

# **Women's International League for Peace and Freedom (Australian Section) Inc.**

## **Submission to the Treasurer's Community Consultation on the 2008 Federal Budget**

### **Introduction**

The Australian Section of the Women's International League for Peace and Freedom (WILPF) is an international non-government organisation in consultative status with United Nations ECOSOC and UNESCO. WILPF also has special consultative relations with the FAO, ILO and UNICEF. This submission is made on behalf of the Australian Section of our organisation. WILPF welcomes the opportunity to make this submission to inform the Treasurer of budgetary issues relating to women living in Australia.

### **The Current Situation**

WILPF has observed that during the eleven years of the Howard Government, Australia has increasingly moved away from values of community and caring, egalitarianism and fairness towards a more competitive, individualistic and financially stressful culture which for many women and their families has brought increasing hardship.

Indicators include:

- increasing levels of poverty
- decrease in availability of affordable housing
- increased levels of domestic violence
- increasing numbers of single parents with few supports
- increased reports of child abuse and neglect
- increasing casualisation of the workforce along with few family-friendly workplaces, and
- high childcare costs.

At the same time, we have also observed that recent Federal Budgets have significantly increased defence expenditure. In her paper delivered to the WILPF (Australia) National Meeting in Adelaide in May 2006, Professor Rhonda Sharp reminded us that:

“ ... gender budget analysis flies in the face of the conventional approach where governments identify defence allocations in their budget as the primary contributor to peace and security. In Australia the federal government allocated the same amount for health as it did to defence in 2004/05 (\$14.3B or 7.4% of total expenditure). In 2006/07 an extra \$908m [was] allocated to defence with an extra

\$15.9B planned for defence and national security between 2008 and 2015. In contrast, health, including health research, was allocated an extra \$3.3B over 5 years. With new defence expenditures being 5 times greater than health, the 2006/07 budget reveals its priorities lie with defence.” (Endnote 1)

While this submission does not directly address the many pressing matters of Federal Government expenditures on health, we wish to draw attention to the disproportionate spending on defence under the Howard Government.<sup>1</sup> This spending on defence was made during those years at the expense of spending on public services such as health, education and housing.

WILPF is keen to see the reinstatement of previous governments’ measures to assess budgetary impacts on the wellbeing of Australian women and children. We believe that a budget that enhances gender equity will have a powerful impact on women’s lives by creating a more equitable, fair and robust society, a society which is better able to face future economic and social challenges. We need to reduce inequalities between women and men in incomes, assets, decision-making power, service needs and social responsibilities for care. We believe that a Gender Equity Budget underpins gender equality and women’s empowerment.

### **Need for a Gender Equity Budget**

In her paper referred to above, Professor Sharp shared her analysis of the differing impacts of budgets on men and women:

“They systematically occupy different positions (eg men do more paid work and less unpaid work than women), face different constraints (eg. women on average have less purchasing power with lower incomes and less wealth) and have different responsibilities that are socially determined (eg care of young children is deemed to be women’s primary responsibility). When this is the case women and men are likely to behave differently (an efficiency issue) and experience different gains and losses to their situation from the same policy (an equity issue).”

This situation emerges from societal values which are reflected in budgets ie “a small group of high income earners reap tax cuts while money on collective services constitutes welfare and is wasteful (the rich need incentives and the poor need punishments).” (Endnote 2)

The under-valuing of women’s roles has traditionally led to budgets which have failed to provide adequate funding to support women who deliver elder care,

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<sup>1</sup> Although our members are deeply concerned about issues relating to water and climate change, this submission does not deal with environmental concerns. While WILPF welcomes the Rudd Government’s promises to deal with climate change and loss of water supply, we would like to see even more support given to renewable energy sources.

disabled care, mental health supports or childcare (mostly unpaid work) thus making it difficult for women to take up fulltime paid work.

Professor Sharp also pointed out that although Australia was the first country in the world to seek to mainstream gender issues into government budgets, in recent years, successive federal budgets have failed to disclose the gender impacts of all government expenditures, not just those specifically targeted to women and girls. These, she said, are “important in assessing wellbeing and progress to gender equality”. When the Office for the Status of Women (OSW) was moved out of the Department of the Prime Minister and Cabinet in 2004, the ministerial budget statement of the budget’s impact on women was no longer provided. Thus, in Professor Sharp’s words, Australia is now “an international laggard in gender-responsive budgeting”. The formal Federal Women’s Budget which included gender mainstreaming ceased in 1996.

It is now time to reinstate this important gender initiative.

Providing transparent assessments of the gender impact of budgets makes the budget more gender responsive. This is not a new idea as it was accepted internationally at the *1995 Beijing Platform of Action* as well as the *23<sup>rd</sup> UN General Assembly Session* in June 2000 and then endorsed by the 2002 meeting of *Finance Ministers for Commonwealth Countries* as a “mechanism for promoting efficient and equitable economic development, and also to reduce the incidence of poverty and track the progress of the Millennium Development Goals (UNIFEM 2002:5.1)” (Endnote 3)

The Howard Government also cut resources for women’s policy advice and consultation. As mentioned above, the Office for (the Status of) Women (OSW) was moved out of the Department of the Prime Minister and Cabinet in 2004. Because the removal of the Office for Women from Prime Minister’s and Cabinet represented a significant downgrading and sidelining of women’s policy advice and consultation, we would very much like to see money made available for the return of the Office for the Status of Women to the Department of the Prime Minister and Cabinet.

There is also a need to take account of the unpaid (caring activities) sector which amounts to approximately the same size as that of the paid economy. It is important to understand the gender impact (ie whether positively or negatively affecting women) by analysing budget policies that affect paid and unpaid sectors disproportionately and thus to be in a position to identify those households which stand to benefit or to lose when new budget initiatives are introduced.

WILPF believes that gender equality is facilitated by the provision of public goods and services which improve the wellbeing of all in society, particularly the most vulnerable. Ensuring more women and families are eligible for the Family Tax Benefit A will provide greater support to families on lower to middle incomes. Increasing childcare and respite funding together with increased spending on

training, education, hospitals, health and community support services will also benefit women.

In summary, we believe that gender responsive budgets put a focus on the role of unpaid work in relation to economic and social outcomes as well as assessing resource allocations both within and between families. Gender responsive budgets would also expose the impact of expenditure and taxation on financially disadvantaged women and their dependants. Such a focus is likely to lead to a redesign of the tax/benefit system, especially personal income tax and indirect taxation.

There also needs to be an improvement in recording and disseminating sex disaggregated data so that budgetary impacts can be accurately assessed. This has been adopted by the UK and Rwandan Governments. (Endnote 4)

### **Lack of Funding for Early Childhood and Childcare**

From consultation with working women (especially single mothers), WILPF understands that childcare is not accessible for many working women –

- Childcare places are insufficient with waiting lists at many Centres;
- Fees are too expensive making childcare unaffordable; and
- Centres are often inaccessible as the distance to travel is too far to be a viable support. This is especially true for women living in outer suburban reaches or country regions.

Quality care means qualified staff, higher staff-to-child ratios, reasonable group sizes and an appropriate curriculum. Childcare workers should be regarded and trained as valuable educators and funded in the same way as teachers in schools – close to cost-free for parents, with benefits paid to Centres at 90% of the set fee, provided all staff have Early Childhood qualifications.

WILPF would like to see the *Childcare Tax Rebate* increased to 50%.

For 3 and 4 year olds, we support preschools that are jointly and fully funded by Commonwealth and State Governments. We see preschools as essential educational facilities providing quality early childhood services for all children rather than as an option only for children whose parents can afford preschool fees.

### **Lack of Funding for Education at All Levels**

The decline in the proportional contribution of Federal Government funding to overall education expenditure as identified in the recent OECD *Education at a Glance 2007 Report* (Endnote 5) shows an overall decline by nearly 6% since 1995 as a proportion of GDP. This compares unfavourably with OECD averages in all sectors from early childhood education through to tertiary education. It seems that all education sectors are suffering adverse effects on quality and equity arising from a sustained period of under-funding.

There is a widening gap between public and private schools due to less funding for public schools and more funding allocated to private schools, even to rich private schools. This funding imbalance needs to be addressed as a matter of urgency.

Another issue of concern is the increased costs borne by university students. Women are especially at risk of dropping out of their course because their income is likely to be less than that of their male counterparts and insufficient to cover all of their costs. WILPF understands the *Senate Inquiry into Student Income Support* received 140 submissions from a range of universities, student organisations and NGOs. The Howard Government however did not implement many of the Inquiry's recommendations. We sincerely hope that the Rudd Government will now implement all the recommendations made by this Inquiry. *The Universities Australia Fact Sheet on Student Finances 2006 Finance Report* showed that in addition to female undergraduates experiencing financial pressure, indigenous students and full-time postgraduate coursework students were also adversely affected.

There is a need to remove *Centrelink* and *Welfare to Work* barriers for welfare recipients (especially single parents who are mostly women) to assist their access to university and adult education in order to improve their employment prospects and financial security.

The introduction of a period of *paid maternity leave* would also be of great assistance to women. It is noted that Australia lags behind other western countries in introducing such a scheme. WILPF is aware that the National Foundation for Australian Women is making a detailed submission to the Prebudgetary Community Consultations on this matter and we support NFAW's submission.

### **Lack of Funding for Women's Support/Advocacy Groups**

Over the eleven years of its existence, the Howard Government took away funding from many women's community advocacy and support groups while also changing the Australian Tax Office's definition of a *charity* to exclude organisations that provide an advocacy role on behalf of their constituents. The combined effect of these two measures has been a reduction in the opportunity for women's perspectives to be made public and thus for women to be fully represented in the current political debates and decision making on issues pertinent to them, especially economic and budgetary matters as well as poverty reduction strategies.

As women's community advocacy and support groups and services are a vehicle for women's empowerment, funding for them needs to be reinstated.

### **Reducing Poverty**

We need more poverty reduction strategies. The Senate Report "*A hand up not a hand out*" showed that children living in poverty have a higher incidence of child abuse and neglect and that their parents have poorer parenting skills.

Parents and carers need to receive sufficient wages or pensions and family benefits to enable them to adequately care for themselves and their children.

We need flexible workplaces that are family-friendly and improve the security and conditions of the part-time and casual workforce.

### **Increased Funding for Aboriginal Communities**

Despite national prosperity, death rates for Aboriginal infants remain three times higher than those for non-indigenous Australians. WILPF would like to see increased funding for adequate housing, sanitation, nutrition and health programs:

- Increased funding for public housing to reduce overcrowding
- Greater numbers of health practitioners in Aboriginal communities
- Greater access to medicines
- Increased measures for the prevention of diseases
- Breakfast and lunch provided at low cost in all schools
- A national health plan for Aboriginal mothers and babies with outreach antenatal services, home visiting programs and community-based childcare and playgroups, and
- Funding for programs to tackle family violence and substance abuse, including sexual assault services, outreach centres, safe houses and resources for legal aid and substance use services.

It is of vital importance that all of these measures be undertaken in consultation with Aboriginal communities.

### **Australia's Overseas Aid Program**

The United Nations has called on developed nations such as Australia to commit to providing development assistance to less developed nations and has set a specific target for the levels of such aid. The target set by the UN is 0.7% of gross domestic product. WILPF would like to see Australia's Overseas Aid Program increased to the levels specified by the United Nations.

WILPF would also like to see Australia's Overseas Aid Program providing greater assistance to women. In many nations in our own region, women are the backbone of their communities. An aid program that does not address their needs or include their ideas is not going to lead to balanced outcomes.

In studying Australia's Overseas Aid Program, particularly in those countries that have suffered violent conflicts, WILPF can see little evidence of measures to ensure that adequate development assistance goes to women. According to the OSW website in 2006, the Overseas Aid Program allocated an unspecified amount to the Vanuatu's Women's Centre Committee on Violence against Women and continued to fund the Fiji's Women's Crisis Centre. These were comparatively small initiatives. It is our sincere hope that the recent White Paper

on Australia's Overseas Aid Program which stresses that greater emphasis will be put on the effectiveness of the aid program does indeed reflect future realities.

WILPF also recommends that in all contracts tendered, the Australian Government should call for gender to be part of contract compliance. For instance, as a model, the US Agency for International Development (USAID) has a system whereby any contractor applying for funds has to demonstrate how gender perspectives will be integrated throughout their program, and gender is included in the monitoring and evaluation of the program.

## **Conclusion**

We regret to say that over the years of the Howard Government, much has been lost in Australia. The Australian ethos of the *fair go*. has waned. During the Howard years, Australia has greatly accelerated its moves towards a less community-oriented, less caring, less egalitarian society. Although perhaps not immediately apparent, these losses have also meant that we have become a less robust and a less cohesive society.

WILPF therefore calls on the Federal Government for a re-ordering of budgetary priorities. In Budget Policy, we would like to see a more gender responsive budget practice and one which is more transparent in the measurement of its relative impacts on women and on poorer and middle income earners.

We also recall that during the Howard years, there has been wasteful spending in the defence portfolio and note that expenditure on defence compared with spending on education and health has greatly increased during that time. In reference to this point, we cite the unilateral decision by the former Minister for Defence, Dr Nelson, on the proposed purchase of 24 Super Hornet fighters from Boeing and up to 100 Joint Strike Fighters from Lockheed Martin. It has been widely reported that the purchase of these two sets of aircraft fighters is scheduled to cost \$22 billion over the next decade. In this context, the words of the well-known WILPF bumper sticker are apt:

“It Will Be a Great Day When the Schools Get All the Money They  
Need and the Air Force Has to Hold a Cake Stall to Buy a Bomber!”

Ironically the Howard Government's increased expenditures on defence did not bring added security for Australians; restoration of expenditures on public services and a Gender Equity Budget may do.

We look forward to the response of the new Treasurer to our suggestions as outlined in this submission.

*Submission prepared for WILPF (Australia) by  
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January 2008*

## Endnotes

- (1) Professor Rhonda Sharp, Professor of Economics, Hawke Research Institute for Sustainable Societies, University of South Australia – “Keynote presentation to WILPF Triennial Conference, May 2006 (copy available on WILPF website [www.wilpf.org.au](http://www.wilpf.org.au)).
- (2) Professor Rhonda Sharp: *ibid.*
- (3) Professor Rhonda Sharp: *ibid.*
- (4) Sharp, Rhonda & Elson, Dianne 2006, *Gender Budget Initiatives: Briefing Note for AusAid*, University of South Australia, Adelaide.
- (5) OECD Education at a Glance 2007 Report and the speech of the House of Representatives delivered in response to that report by Stephen Smith as Shadow Minister for Education, 19 Sept 2007.