Economic Reform Roundtable Submission



Prepared by Our Watch

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# Acknowledgement of Country

Our Watch acknowledges the Traditional Owners of the land across Australia on which we work and live. We pay respects to Elders past and present and recognise the continuing connection Aboriginal and Torres Strait Islander people have to land, culture, knowledge, and language for over 65,000 years.

As a non-Aboriginal organisation, Our Watch understands that violence against Aboriginal and Torres Strait Islander women and children is a whole of community issue. As highlighted in Our Watch’s national resource *Changing the picture*, there is an intersection between racism, sexism and violence against Aboriginal and Torres Strait Islander women.

Our Watch has an ongoing commitment to the prevention of violence against Aboriginal and Torres Strait Islander women and children, who continue to experience violence at significantly higher rates than non-Aboriginal women. We acknowledge all Aboriginal and Torres Strait Islander people who continue to lead the work of sharing knowledge with non-Aboriginal people and relentlessly advocate for an equitable, violence-free future in Australia.

**Introduction**

* Our Watch is a national leader in the primary prevention of violence against women. All Australian governments are members of Our Watch.
* Our Watch welcomes the opportunity to provide a submission to inform the Economic Reform Roundtable. Our interest in this Roundtable reflects the strong association between violence against women and the social and economic conditions of gender inequality, such as the unequal value afforded to men and women and unequal distribution of power, resources and opportunity between them.**[[1]](#endnote-2)**
* Unlocking productivity in Australia cannot be achieved without addressing the barriers to women’s labour force participation. Factors preventing women’s full economic participation include caring responsibilities, limited parental leave, and the ongoing prevalence of violence against women.**[[2]](#endnote-3)**
* Australia also pays for this violence. The cost of violence against women is estimated at $21.7 billion annually, with at least $4.7 billion as government expenditure, including $1.9 billion in lost productivity.**[[3]](#endnote-4)** Realising Australia’s full productive capacity and strengthening budget sustainability requires addressing gender inequality and investing in prevention of violence against women.

**Reform opportunities**

Our Watch recommends the Roundtable discuss reform proposals in three key areas to reduce barriers to women’s labour force participation and the fiscal impact of violence against women, all of which contribute to productivity, economic resilience and budget sustainability:

* **Further paid parental leave reforms,** including increasing the amount of paid leave available to ‘secondary caregivers’ (usually fathers), establish consistency for secondary caregivers and their leave entitlements and public reporting on parental leave uptake by gender.Greater uptake of paid parental leave by fathers is a powerful lever for increasing women’s labour force participation. Shifting norms around who takes parental leave helps disrupt the entrenched gender roles that underpin both workplace inequality and the broader conditions for violence against women.**[[4]](#endnote-5)**
* **Additional early childhood care and education reforms,** including reviewing FBT exemptions and access to childcare subsidies for temporary or restricted residents.Access to affordable early childhood education and care can drive labour force participation rates.
	1. Consider broadening the current fringe benefit tax exemption on salary sacrificing for childcare. Reforming FBT restrictions on salary sacrificing arrangements between employers and employees has received strong support from business. This reform was supported by Minister Plibersek in her former role as Labor spokeswoman on work and family matters.**[[5]](#endnote-6)**
	2. In line with the Productivity Commission’s report ‘‘*A path to universal early childhood education and care’*, consider a review of access to childcare subsidies for temporary or restricted residents. Harnessing the skill and potential of migrant and refugee women can play a vital role in strengthening Australia’s labour force.**[[6]](#endnote-7)**

Whilst both reforms are likely to have a fiscal impact, increasing access to childcare may be partially offset by an increase in income tax takings resulting from improved workforce participation and attachment.

* **Long-term and sustainable investment in prevention of violence against women.** Investment in primary prevention is a key vehicle for reducing the overall fiscal impact of violence against women. An example of the economic benefits of primary prevention can be seen in health where Australian government modelling suggests that “every dollar invested in preventive health saves an estimated $14.30 in healthcare and other costs”.**[[7]](#endnote-8)** Beyond the budgetary impacts of gender-based violence, there are significant workforce impacts that reduce the capacity of women to participate in the workforce.Finally, the prevention workforce should be considered as an emerging sector in the Australian economy, one that is necessary to support prevention activity across Australia. Long-term investment will help to grow and foster this emerging workforce and ultimately contribute to the vision of the National Plan to End Violence against Women and Children of ending violence in one generation.

**Conclusion**

Our Watch encourages discussion at the Economic Reform Roundtable that recognises the importance of gender equality as a key contributor to a productive, resilient and sustainable national economy. Our Watch also looks forward to continuing to work constructively with governments, practitioners, and the community, at all levels of Australian society, to address these drivers of violence in all settings where people live, learn, work, and socialise.

1. Our Watch. (2021). [*Change the story*: (2nd ed.)](https://media-cdn.ourwatch.org.au/wp-content/uploads/sites/2/2021/11/18101814/Change-the-story-Our-Watch-AA.pdf) p. 28 [↑](#endnote-ref-2)
2. Workplace Gender Equality Agency (2023). *Unpaid care work and workplace participation gap*; Grattan Institute (2021). *Women's work: The impact of motherhood on lifetime earnings*. [↑](#endnote-ref-3)
3. KPMG (2016). *The Cost of Violence Against Women and their Children*. Prepared for the Department of Social Services; AIHW (2022). *Economic and financial impacts of domestic and family violence.* [↑](#endnote-ref-4)
4. Our Watch (2021), Change the story: (2nd ed.) p 39. [↑](#endnote-ref-5)
5. The Sydney Morning Herald. (2006, February 1). *Business says tax change would fix child-care crisis*. The Sydney Morning Herald. https://www.smh.com.au/national/business-says-tax-change-would-fix-child-care-crisis-20060201-gdmvum.html [↑](#endnote-ref-6)
6. Settlement Services International. (2024). *The billion dollar benefit: Unlocking the employment potential of refugees and migrants in Australia*. <https://www.billiondollarbenefit.org.au/wp-content/uploads/2024/06/Billion_Dollar_Benefit_2024_Report.pdf> [↑](#endnote-ref-7)
7. Australian Government. (2024). *A fit and healthy Australia.* <https://www.health.gov.au/sites/default/files/2024-05/budget-2024-25-a-fit-and-healthy-australia.pdf> [↑](#endnote-ref-8)