

# Women's work

The impact of the COVID crisis  
on Australian women

Danielle Wood, Kate Griffiths, and Tom Crowley

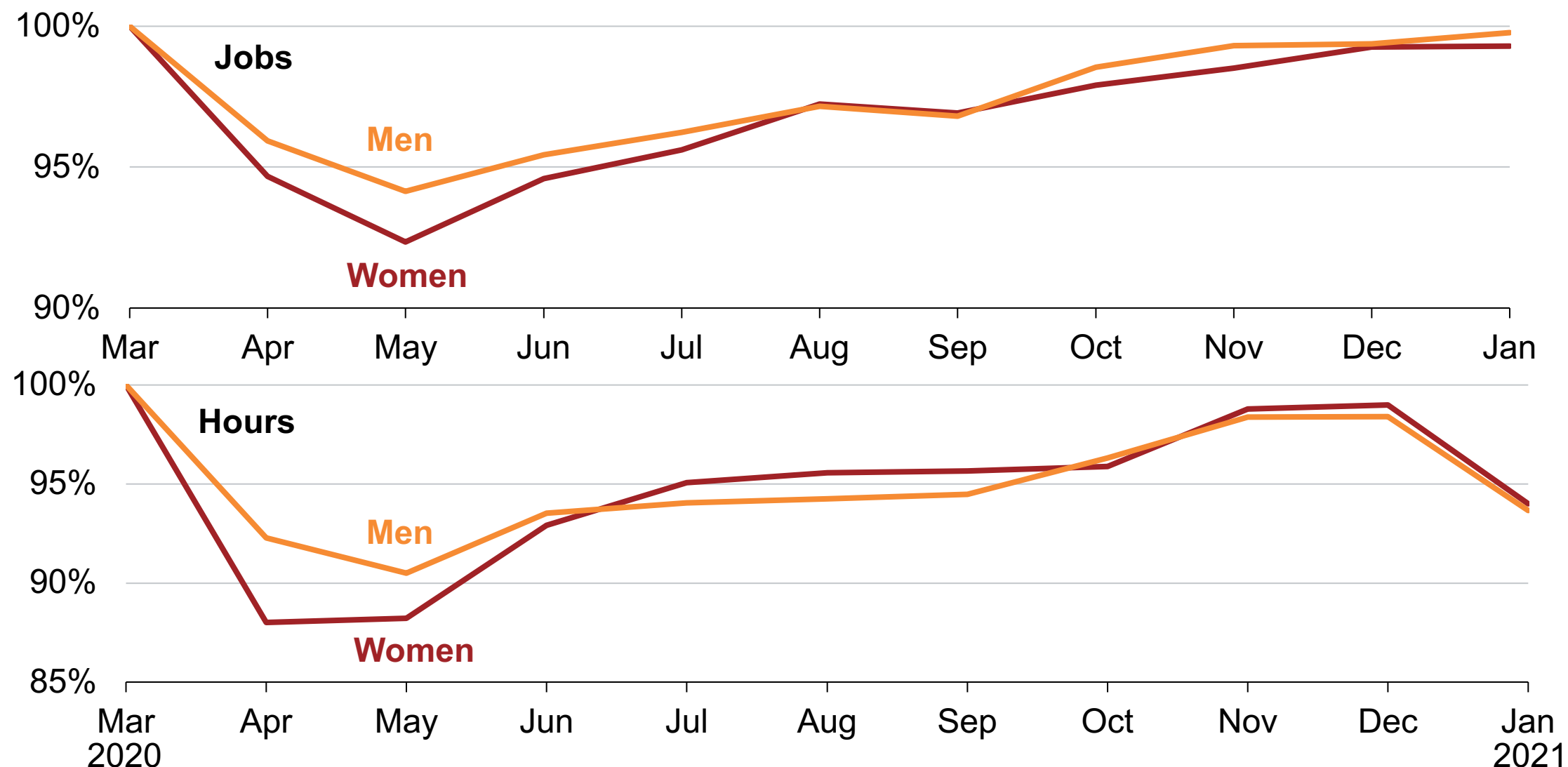
March 2021





# (1) Women were more likely to lose paid jobs and hours

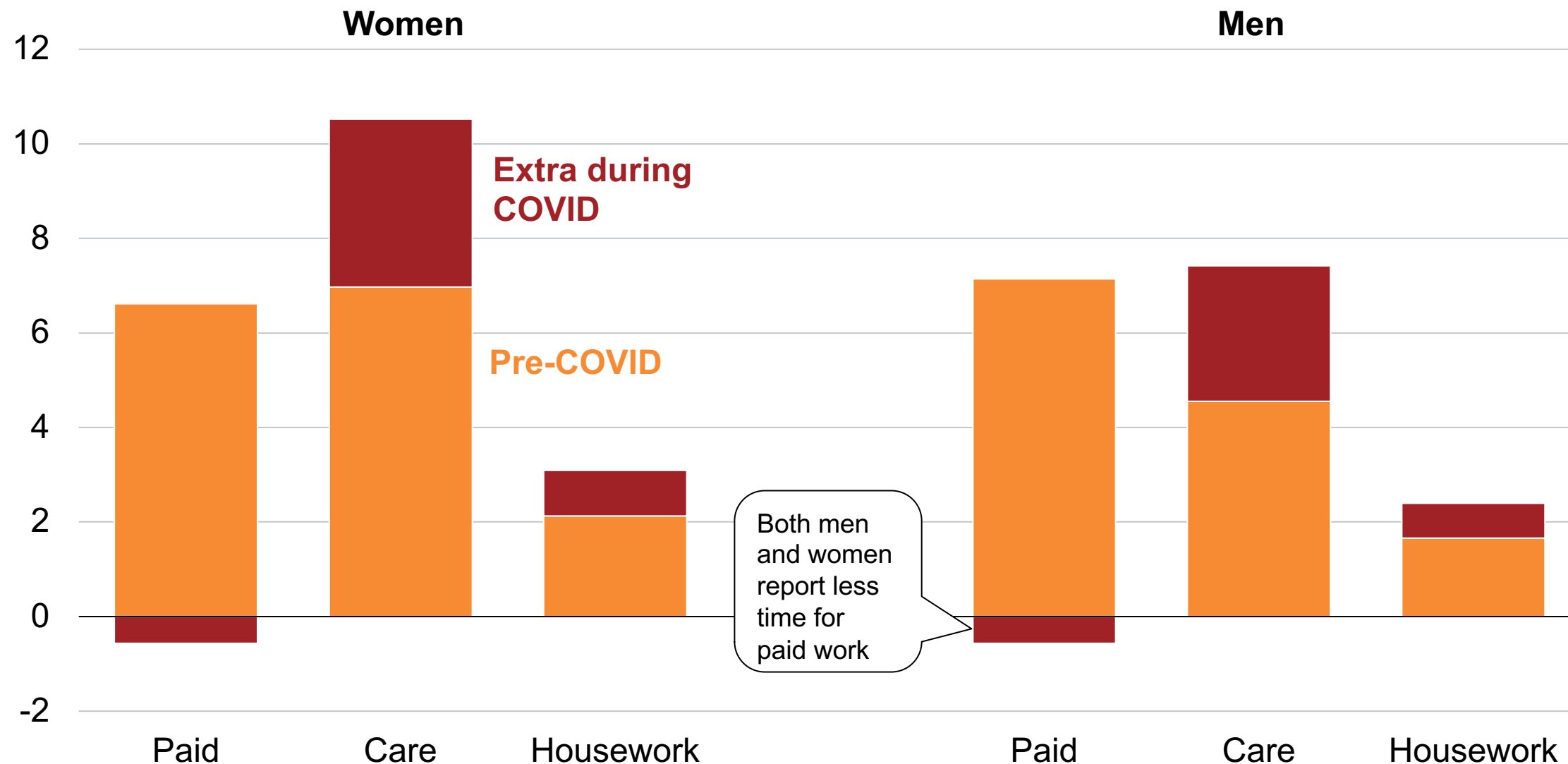
Monthly jobs and hours worked in all jobs, Australia, as % of jobs/hours in March 2020





## (2) Women were more likely to pick up the extra unpaid work

Average number of hours per day



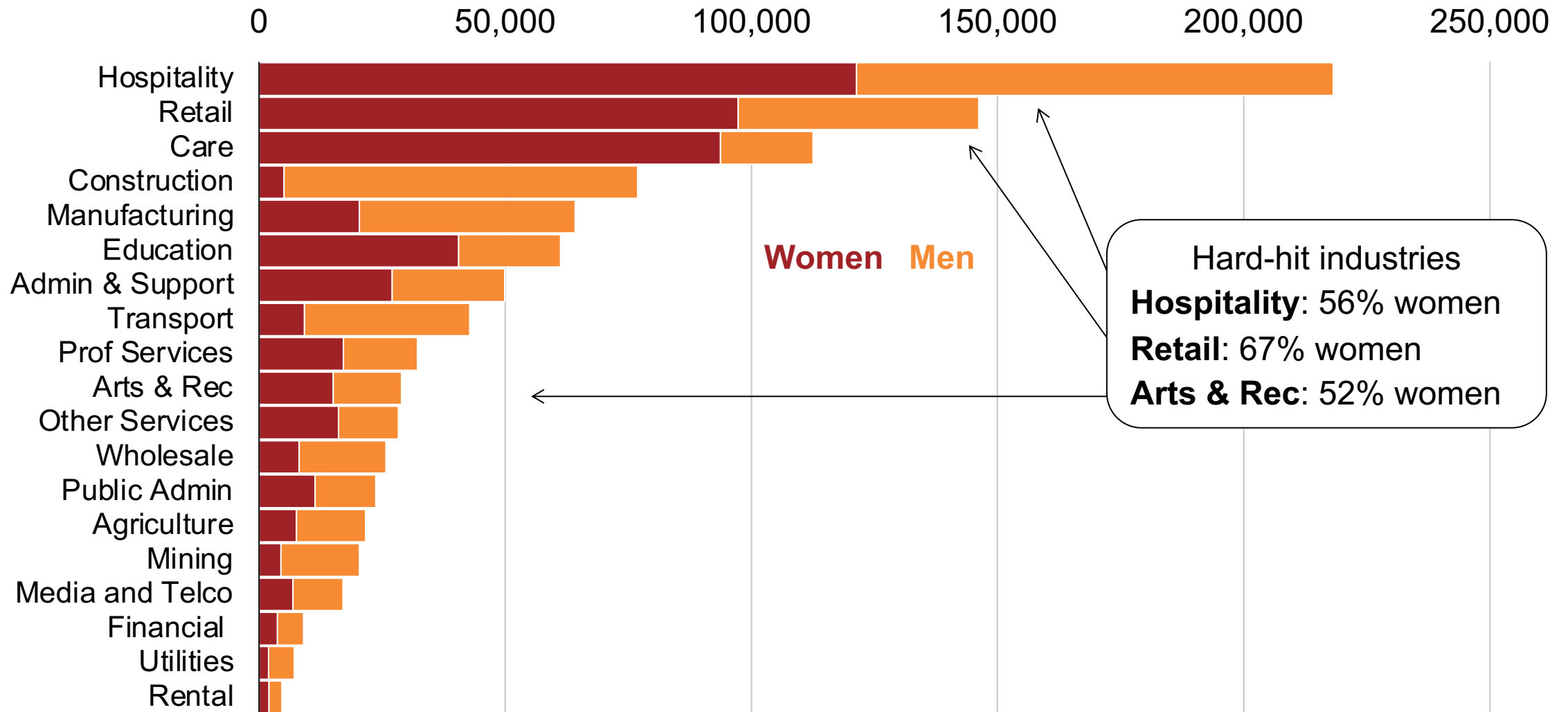
Notes: Hours do not necessarily tally because some supervision care occurs in parallel to other activities.

Source: Grattan analysis of Craig and Churchill (2020).



### (3) And women were less likely to be able to access government supports such as JobKeeper

Short-term casuals were excluded from JobKeeper, and in hard-hit industries they are mostly women  
Short-term casual employees, August 2019



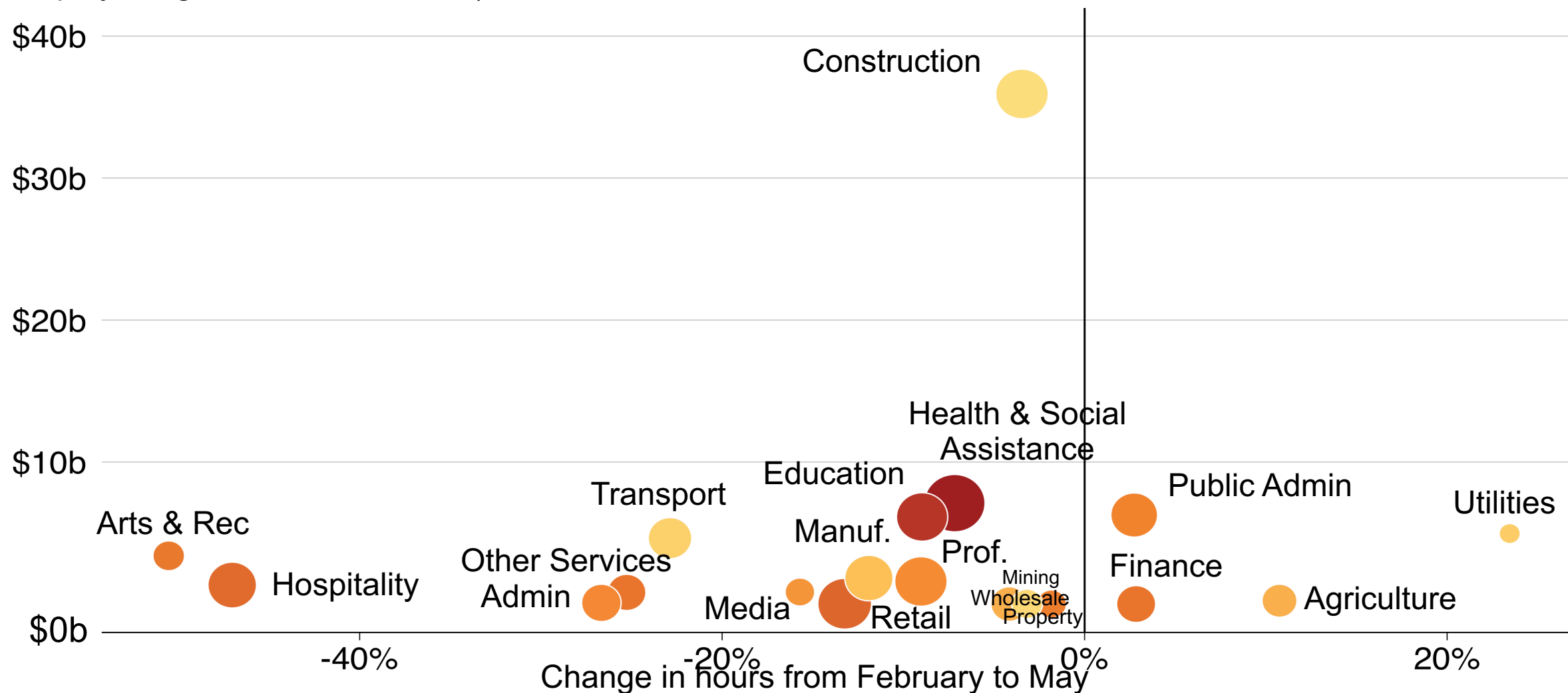
Notes: 'Casual employees' defined as those not entitled to paid holiday leave. Short-term = with their employer for less than 12 months.

Source: ABS Characteristics of employment 2019.



## And the direct supports also flowed much more heavily to male-dominated sectors

Industry-specific stimulus, federal and state governments combined, \$ billions (darker-coloured industries employ a higher share of women)

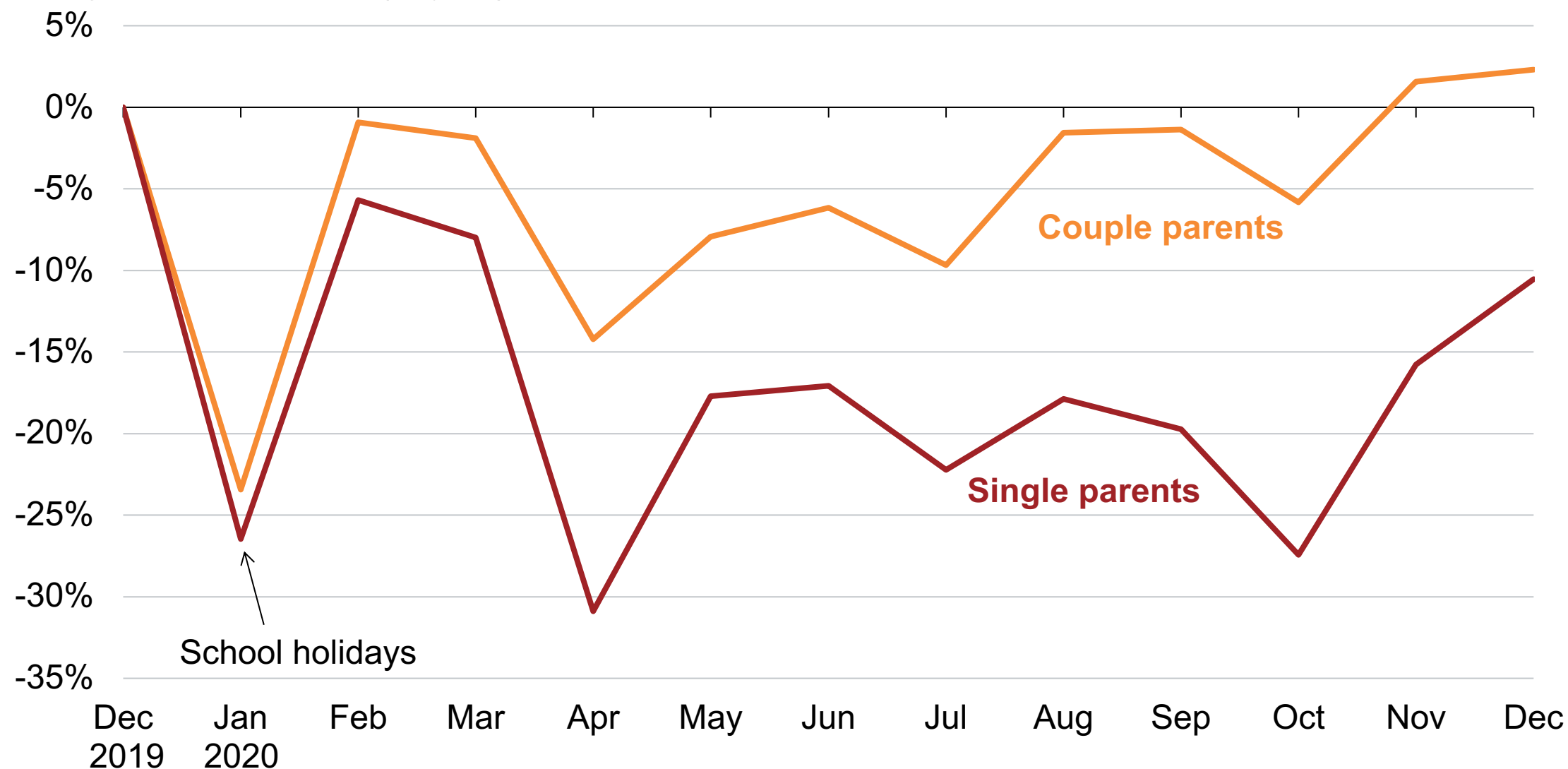


Notes: The larger the dot, the larger the industry. The darker the dot, the more women employed in the industry. Excludes funding specifically used to respond to the COVID-19 health crisis, including funding for hospital staff, medicines, PPE, hotel quarantine operation, police enforcement of lockdowns, and procurement and manufacture of vaccines. 'Industry-specific' stimulus is any measure taken in any post-COVID budget that clearly benefits a specific industry. Where a measure benefits two industries, the full amount is counted to each. Economy-wide stimulus, including the JobKeeper subsidy, is excluded. Sources: Grattan analysis of Commonwealth and state 2020-21 budgets; ABS Labour Force, Detailed, August 2020; ABS Australian System of National Accounts.



## Some groups, such as single parents, are still really struggling

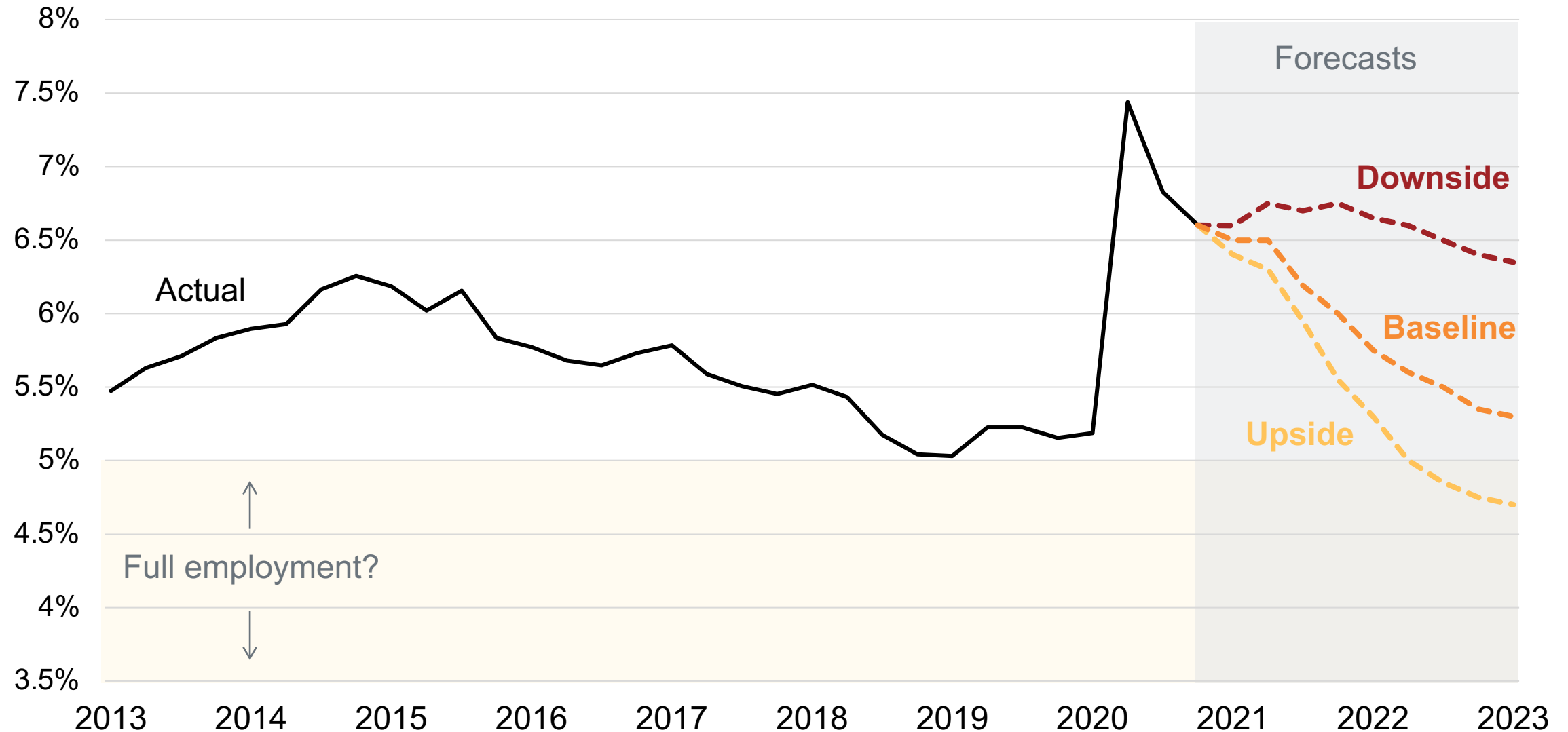
Australia has 1 million single parents, 80 percent of whom are women; 2.3 million couples  
Change in hours worked (all jobs) since Dec 2019 for parents with children under 15





# 'We still have a fair way to go': unemployment is expected to remain above pre-COVID levels for several years

## Unemployment rate



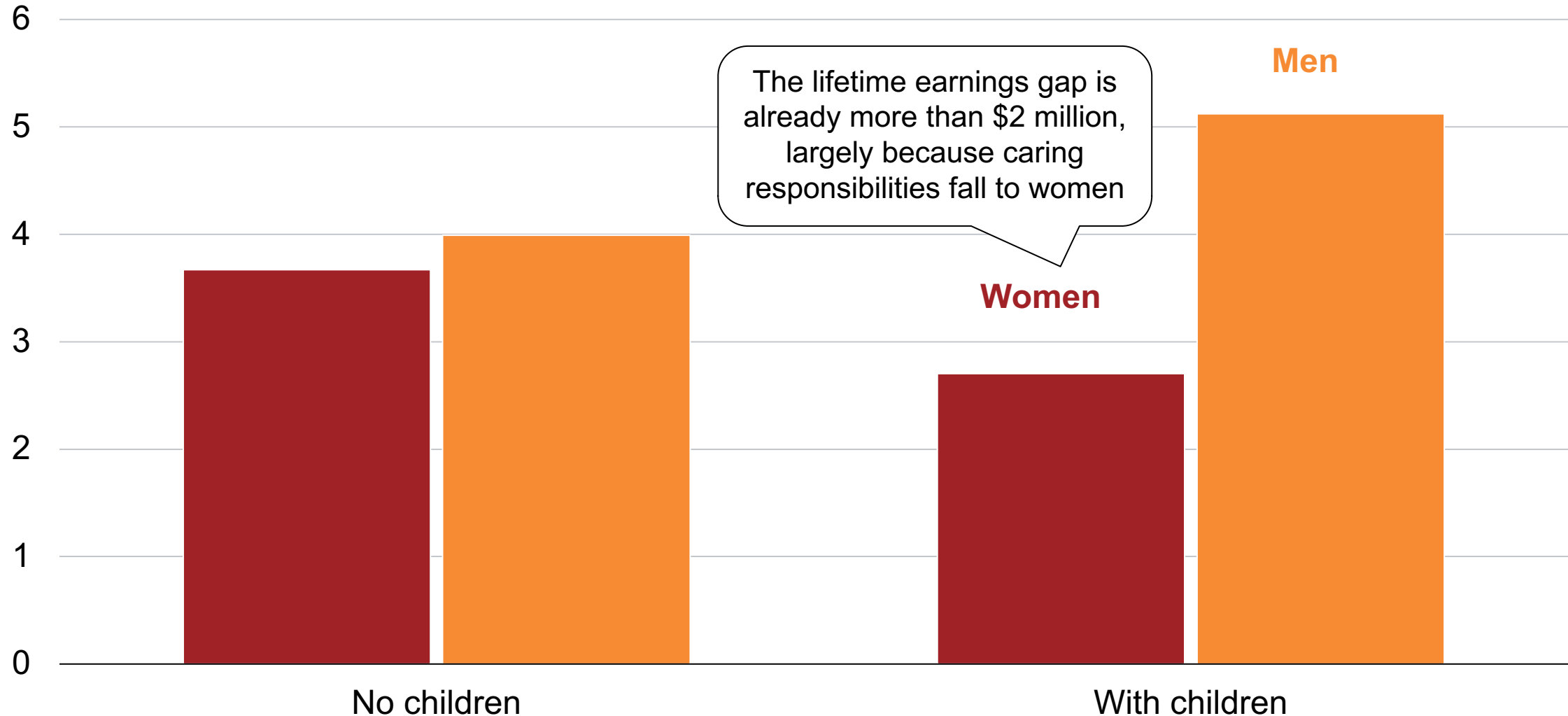
Notes: Forecasts are for quarter averages. Actual data is seasonally adjusted. The RBA does not disaggregate unemployment projections by gender.

Sources: Actual: ABS Labour Force Surveys. Forecasts: RBA Statement on Monetary Policy February 2021.



## Just six months out of the workforce could reduce the average woman's lifetime earnings by \$100,000 (on top of the existing gap)

Mean expected lifetime income for someone aged 25 in 2017, 2017 dollars, millions



Notes: Allows for earnings from age 25 to 70. Uses gross total income from HILDA. Assumes age-wise distribution of earnings from HILDA, adjusted for future wage inflation, assumed at 1 per cent. Earnings at age 60-64 assumed similar to earnings of those currently aged 55-59. Earnings at age 65-69 assumed similar to earnings of those currently aged 60-64. This adjustment acknowledges likely increases in labour force participation at older ages in future.

Source: HILDA, 2017.



## What can governments do?

---

### **Short-term: continue to support the economy until wages are growing again:**

- Extend the JobMaker wage subsidy scheme to more employers and job seekers
- Offer government-issued vouchers or consumption subsidies to boost demand in sectors such as hospitality, tourism, and the arts that are struggling to recover
- Create tutoring programs in all states to help disadvantaged students catch up on learning lost during lockdowns
- (Temporarily) lift the cap on domestic student places at universities
- Provide grants to support in-demand community services
- Increase JobSeeker and Commonwealth Rent Assistance, to support the most vulnerable Australians, including single mothers



## What can governments do?

---

### **Long-term: build back better by focusing on the care economy**

- Make early childhood education and care cheaper to support women's workforce participation
- Reform aged care to create jobs for women and improve the living standards of older Australians
- Establish an independent inquiry to review Australia's care industries to ensure they are fit to meet future needs (including worker pay, future workforce needs, and financing models)
- State governments should lead the development of training (and re-training) programs to grow Australia's care workforce

### **Lessons for this and future recessions**

- Rethink the way we do stimulus in a services economy
- Make gender analysis part of budget development processes so that we avoid unintended consequences