



Working with
Women Alliance

Economic Reform, Productivity and Equality

Submission to the Treasury's Economic Reform Roundtable

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Dr Gemma Killen

Director – National Women's Equality Portfolio

About WwWA

The Working with Women Alliance (WwWA) represents two key portfolios: National Women's Safety (NWS) and National Women's Equality (NWE).

The WwWA connects the critical areas of gender-based violence prevention and the advancement of women's economic equality and leadership, bridging these important policy fields for greater impact.

We work with members and stakeholders, including the Australian Government, to provide expertise and advice on gender equality and women's safety.

Acknowledgment of Country

The Working with Women Alliance acknowledges the Traditional Owners of the land on which we work and live.

We pay our respects to Aboriginal and Torres Strait Islander Elders past and present, and we value the enduring connection Aboriginal and Torres Strait Islander people have to this land.

We value Aboriginal and Torres Strait Islander histories, cultures, and knowledge.

Executive Summary

Raising Australia's productivity is about improving the efficient use of our resources toward the aim of improved wellbeing and better living standards for all people in Australia. Equality is at the heart of this project, both as a strategy for sustainable productivity gains and as its desired result.

Given the 2025 federal election results, the Labor Government has a clear mandate for strong, bold economic reform. This is a unique opportunity for the Government to further bake gender equality into progressive and sustainable policy and legislation for building Australia's future. This paper offers recommendations in three key areas of budget sustainability, building and sustaining a skilled workforce and improving productivity.

Budget Sustainability: Tax Expenditure Reform

Despite being one of the richest countries in the world, with some of the highest incomes per person, Australia collects very little tax revenue in comparison to other countries in the OECD. Of the 38 countries in the OECD, only eight have lower tax to GDP ratios than Australia.ⁱ We urgently need more revenue to resolve growing wealth inequality, care for our aging population and manage the energy transition. However, our tax system currently rewards wealth accumulation and speculation over employment and productivity, and it is primarily men that benefit from Australia's biggest tax expenditures. For example, women receive only 39% of total concessional tax benefits from super earnings, and for every dollar of benefit that a woman receives from the Capital Gains Tax Discount, men receive more than \$1.50.ⁱⁱ Efforts to improve productivity must begin with a gender impact assessment of current tax settings with a view to furthering equality.

Skilled and Adaptable Workforce

Valuing care

Relative to GDP, Australia invests less in early childhood education and care than most OECD countries.ⁱⁱⁱ In 2024, almost half of women who did not have a job were unavailable to start work because they were caring for children and a quarter of Australian regions were classed as childcare deserts – meaning there were more than three children for every place in an early childhood education and service.^{iv} Many women are also unavailable for work because of caring responsibilities outside parenting. The ABS estimates the monetary value of unpaid care performed by women was almost \$203 billion in the September 2024 quarter.^v

If Australian women had the same workforce participation rates and opportunities as women in Nordic countries, Australia's GDP would be approximately \$132 billion higher each year, and government tax revenue would grow by \$38 billion each year.^{vi} This shift would only be possible with adequate care infrastructure, strong support and development of the care workforce, and enshrined access to flexible work opportunities.

The complexities of measuring productivity in the care economy must also be addressed. The Government's commitment to measuring the value of unpaid care in the Labour Accounts is an excellent start to this work, as is the Wellbeing Framework. Each of these should be meaningfully included in budget processes and alongside traditional measurements of productivity that fail to account for how women's potential is utilised and rewarded.

Better recognising overseas qualifications

Despite a skills shortage, almost half (44%) of permanent migrants in Australia are working below their skill level.^{vii} Though women migrate at the same rate as men, they are 1.2 times more likely to be underutilised.^{viii} This is because they are more likely to be secondary applicants in the skilled stream, making up only 25% of primary applicants^{ix}, and due to intersecting forms of discrimination and culturally specific caring responsibilities and expectations. If the approximately 620,000 permanent migrants whose skills are currently being underutilised were working to their full potential, there would be a \$9 billion economic uplift in the Australian economy each year, and an additional \$70 billion additional GDP over ten years.^x

Improving Productivity

Child support reform

There is currently \$1.9 billion in Child Support Collect Debt in Australia.^{xi} The Australian child support system, is frequently weaponised as a tool of financial abuse against single mothers, resulting in higher levels of poverty and reliance on government support systems. Poor information sharing between the ATO, Services Australia, the Family Court and Child Support compound these harms and allow non-primary carers to manipulate payments. This process could be streamlined by centralising the ATO as the Child Support compliance agency to reduce opportunities for manipulation and improve tax compliance. The efficacy of Child Support would also be improved by delinking it from income support payments such as rent assistance, family tax benefits and payments and access to the Health Care Card.

Guardrails for Artificial Intelligence

Artificial Intelligence (AI) is transforming productivity and potentially driving GDP growth in Australia. However, any gains in productivity must be balanced against potential risks for women's economic equality. The historic gender bias that has put women at ever higher risk of socio-economic disadvantage is exacerbated by reliance on unregulated automated decision-making. For example, financial lending decisions are increasingly informed by AI systems that can expose women to higher rates, lower credit limits and starkly different financial advice to men.^{xii} There is evidence to suggest the jobs currently being done by women are most at risk of being replaced by AI systems.^{xiii} Despite this, women are less able to access the training necessary for jobs requiring AI adoption.

The Australian Government must regulate and monitor algorithm-facilitated discrimination and ensure women benefit from the innovation and increased productivity that AI promises.

Key Recommendations

Tax expenditure reform

- Address gender and wealth inequities in tax expenditure, beginning with superannuation tax concessions and the capital gains tax discount.

Valuing care

- Future proof key growth industries that are highly feminised through education and training price and access reform, award wages reform and rights to workplace flexibility.
- Use the Building Early Education Fund to embed public or community run early learning in established infrastructure such as schools, TAFE/VET programs, Aboriginal Community Controlled Organisations and multicultural organisations.
- Legislate the superannuation guarantee on employer paid parental leave.
- Pay superannuation on government funded Carer's Payments.

Recognising overseas qualifications

- Establish a national governance system for overseas skills and qualification recognition and establish place-based migrant employment hubs with specialised skills recognition navigators and other employment support.

Child support reform

- De-link child support from social security, including separating child support from family payments (Family Benefits Part A) to ensure financial independence for survivors of domestic violence.
- Mandate annual tax returns for child support purposes and close loopholes that allow for minimised assessments.

Guardrails for Artificial Intelligence

- Ensure that employment, housing, the financial sector and health are classified as high-risk for the purposes of AI Safety Standards and consider making the AI Guardrails mandatory for all sectors.

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- ^x Settlement Services International, 2024, *Billion Dollar Benefit*
- ^{xi} Commonwealth Ombudsman, 2025, *Weaponising Child Support*
- ^{xii} Working with Women Alliance, 2025, *Artificial Intelligence, Gender and Economic Equality*, <https://www.wa.org.au/wp-content/uploads/2025/07/2WwWA-Policy-Brief-AI-Gender-and-Economic-Equality.pdf>
- ^{xiii} Workplace Gender Equality Agency, 2020, *Gender equality and the future of work*, <https://www.wgea.gov.au/newsroom/gender-equality-and-the-future-of-work>