

Brotherhood Talks podcast: Women's earnings gap

Sharon Lee

Welcome to Brotherhood Talks.

Dr Dina Bowman

Particularly in some of the work that we've done with mature age women, there's a constant theme that comes through, which is, we played by the rules, we did everything right, we got married, we had children, took time out to look after children, took time out to look after elderly parents. One woman, she said, the game is rigged, we were conned. Played by the rules and yet there they are in mature age experiencing economic insecurity and often homelessness. I mean we've really got to think about some of the consequences about the accumulation of disadvantage across the life course.

Danielle Wood

I'm going to argue that I don't think this has had anywhere near the policy prominence it deserves. It is extremely easy to go online and find quotes from senior economic leaders bemoaning the 49cent marginal tax rate for people earning over \$180,000, claiming that it's punitive, claiming that it kills incentives to work. There are not equivalent quotes around this issue despite the fact we are talking about, I'll call them effective tax rates, but effective tax rates including childcare costs of 80, 90, 100 percent.

Sharon Lee

According to leading economist, Danielle Wood, there's a vast gap between projected lifetime earnings of the average Australian man with kids compared with the projected earnings of the average Australian woman with kids. The gap is about \$2 million. Danielle Wood joins economic sociologist, Dr Dina Bowman, in this Brotherhood Talk, delving into the persistent challenge of women's economic disadvantage in Australia and how to address it. Brotherhood of St Laurence executive director, Conny Lenneberg opens the discussion.

Conny Lenneberg

All around the world we know that poverty has a female face, and it's as true sadly in Australia as it is anywhere else in the world. And we also know from the evidence that when women's economic security is improved, not only does their individual wellbeing improve but the future prospects of girls, the opportunities for women also improve. And that improves their families, it flows into their communities and it flows into their nations as well as their businesses. We're increasingly seeing evidence coming through the World Bank and BCG was a recent one, that shows that as the proportion of women rises within organisations and as their distribution across the employment categories right up until leadership rises, that organisations are much less vulnerable to fraud and that they're much more likely to be innovative and get that innovation landed into products that can go to market. So, we know that there is real benefit, not just for women and it's not just an issue of rights, the intrinsic rights that we all have as human beings, it's actually good for the world. I remember sitting on a hilltop in a very isolated part of Pakistan with a very conservative community that were quite reluctant to let their girls move on from primary school because they weren't confident about letting those girls out of the village and to go down the valley to senior schools. When I asked the elders of the community, the men, why they felt

that, is they knew, they said when you educate a boy it helps the boy and his family, when we educate our girls it helps our whole community but we're scared.

So, it's really interesting that all around the world we know this. It's really important that we keep continually informing ourselves about what are the barriers to women's equal participation, what are the barriers to their economic security going forward. We know that women are at much greater risk across their lives, and certainly for the Brotherhood of St Laurence we're particularly focused at the moment on women headed households and single women over 55 as the growing cohorts of people experiencing disadvantage in Australia today. And if these women come from particular communities, Aboriginal and Torres Strait Islanders, CALD communities, perhaps people living with disability, those disadvantage multiply. So, we're very focused on looking on that. We know that there are 850000 households in Australia today that are headed by a woman alone. And so, this makes a huge difference to not only them but all those children growing up in those households in terms of the anxiety that they grow up with, the stress and the deprivation of what they should be expecting.

Our research is in its early findings showing that food for many households is becoming a discretionary expenditure item. That is alarming in Australia today, one of the richest countries in the world. So while we've come a long way on gender equality, it does feel sometimes like we're going backwards from recent gains and certainly we've got new challenges emerging for women with the changing nature of our economy, with the future of work changing. We need to be vigilant and we need to be always interrogating what's happening and how do we change that reality. Simply because not only is that good but it's good for us all.

So, we're incredibly fortunate with the two speakers we have today. Danielle Wood and Dr Dina Bowman, and they have deep insights into how gender inequality translates into modern day economic disadvantage. And they'll walk us through some of the cultural and policy factors, including the tensions between family caring responsibilities and paid work, and how our tax and social security systems can trap women into a web of disadvantage. And on that, an area of real concern for the Brotherhood of St Laurence these days, is the impact which the punitive conditions are increasingly having on our social safety net. The targeted compliance frameworks which really hold women to much greater account for what they do if they're a beneficiary, if they are on benefits.

We're extremely anxious about the additional measures that are currently before the Federal Parliament that will further erode social security and the dignity of those who are reliant on it.

Sharon Lee

Conny Lenneberg. Economist Danielle Wood is budget policy and institutional reform program director with the Grattan Institute specialising in tax, budget policy, inequality, competition policy and integrity reforms. She's also national chair of the Women in Economics Network and sits on the Central Council of the Economic Society of Australia. She begins by looking at women's economic disadvantage, considering earnings across the course of women's lives.

Danielle Wood

We know that there are a number of structural issues, we know there are choices that are made over the life course that have a compounding effect, so that by the end of someone's life there are very different outcomes in terms of their economic position. So, if we were to take an average 25 year old man today and put him next to an average 25 year old woman, we would assume that current patterns of work, income, pay gaps remain as they are and trace them across the lifetime. I'm going to assume that wages rise in real terms, which is a big assumption in today's environment, but this is why these numbers might look a bit higher than what you expect. But if those patterns remain unchanged, the average man, that 25-year old man if he doesn't have children can expect to earn just over 4 million over his lifetime. That 25-year old woman, if she doesn't have children, about 3.8 million. So, there's a gap there but not huge. The big difference happens if they have children. That man if he has children can expect to earn over \$5 million, actually more than the man that doesn't have children. The woman, if she has children, 2.9, so about a 45% earnings gap over the lifetime between that man and woman if they decide to have children.

This obviously feeds into questions of disadvantage. If that woman is a sole parent, she is more likely to be in poverty than if she is in a couple. One of the groups at highest risk of poverty in society are sole parents. But it also feeds into questions of economic security for women that might leave their relationships. Many of those women will be coupled when they have a child, if later they break up, they are much more exposed. Yes, they might get half of the assets, they don't get half of the human capital. And so, the choices made during the life course can have big impacts on the women's economic security once they reach retirement. Conny's already touched on this, we see particularly high rates of people in poverty, especially if they're in single households and they're renting once they hit over 65.

These life cycle impacts increase the risk of women falling below the poverty line. What drives the earning gap? Ultimately there's three things that feed in. The first is workforce participation decisions, intertwined with that is the burden of household care and how care duties are shared between the gender, and the third is the gender pay gap. I'm going to touch briefly on these today and have some of the discussions about how policy can shift these things. This is a slightly unusual presentation for me in that I'm not coming with a completed bit of research and some policy recommendations, it's actually we're kind of at the start of having a look at some of these topics. So, I'm really looking forward to the conversation and the feedback. But I wanted to at least kind of give you a sense of where we are at looking at these gaps.

So, in workforce participation. In my mind you know this big shift, upward shift in female workforce participation has been one of the major economic success stories of the past 40 years. We actually don't hear as much as we probably should about it. But of course, with a shift of that magnitude there are all sorts of adjustments that need to be made in policy settings, in household decisions, within employers and business. And these things can take a while to work through. So, I think maybe in some senses it's not surprising that this kind of major economic and social shift, we still see a lot of moving parts, and I don't think we've necessarily worked out how it all works quite yet.

Australia, despite that big increase in workforce participation, is still lagging what we might consider a number of comparable countries. So, we sit behind the UK, Canada,

New Zealand in terms of our rates of female workforce participation, although the gap has been narrowing. Where we really look different is in terms of part time work. So, Australia has the highest rate of part time work, the third highest rate I should say, of part time work amongst women in the OECD. So, Australian women are much more likely to work part time than women overseas that are in the labour force. Again, we can see strong differences here, both in terms of workforce participation and in terms of part time work, based on whether women have children. So, women with dependent children, whether they're in couple families or in lone parent families, are much less likely to be in the labour force and they're also much more likely to be working part time if they are in the labour force.

Now in a lot of these discussions, I think people assume preferences are immutable and this is just all cultural conditioning. But when you start to unpack it, what you see is actually it's often policy settings that are pushing us to a certain outcome and certainly changing policy levels can make a difference. So, if we look at the combination or the way in which tax policy, transfer policy, and I'm talking particularly about family tax benefits here, and childcare costs interact, they create an incentive at a lot of different points in the income distribution not to increase your days of week beyond three. So, most women in Australia working part time work between one and three days a week. You can take these sort of snapshots at various points in the income distribution, but here are some kind of common ones. And what we see is that women making the decision perhaps to go from three to four or four to five days a week, can end up losing, 80, 90 and even close to 100 percent of their gross income because of the way those components interact.

So, if we look at the couple family with two children, 40,000. That man is on 40,000 a year, then woman in on 40,000 as well full time equivalent, if she was working full time she would be earning 40,000. She's currently working three days a week, she's trying to work out if she might want to go back full time and work five days a week. If she does that, given the amount she loses in tax, given the amount she loses in Family Tax Benefit, which is based on the household income, given the amount she pays in childcare net of subsidy, she will be ahead \$24 a week for those extra two days work. Is it any wonder that that woman is deciding to work three rather than five days? I'm going to argue that I don't think this has had anywhere near the policy prominence it deserves. It is extremely easy to go online and find quotes from senior economic leaders bemoaning the 49 cent marginal tax rate for people earning over \$180,000 claiming that it's punitive, claiming that it kills incentives to work. There are not equivalent quotes around this issue despite the fact we are talking about, I'll call them effective tax rates, but effective tax rates including childcare costs of 80, 90 100 percent. And we know that full time men are least responsive to these types of incentives. The people that are most responsive have the highest labour elasticities are women working part time. So, this is also an economic policy issue.

We know that part of the story here is that childcare costs are high and high as a share of income, with the six highest as a share of disposable income in the developed world. And they've been rising rapidly in real terms over the past 10 years. So, what can policymakers do about it? This is quite a radical policy response that we saw in Quebec. They decided they were just going to make childcare really, really cheap. When this was first introduced in 1997, the cost of childcare was about \$5 a day. It was returned via tax credit. Now it sits somewhere between \$10 and \$25 a day, still

substantially below the mean of about somewhere between \$100 and \$120 a day that Australian families are paying. This comes at a cost obviously, but it's a nice experiment because you can compare what happened to Quebec compared to the rest of Canada. Their female workforce participation prior to that change was sitting substantially below the rest of the Canadian population. Since then we can now see that it's significantly above. There are questions about who uses this. It has been picked up more by high income women than low income women, but a number of studies have shown that has also been successful at boosting workforce participation by less educated and lower income women.

What might you do in Australia? And as I said I do not have a policy recommendation to bring to you but just to highlight that you can play around with the childcare costs in a way that boosts take home pay and incentives to work. This is the AOP policy that they took to the last election, and that policy was essentially to boost the childcare subsidy by \$20 a day for low and middle income families. When you look at the marginal incentive that creates to work additional days, yes, it still has a smaller effect from going from four to five days week work. That's because of the way it interacts with the family tax benefit. But you can see it creates actually quite significant incentives to go from two to three or three to four days a week work. I'm not saying this is the right response or the right structure, but there are ways you can play around with the costs that it's going to create substantial incentives for women to increase their hours if they would like to do that. All of this of course is very much tied up with the question of unpaid care and who is doing the unpaid care. We know that women are disproportionately represented amongst those doing long hours of domestic care. So certainly, if we're looking at 15 plus hours, a lot more women doing that amount. I'm always intrigued by this particular group doing nil hours, who they are I do not know. Women are much more likely than men to say they feel rushed often or always, and I'm sure that's a sentiment that many of us can relate to, and particularly women with two or more children. They are really what's driving that result.

And we really see this shift in the care burden open up after the first child is born. So, if we look at share of employment and share of unpaid work, housework, prior to children, men do a little bit more employment, a little bit less housework than women as a share of the couple. But the differences are small. After the first child is born, we have this huge gap open up. In the first year, women's employment share, first year after child was born, women's employment share drops to about 15%. Their share of housework and caring increases substantially. And a lot of people would say well you know that's early on, the mother is staying home, she's breastfeeding. But what we see is 10 years after those patterns really become entrenched. So, what happens in the first year seems to have a flow on effect or have a persistent effect on the burden of care and work well after that child has gone to school. So even after 10 years, women's employment shares only increased to 30%. She's still doing almost the same housework share and caring share as she was in the year after the child was first born.

Is this just women's preferences at work? Are they happy with this state of affairs? Well, the data seems to suggest no. So, even before the child is born women are less happy with the division of household labour than men are. But that gap again really widens after the child is born, women become substantially less happy in those first five years. Men's happiness drops a little bit, but you'll see that women's really

doesn't start to pick up again until the child turns six or seven. I think there's an argument that this is not just a reflection of preferences.

What does government have to do with this? These are obviously decisions made in homes between individuals. Well government does play a role at the moment. They offer Paid Parental Leave scheme, 18 weeks, minimum wage to the primary carer of a newborn child. That is set up or is designed to be set up, so it can be taken by men or women, whichever is the primary carer. I think a certain maybe three weeks, the biological mother has to take, but the rest can go to either. They then also have a secondary carer scheme, two weeks at minimum wage. That secondary carer scheme is called Dad and Partner Pay, just in case we were in any doubt as to who the secondary carer is supposed to be. But if you look at the take up of that primary carer leave, there is actually a bar there for men believe it or not. Since it's been in place in 2013, 1.2 million women have taken up that Paid Parental Leave scheme, 6000 men. This is available to either, 0.5% of the people taking up that primary care have been men.

This is not always the case overseas and there have been many countries, I'm just going to touch on a couple, that have adopted innovative policies to try and improve the sharing of that parental leave in the first year. So, I'm going to pick Sweden because we always have to have a nice Scandinavian example. All of them have some variant on this. So, the Swedish scheme, it's a use it or lose it. Each parent gets allocated three months, if either of them doesn't take that three months it disappears and then they also get an additional 10 months they can share as they like. It is tied to the salary of the person with some cap. And what we see is a big shift in men taking up parental leave once you make it use it or lose it. We see this in whichever country we look at where they adopt this sort of scheme. Men now take a quarter of parental leave days up from % back in 1970. 90% are taking some leave. We do see that it tends to be skewed, higher income men are more likely to take it. The more insecure you feel in your job, the less likely a father is to take parental leave, which is an issue for the scheme. Importantly, we see enduring benefits in terms of sharing of unpaid work.

The big question is, if you change what happens in the first year, do you change what happens beyond that first year? What happens in terms of the caring share, what happens in terms of the employment share? Under the Swedish scheme, we certainly see a benefit in terms of fathers that participate in the scheme are more likely to be engaged in childcare in the subsequent years of that child's life. There's not strong evidence of a workforce participation effect from the Swedish scheme, although they already had pretty high rates of female workforce participation. One scheme where there is better evidence or seemed to have a bigger impact was Quebec. This is a nice one from an economist perspective, because again we have one province that's behaving in a certain way, the rest of Canada kept their existing schemes so we can actually try and study what impact that scheme had on behaviour. This is five weeks non-transferable leave for the father, again tied to their salary. We see again a much higher take up of fathers participating in this scheme once you make it use it or lose it. But when we look into the future after they've taken the leave, we see again, fathers doing a higher amount of housework when they participate in the scheme. The idea is that they develop skills in this, they get better at it, they are more used to it, they understand what's involved, so you get that endurance or persistence in behaviour.

But in the Canadian scheme we actually saw higher workforce participation rates for women one to three years after the father participated in parental leave as well. So, those kind of increases in workforce participation can have a big impact on that lifetime earnings gap for that 25-year old man and woman.

Finally, the gender pay gap. I think I am out of time, so I will just briefly say this. Obviously feeds into the overall equation despite what Josh Frydenberg might say, it is not closed. The gap for full time work between men and women still sits at around 14%, and there are a number of factors that feed into that. And obviously there are things that government can also do around the gender pay gap, but I'm going to gloss over those for the sake of time. So just in conclusion, I think these questions of female lifetime earnings are important ones from an economic policy perspective. As a nation we want to use our resources to the best effect and if we have structural biases against women participating, that is going to have an impact on the economy. But obviously there is also really important questions around equity and entrenched disadvantage which Dina is going to touch on. So, thank you very much.

Sharon Lee

The Dina Dr Woods refers to is Dr Dina Bowman. Principal fellow in work and economic security with the Brotherhood of St Laurence Research and Policy Centre, and honorary principal fellow in the School of Social and Political Sciences at the University of Melbourne. She notes the factors that contribute to women's economic disadvantage have persisted over the decades.

Dr Dina Bowman

I'm not an economist, I'm an economic sociologist. So, I'm going to take a bit of a different tack. My first proper job was in a women's refuge. Back in the day I think it was one of the first women's refuges in Victoria, so I take a slightly different angle. I think the thing is a lot of what I'm going to say isn't necessarily new because the issues are long standing. When I was thinking about what I was going to talk about, I thought we need to look back as well. This book for example by Janet Taylor, 1990, giving women voice. The same issues that we talk about, the issues around single parents, gender pay gap, low income, unfair care burden and the accumulation of disadvantage. In the 1990s as well we had a major project around the future of work and part of that was around what could we do about some of those challenges. There was a discussion kit created called Shaping the Future. It really looked at how could we redistribute work, what could we do to tackle some of their long-standing issues?

In 2015, fast forward a bit, in the intervening years, to some degree feminism issues around women kind of lost currency in social policy era. I would say that's deliberate, but in 2015 as Conny said, we wrote this little book, No, Not Equal. We were commissioned to write that book to remind particularly young women why feminism is still important because we can, as Danielle pointed out, we can feel quite equal, we've got education, we can do what we like, and more or less equal, until you have children and that's when the gender care regime really kicks in. So, we've done a lot of work around economic security, insecurity and social security for women and men, because I think the gender care regime that we have in Australia harms all of us, doesn't work for any of us. But my focus is on women. Particularly some of the work that we've done with mature age women, there's a constant theme that comes through, which is, we played by the rules, we did everything right, we got married, we had children, took time out to look after children, took time out to look after elderly

parents. And one woman, she said, “The game is rigged, we were conned.” Played by the rules and yet there they are in mature age experiencing economic insecurity and often homelessness. So, I mean we’ve really got to think about some of the consequences about the accumulation of disadvantage across the life course. And so, despite their best efforts, many women experience poverty and disadvantage. I’m going to focus on single mothers. We’re doing a study at the moment about government payments and women, and some of the interviews have been really distressing and very affecting. A woman we interviewed recently explained there’s a lot of stigma being a single mum, it’s like they think you have kids to get money, a lot of staff have that attitude. “When I separated from my ex I was basically shunned by the people at the Kinder Committee, and none of the single mums I know are single by choice, most are single because of domestic violence.”

I think it’s great that we had the Royal Commission into Family Violence and that the Victorian Government is kind of investing in responding to family violence, but it really is still not addressed enough. I’d say, out of the women we interviewed for the recent study, almost all of them were single because of violence. So, it’s really important. And that violence has immediate impacts obviously, but also long-standing impacts across time. So, people who had been separated from their former partners for five years were still experiencing challenges because of child support and the way the system kind of prolongs or supports men’s violence by the way that it’s structured in terms of child support. And Kay Cook has written about that. There’s also the more in terms of Centrelink, former partners can say that they’re in a relationship even though they’re not, and then the onus is on the woman to prove that they’re not in a relationship, because there’s the assumption of dependence. Again, that cultural and social norm about the male breadwinner and the dependence of women and children.

I’ve got to tell you another story now. Miriam, a young woman with two young children who we interviewed, she was part of the delivery of our Parents Next pilot. She told us that she lived in public housing and what she described as a really bad area with lots of drug taking and crime. And having left her dominating violent husband, she struggled with the scars of psychological abuse. Explaining, “I was very outgoing, I used to work in hospitality and then I met him and it sort of brought me down and now it’s hard to get back out. So, I may be learning again how to be sociable and more talkative.” When we spoke to her, she’d been out of the workforce for seven years and she worried about her daughter’s safety because of the area that she was living in and she was trying to make do on parenting payment single. But she wanted to complete her Certificate 3 in Childcare so that she could get a job and build a future for herself and her children. Noting of course that childcare is still a relatively low paid feminised occupation. But she was anxious about the associated costs of training, how she would arrange childcare herself to attend the training and whether her youngest child, who she described as clingy, would be managed to be left with others.

This is a thing we come across a lot with the various studies that we’ve done, is that even if childcare is available, if you’ve been through a refugee experience, if you’ve been through violence and trauma, you’re not necessarily comfortable leaving your children with others and the children aren’t necessarily comfortable being left with others. So, it can be quite difficult. And some of the training that’s available isn’t flexible enough, so that people can be caught in traps that they want to train so that

they will be able to work, but with inflexible training they can then get caught because with the childcare subsidy, which is means and activity tested in terms of the subsidy, if you drop out of your course, for which you are getting childcare, then you can potentially earn – a debt can be created and you can also lose access to that childcare. So, there are these traps that women can be caught in and we interviewed several who were in exactly that trap, and really weighing up would they tell Centrelink that they dropped out of the course, then they'd lose the childcare, so how were they going to manage that. Often, they were making rational decisions that one woman we interviewed, she was doing a Bachelor degree but it was going to take too long to get that qualification and because she needed to get back into work, she thought, "I should drop out" and she would then try to do a shorter course in order to be able to get work. But there was that difficulty with the crossover and accordingly losing that access to the childcare subsidy and risking incurring a debt.

For the median income of single parent families in 2016 according to the census, was about half of that of all households. And for those in receipt of Social Security even less. Parenting payment, 95% of those in receipt of parenting payment are women. Parenting payment has its roots in the supporting mothers benefit, which was introduced by the Whitlam Government in 1973. But in the 1990s there was increasing concern about intergenerational transmission of welfare dependence, and there was a reframing of the payment. 2001, 2002 Australians working together budget package introduced new mutual obligation requirements for parents. The Howard Government made substantial changes to parenting payment. So, as part of the welfare to work reforms of 2016, reducing eligibility to those with the youngest child of eight or less for parenting payment single or six or less for parenting payment partnered. Some of those parenting payment recipients were grandfathered, meaning that they could continue to receive payments without participation requirements.

In 2013 as part of the fair incentive to work provisions, that grandfathering ceased. So, this means that the SOM now, when the sole mother's youngest child reaches the age of eight, she is transferred to Newstart allowance. And when her youngest child is six, she starts to have some mutual obligation activity requirements introduced and she's obliged to spend 15 hours per week on an approved mutual obligation activity. This can be satisfied through job search, part time paid work or volunteer or other approved activity. We did interview some women who were – there was one woman, she was a volunteer as a treasurer for an organisation, and this is actually related to her career aspiration to be an accountant. But this was not deemed to be an approved activity for receipt of income support. When their youngest child turns eight, then they are transferred if they don't get work onto Newstart allowance and Newstart allowance principal carer is a payment for single parents whose youngest child is between eight and 16. Parents on this payment are required to spend at least 15 hours per week on approved mutual obligation requirements to look for work.

So, the difference between parenting payment and single and Newstart is at least \$85 per week. When you transfer from parenting payment single to Newstart, you lose \$85 a week. And as we know, and we've had a campaign, the Newstart allowance hasn't increased in real terms for 20 years. Even Country Women's Association recognises that it's inadequate and undermines unemployed people's capacity to work. But I think there's another thing. The way we provide income support, Social Security to mothers, there's the idea, and increasingly with the changes that have happened

over time, that parenting, actually mothering, mothers are perceived as being interrupted workers, you really should be at work. Sharon Hayes talks about the cultural contradictions of mothering, that you can't win. Basically, if you're at work then you're a bad mother because you're not attending to your children, if you're attending to your children you're a bad mother because you're not providing for your children. So, you're caught in this cultural contradiction.

Because there's the assumption of dependence and male breadwinner model, the idea that if you have a partner then you are dependent on your partner, for women sole parents, single mothers are required to declare their relationship status if they're in receipt of parenting payment or Newstart allowance principal carer. They need also a third party to confirm that declaration. So, it's quite invasive. We've talked to people about how invasive that is in terms of trying to get a declaration about their status. John Murphy and others in his book described life on welfare as being half a citizen with fewer rights than others. A woman we interviewed recently told us, I think a lot of those programs are more degrading for the dignity of the parent. You're constantly told by society that somehow your lesson is that somehow your welfare, you're a leaker, not a lifter, or something like that, that you don't want to work etc. Another woman told us, I suppose if you do feel that there's a stigma of being a single woman by yourself even though you've endured family violence, even though you still endure family violence, but you're a woman by yourself.

Peter White has talked about the importance of challenging the us and them idea and building solidarity. And indeed, we just had the Australian Social Policy Conference where we talked about social security principles. One of those five principles that we articulate, one of them is solidarity. That it's really important to build – it's not only important for individual social security, it's for society. I think what gets lost often in discussions about social security and economic security is that if you harm women, single mothers, you're harming their children now and in the future. And there's been research about the long term impacts by the London School of Economics about the impact of financial distress in childhood across the life course.

So, I'll leave you with eight things, can I leave you with eight things that we should do? We've got to put on our gender glasses, so really have a gendered analysis and understand the differential impacts of various policies. We can do that from an organisational level all the way up in terms of social policy. We've got to name it, we've got to say it out loud. It's great that increasingly things are being said out loud. We're talking about violence, we're talking about some of the issues which previously were kind of unable to be mentioned. There's an issue around gender neutral language, around parenting rather than mothering and so on. We've got to count and measure, and that's why things like the Workplace Gender Equality Agency and the gender indicators from the ABS are so important. And we've got to commit to pay equity, champion care and redesign jobs and invest in the structural supports for combining care and paid work. And last but not least, we need to reclaim Social Security. Thank you.

Sharon Lee

Dina Bowman. Next, Conny Lenneberg opens the floor to comments and questions from the audience. And the first is from Theresa Dowding from Carers Victoria.

Theresa

We support the unpaid carers of people who care for family or friends, who may have disabilities or mental health concerns or aged adults with age related support needs. And what you were talking about with the caring burden, starting when the mother has children essentially and in that first year of life, and then it's still a big differential with the unpaid work 10 years later, I think that extends even beyond that to those caring responsibilities. There's this cultural expectation that it's the female who is largely the primary carer. We know that 70% of all unpaid carers are female. And I don't know if there are government policies that are pushing that side of things with carer payments, I don't think that's necessarily true, but it's probably more the cultural and traditional expectations that that load and that mental load falls on women. There doesn't seem to be a lot being done in that space, at looking at how we really can't be constantly putting that unpaid burden on women while expecting them to participate in the workforce and not strengthening the families in the communities around to pick up those shared care responsibilities. So, I'm just really making that comment, I guess, it would be good to perhaps work across the whole caring spectrum not just focus on children and the impact that that has on the unpaid female mother, but also the wider impact.

Danielle Wood

Yeah, look I don't have the policy answer, but I would say I entirely agree with that. I mean the data is pretty clear on that. When you're not talking about children, you're talking about either adult children, you're talking about caring for parents, it's disproportionately falling for women.

Danielle Wood

That's right. It's a real issue with an aging population, for example. The current models are highly dependent on that unpaid or poorly paid care work. And, I think we need to have a serious think about how that actually stacks up over the next 20 years.

Woman in audience

Well, thank you. I'm obviously over 65. I thought that my troubles will be over, because of lack of demand from children and elders that I looked after. Also, from the work in the community sector that demands easily, in the smaller agencies, 15 hours extra a week of unpaid work. And that continues. The larger organisations are fairer now and receive more funding obviously, or generate more funding. So, I downsize, I mean it was one way to no longer have a mortgage and all of those things and I couldn't look after a big house, I bought an apartment. I was stung with, it's not a fancy apartment, \$30,000 worth of stamp duty despite the fact that I am in receipt of pension.

Dr Dina Bowman

I think housing is a real issue, and it's a real issue for single mothers and also for older women. Some of the single moms that we interviewed, their problem was that they found it very difficult to get private rentals because real estate agents would not rent to a single mom. So, they'd have to get other people, a man to go as guarantor, whether it was their father or someone to be able to actually even be considered for an application for rental. That's a real issue. And obviously we've got a tremendous challenge around social housing and affordable housing, and for older people and older women that are single, very, very difficult in terms of rental. Because if you're on a low income then, as we know, there are very few private rental properties

available. So, I interviewed one woman and her financial plan was that she needed to keep her car because if she was evicted at least she would have somewhere to stay. And I think that's quite kind of a glaring example of the nature of the problem.

Danielle Wood

I would just say I agree with all of that. I mean it's clearly an issue that payments and rent assistance haven't kept up with the property market over the past 20 years. I agree stamp duties are terrible tax, I mean it's impost on people moving to houses that are better suited to their needs. I'm not sure if it disproportionately impacts on women, it definitely disproportionately impacts on people that might need to move more frequently than others.

Woman in audience

Your institute actually just recommends something other than - a tax other than stamp duty.

Danielle Wood

That's right. We've talked about how you could transition from stamp duties to broad based land taxes, and there's many economic reasons why that would be a good idea and there's ways you can deal with the issue of the impost on people that are sort of asset rich and cash poor. So, look I entirely agree. I would love to see stamp duties go.

Conny Lenneberg

So one last question from Paul Smyth.

Paul Smyth

Paul Smyth, once from the Brotherhood and still with the University of Melbourne. So, thank you very much for that terrific snapshot of the state of play in these matters in Australia today. What set me thinking though was Dina talking about the old Brotherhood research in the 1990. They were saying it all then, and it reminded me, I used to teach social policy in the classes those days. You'd say, "We are advancing towards the dual breadwinner model, it won't be long now" and everyone sort of took it for granted, who would want anything else? And over that time though, it all shrank to what Danielle was talking about, the one and the half model. And I was intrigued that Danielle you were saying that Australia is a bit unusual on the international scene for this one and a half model of preference. So, have you got any reflections on how do we explain this Australian outcome of a one and a half seeming preference in our policies?

Danielle Wood

I have a guess rather than a firm answer, but it seems to me that we do three things that are different to a lot of countries. So, we have welfare payments that depend on the household income rather than individual income, and we also very tightly means test welfare payments. And that's partly what drives the result that I put up, that you get these very high effective marginal tax rates from going from three to four to four to five. So, I suspect a big component is, it's actually just the way our tax transfer system plus our high childcare costs are working together to drive that result. Whereas, other countries where they have different models around Social Security, quite often much better funding or government subsidies for childcare, it's just easier. Women just don't face that same disincentive after they've had children from going back to the workplace. So, that's exactly what we're sort of researching at the moment.

That's my early stage observation. Then I do think that those policies then feed the cultural decision, right. Partly then people start doing things because that's what everyone else does and that's what your friends do and that's what the norm is. So, I do think sort of policies feed the norm. So, I suspect that both are playing into that.

Conny Lenneberg

We do have more questions but we have actually run out of time. I think you know we've really been privileged today to hear the actual facts of women's disadvantage, but more than that that we know what some of the levers are to shift it. We know that making that effort to shift it will benefit us all and the future of our country. And we know that there is working train to get an even better understanding of the kind of policy shift that we need to make that will drive the kind of cultural shifts that we know will make that lasting sustainable change to genuine equality, and then a genuine future economic security for all of our Brotherhood of St Laurence care goals into the future. So, please join me in thanking our two excellent speakers, Danielle Wood and Dina Bowman.

Sharon Lee

This talk took place in September 2019. Brotherhood Talks is a podcast by the research and policy centre of the Brotherhood of St Laurence, working toward an Australia free of poverty. Find us online at BSL.org.au/Brotherhoodtalks. And join the conversation on social at #BSLTalks. Production by Aisha Zackariya and me, Sharon Lee. Music by Lee Rosevere. Subscribe in your favourite podcast app for more episodes of Brotherhood Talks.