



# Valuing unpaid caring work in Australia

## RESEARCH PROJECT FACT SHEET

### Women - accumulating poverty

In 2009, the Australian Human Rights Commission examined the gender gap in retirement savings in a report entitled *Accumulating Poverty? Women's experiences of inequality over the lifecycle*.

The report identified three strategies to redress women's disadvantage in the current retirement income system and to build women's financial security in retirement:

- remove the barriers to women's participation in the paid workforce and close the gender pay gap
- invest in measures to redress women's disadvantage in the superannuation scheme
- specifically recognise and reward unpaid caring work in the retirement income system.

It was also noted that each of these strategies requires creative, ambitious policy reform to make a significant difference.

### A research project to value unpaid caring work

With this in mind, the Australian Human Rights Commission has engaged the Social Policy Research Centre (SPRC) at the University of New South Wales to undertake research to support the third strategy – with the anticipation that all strategies will be positively impacted.

The Westpac Group has provided funding for this project, which is entitled, the *Valuing Unpaid Caring Work in Australia Research Project*.

### Some background

In Australia, women continue to undertake the large majority of unpaid caring work in households (ie, parents, foster parents, grandparents or kinship carers caring for children; or informal carers providing assistance in the activities of daily living to persons with disability, chronic illness or frailty due to older age).

The disproportionate level of unpaid caring work undertaken by women has been identified as a critical barrier to women's equal participation in the workforce.

In January 2012, 66 percent of all women aged 15-64 years in Australia were in employment compared with 78 percent of men in this age group.<sup>1</sup> Among women employees, 46 percent worked on a part-time basis in stark comparison to the 16 percent of employed men who worked part time, a reflection of gender inequalities in time spent in unpaid caring roles.<sup>2</sup>

Unpaid caring work is also the most significant contributing factor to the gender gap in retirement savings and retirement income in Australia.<sup>3</sup>

Current research indicates that superannuation balances and payouts for women are approximately half of those of men. In addition, just under half of retired women in Australia have no super compared to 25 percent of men<sup>4</sup>. The superannuation gender gap has led to many women, particularly single women, needing to rely predominantly upon the Age Pension for their retirement income.

## Aims of the research project

The Commission is focused on addressing sex discrimination and promoting gender equality in Australia, and ensuring the economic and financial security of all women.

The aim of this latest project is to address a critical research gap that exists in Australia by:

- examining the nature of unpaid caring work in Australia and the barriers it creates for women's equal participation in the workforce;
- identifying and analysing the different models and measures of valuing unpaid work and assessing the possible impact of such measures on the gender gap in retirement savings; and
- Identifying and assessing the contemporary mechanisms in the workplace that support caring work.

This significant and innovative research will:

- identify models for reforms that will properly recognise and compensate those who undertake unpaid caring work,
- inform evidence-based development of employment and retirement income strategies (e.g. workplace entitlements, flexible workplaces, superannuation reforms); and
- provide valuable information for policy and law-makers, academics and other opinion makers.

The project, which will be conducted over nine months, commenced in January 2012.

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<sup>1</sup> Australian Bureau of Statistics, *6202.0 Labour Force, Australia* (January 2012) Table 18 Labour Force Status by Sex 15-64 years, Trend Series A2425971L and A2426116T at <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6202.0Jan%202012?OpenDocument> (viewed 19 March 2012).

<sup>2</sup> Australian Bureau of Statistics, *6150.0 Labour Market Summary* (January 2012) at <http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/6105.0main+features2Oct%202011> (viewed (24 February 2012).

<sup>3</sup> Australian Human Rights Commission, *Accumulating Poverty? Women's experiences of inequality over the lifecycle* (2009). Available at: [http://www.hreoc.gov.au/sex\\_discrimination/publication/gender\\_gap/index.html](http://www.hreoc.gov.au/sex_discrimination/publication/gender_gap/index.html).

<sup>4</sup> Australian Bureau of Statistics, *6238.0 Retirement and Retirement Intentions, Australia, July 2010 to June 2011* (December 2011) at <http://www.abs.gov.au/ausstats/abs@.nsf/mf/6238.0> (viewed 10 January 2012).