is estimated to be approximately \$70 billion⁴². We note and endorse the recommendation from Economic Security4Women that the Federal Government provide a government funded "carer credit" for qualified carer benefit recipients. Credits are allocated in the form of superannuation payments, pension top ups and other government services as a payment for the savings to the budget these carers implicitly accrue from their unpaid care for dependent family members. The provision of financial compensation for carers should rise and be expanded to reflect the financial contribution that carers make both directly and indirectly to society and the economy. In doing so, it would be a recognition of the savings to the Federal government from such work and the significant financial cost of care delivered at home.

⁴⁰ Dawson, E, Australian Financial Review, 3 August 2020, 'The case for a pink stimulus shot.'

⁴¹ Workplace Gender Equality Agency "We know the causes", 2019

⁴² Economic Security4Women's White Paper 2019, @
https://www.agec.org.au/wp-content/uploads/2020/12/2019-11-12-eS4W-White-Paper_Carer-Economy_20191101.pdf

5. Support parents and caregivers through family inclusive workplace policies.

Workplace discrimination against parents in Australia is prevalent. One in two Australian mothers have experienced pregnancy-related discrimination at work at some point during pregnancy, parental leave or on their return to work⁴³. Mothers report being reluctant to take advantage of flexible working for fear of impacts on their careers, including promotion prospects⁴⁴. Cultural norms constitute a barrier with more than one in five Australians agreeing with the statement “When a mother works for pay, the children suffer”⁴⁵.

As noted earlier Australia’s female workforce participation rate lags peers so workplace discrimination is relevant to consider. Women constitute 37.6% of all full-time employees and 67.9% of all part-time employees in Australia⁴⁶. The WGEA notes that women regularly choose part-time employment or other forms of vulnerable employment below their skill level, to combine unpaid care and paid work⁴⁷. This indicates that part-time employment is a common practice for managing work and family responsibilities for women in Australia. Given research that working part-time reduces promotion opportunities this compromises efforts to increase the representation of women in leadership⁴⁸.

Fathers face challenges too. A 2019 Australian survey of 6,000 parents found that 64 per cent of respondents agreed that “it is more acceptable for women to use family friendly work options than men.”⁴⁹ While WGEA reports that 72.7% of employers promote flexible work only 2.3% have set targets for men’s engagement.

Ensuring non-discrimination for both men and women is essential. A survey of 35 countries found that one of the best ways to increase men’s unpaid care work at home was to “ensure that men are not discriminated against if they take leave to care for dependents.”⁵⁰

Supporting parents to fully participate in the workplace while also caring for children has broad economic and health benefits:

⁴³ Human Rights Commission (2014), ‘Supporting Working Parents: Pregnancy and Return to Work National Review Community Guide’, p. 8.

⁴⁴ McKinsey Global Institute (2018), ‘The Power of Parity: Advancing Women’s Equality in Asia Pacific’, p. 24 and 69

⁴⁵ McKinsey Global Institute (2018), ‘The Power of Parity: Advancing Women’s Equality in Asia Pacific’, p. 24 and 69

⁴⁶ Australian Bureau of Statistics (2020), Labour Force, Australia, Jul 2020

⁴⁷ WGEA Unpaid care work and the labour market, 2016

⁴⁸ McKinsey Global Institute (2018), ‘The Power of Parity: Advancing Women’s Equality in Asia Pacific’, p. 24 and 69

⁴⁹ 2 Peach, L. (2019), ‘National Working Families Report 2019’, Parents at Work Karitane and APLEN, p. 20

⁵⁰ OECD (2017), ‘The Pursuit of Gender Equality: An Uphill Battle’, OECD Publishing, Paris, p. 39.

- Improved health outcomes for children;
- Reduced parental stress; and
- Higher participation and productivity.

Family-inclusive workplace practices and policies that enable parents to more equitably manage their paid and unpaid responsibilities can serve to reduce the caring - and income - gap between men and women. Women's labour force participation sits at 59.9 per cent in Australia, compared to 73.5 per cent in Nordic countries⁵¹. Academics indicate these countries' workplace practices play a key role in the significant successes in relation to women's labour force participation and associated growth in GDP. Specifically, they argue these figures can be linked to a "well-functioning" system of stakeholders focused on gender equality, with the private sector playing a crucial role in backing up the government's targeted policies⁵².

To support parents and caregivers through family-inclusive workplace policies and practices the Federal Government can:

- Strengthen the support, funding and reporting role of the WGEA;
- Increase statutory paid parental leave;
- Extend access to paid carers' leave and the right to request flexible work to casual and gig-economy workers;
- Address workplace practices to ensure:
 - non-discrimination of men and women is enshrined;
 - enhanced access to flexibility;
 - policies reflect gender balance; and
 - workforce mental health and wellbeing strategies addressing stresses and fears facing parents are implemented.

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⁵¹ WGEA Gender Workplace Statistics at a Glance (August 2020),

<https://www.wgea.gov.au/data/fact-sheets/gender-workplacestatistics-at-a-glance-2020>

⁵² Nordic Council of Ministers (2019), 'The Nordic Gender Effect at Work - Nordic Experiences on Parental Leave, Childcare, Flexible Work Arrangements, Leadership and Equal Opportunities at Work', Nordic Information on Gender (NIKK), p. 9 and 11.