

Victorian State Budget Priorities 2022-23



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About Good Shepherd Australia New Zealand

Good Shepherd Australia New Zealand addresses the critical and contemporary issues facing women, girls and families.

Guided by the values of reconciliation, justice, audacity and zeal, for more than 150 years Good Shepherd Australia New Zealand has supported women and their families to be safe, strong and well.

Our programs and services help people overcome barriers that lead to hardship and live a safe, full life.

We seek positive change in laws, policies, social norms and behaviours through targeted research, policy advocacy and corporate alliances.

Statement of Recognition

Good Shepherd Australia New Zealand acknowledges the Traditional Custodians of the lands and waters throughout Australia. We pay our respect to Elders, past, present and emerging, acknowledging their continuing relationship to land and the ongoing living cultures of Aboriginal and Torres Strait Islander Peoples across Australia.

We recognise that the perspectives and voices of First Nations women and girls should be at the centre of conversations about the critical issues facing women, girls and families.

CEO's message

The next year brings hope and opportunity in Victoria. At Good Shepherd, we're acutely aware of the challenges ahead to help women and families recover from financial hardship and family violence. At the same time, we're emboldened by Victorians' collective sacrifice and care for community during 2021. Equality and justice for women require collective action and good policy that lifts all women and families across Victoria.

We're excited by the State Budget's potential in 2022-23. As many have observed, social and economic recovery offers the chance to not only repair but do better. Victorians should be bold in our expectations of life during and beyond the pandemic.

Several 'big ticket' deficiencies have come to a head recently and left women and families vulnerable to financial, safety and health risks. Chief among these is the chronic lack of social and affordable housing, including for family violence victim-survivors and their children; piecemeal action on economic abuse, leaving services under-equipped to deal with this pervasive and increasing issue; and women's income insecurity and economic inequity.

We applaud Government's resolve to confront these issues, including significant investments in social & affordable housing and gender equality, the 2021 Inquiry into Economic Equity, and the establishment of the Gender Responsive Budgeting Unit in Treasury. Heading into 2022, the need for a gender equality budget has only grown stronger. Women have endured two years of income loss, vast unpaid care-work, and the toll of family violence.

Women's recovery is intertwined with Victoria's recovery. Investments in women's jobs, small businesses, housing and financial wellbeing support not only individuals and families, but economic participation and stimulus throughout the community.

And while women's recovery is first and foremost about those on the lowest incomes who deserve financial security and safety, it's also about women and families in the precarious middle. Over the past 18 months, Good Shepherd has been assisting a newly vulnerable cohort who, due to job insecurity, small business collapse, and reduced employment, have experienced financial hardship for the first time in their lives.

Good Shepherd's budget priorities focus on four major areas:

- **financial wellbeing for women & families**
- **family violence & economic safety**
- **women's housing equality**
- **women's income security & workforce access**

These areas are all interlinked; action in one area makes women stronger in other areas. Our budget priorities are all about *connections*. Connecting the community sector, government and industry; connecting other organisations to innovative practices developed by Good Shepherd; and connecting women and families to the things they need for recovery.

Stella Avramopoulos
CEO, Good Shepherd Australia New Zealand

Three key priorities

1. Co-invest in an innovative housing model for women

Amplify Good Shepherd's \$10 million investment in a new, replicable housing model for single, older women and those escaping family violence. Co-fund a women's housing design strategy that will act as a template for government and not-for-profit providers across Victoria.

2. Expand place-based Financial Inclusion Action Plans

Build the financial wellbeing of women and families by expanding Australia's first place-based FIAP in Geelong, and replicating this successful program to another Victorian location to tackle disadvantage and deepen community collaboration at this critical time of recovery.

3. Deliver quality job support services tailored to women

Partner with community sector specialists to deliver high-quality job support services to women, migrants, young people and the 'newly vulnerable'. Provide holistic support that allows women to find and sustain decent, secure work, recover from family violence, and build long-term financial security.

Financial wellbeing for women & families

The COVID period shows the power of government policy in shaping financial wellbeing. After improvements in financial wellbeing in 2020 due to relief measures and greater income support, financial stress increased in 2021 for people on low incomes, with women's financial resilience more affected than men's. Financial hardship has also become more apparent in middle-income households.

Heading into 2022, women and families in Victoria require extra support, with declines in financial wellbeing particularly noticeable in Victoria. The recovery will be uneven and new challenges will arise as existing risks to financial wellbeing (low income support levels; women's concentration in precarious work) combine with other risks, such as pressure to pay housing and utility arrears, higher inflation expectations, and the growing availability of unregulated credit, including for essentials such as childcare.

Expand place-based Financial Inclusion Action Plans

Good Shepherd is the founder and leader of the Financial Inclusion Action Plan (FIAP) Program, a unique, cross-sector network of leading businesses and organisations who have committed to practical actions to build Australians' financial wellbeing. In early 2020, Good Shepherd brought together 10 organisations in the Geelong region to launch Australia's first place-based FIAP. Partners include Barwon Water, Deakin University, Aware Super, WorkSafe Victoria, Bethany Community Support, and City of Greater Geelong. The Geelong FIAP delivers real, practical support that is closely attuned to community needs. Examples of successful actions include:

- extensive, proactive outreach to around 15,500 customers by the Barwon Water Customer Support program over a 12-month period, and specific grant assistance to more than 3,500 customers in vulnerable circumstances
- a cross-referral program between Colac Otway Shire, Colac Area Health and Barwon Water, to connect people with financial support and counselling
- community information sessions by Aware Super about money, debt and future financial security (including early superannuation access)
- direct financial relief and grants by Deakin University (\$6.7 million in assistance to Geelong-based students experiencing hardship due to COVID), City of Greater Geelong and others.

As the 'Geelong Pioneers' wrap up their first 'Foundation FIAP', they are looking to deepen their collaboration at this critical time of community recovery by progressing to the next level of the program and developing a 'Build FIAP'. **With \$0.3m in additional funding, the Geelong FIAP can increase its reach and impact across the community over the next two years** by building on early success and continuing to invest in strong community connections to drive local change.

Government could also **invest \$0.3m over two years to expand the successful place-based FIAP program to another Victorian location**, to build community-level financial resilience and bolster the pandemic recovery. The program could benefit areas with the highest disadvantage and leverage existing Good Shepherd connections in areas such as Morwell and Shepparton.

Help families break free from energy debts

The Victorian Government can boost essential costs support in 2022–23 to help women and families clear debts accrued during the pandemic, and avoid problems in one area spilling over into other areas, like housing.

Energy costs support should be a priority. Victorian energy disconnections have declined, but energy debts are overwhelming some families. Average energy debts are \$1097 (electricity) and \$816 (gas) for households needing payment help. People with the worst affordability issues (i.e. those who cannot afford ongoing energy use) have average electricity debts of \$1876 alone. In some cases, Good Shepherd is seeing individual families with more than \$10,000 in energy debt. In the 2022–23 budget, Government could **provide a one-off payment of up to \$2000 that helps the most in-need families clear their energy debts, stabilise finances and plan for the future.**

There is significant need for extra support. It has been harder to manage essential expenses in 2021 than 2020, and we expect these pressures to rise in 2022. On the income side of the ledger, many people have lost work and prior income supports (COVID Supplements and Disaster Payments). On the costs side, household energy use increased and arrears mounted during ongoing lockdowns, and rental costs skyrocketed in regional areas especially.

And while those on the lowest incomes face acute financial constraints, Good Shepherd research and program experience indicates middle-income families increasingly need support, including those in precarious work and those who have large mortgages and other debts.

Family violence & economic safety

Victoria leads the nation in addressing family violence. It is serious about gender equality and ending violence against women. Yet despite making great strides, economic abuse is relatively neglected by Victoria's family violence strategy. Economic abuse is pervasive: since the pandemic began, almost a third of Australian women have experienced emotionally abusive, harassing and controlling behaviours, with financial abuse the most common behaviour.

Economic abuse occurs alongside other types of violence. More than 80% of women presenting to family violence services report a history of economic abuse. There is also a clear link between the pandemic and the onset or increased severity of non-physical abuse. Good Shepherd survey research indicates 90% of our non-family violence practitioners (including financial counsellors) have seen a rise in economic abuse during the COVID period.

Heightened financial stress and widespread credit availability increase economic abuse risks, including coerced debt and control of financial resources. A third of women with recent experience of financial abuse report their partner had pressured them to provide money or access to their money, including superannuation.

Develop and fund an economic abuse strategy

Victoria can again lead the way by **developing and funding a comprehensive economic abuse strategy**. This strategy would have immediate and long-term benefits by assisting women to stabilise their current financial situation and build safety, deal with abusive debts and financial arrangements, and obtain resources and support for recovery. Priority initiatives include:

Prevention programs

Build economic abuse prevention into the Respectful Relationships curriculum, to create healthy financial relationships during young adulthood and over lifetimes.

Deliver 'just in time' financial capability services that coincide with major life stages/events and risk factors for family violence. There are '6 Moments that Matter' – pivotal times to build economic safety and take back control, including when entering and re-entering the workplace, having children, and separating from a partner. Government could work with TAFE, workplaces, super funds, health providers and others to deliver these services.

Crisis and early intervention support

Fund additional specialist financial counsellors throughout Victoria to address economic abuse issues and connect women with improved industry responses to family violence.

Provide integrated legal, financial counselling and social work services, using the proven McAuley Community Services for Women/WEstjustice model. This model provides a single, trusted service for dealing with the legal, financial and mental health issues arising from economic abuse, and could be scaled to reach women across Victoria.

Recovery measures

Integrate a family violence focus into the forthcoming economic equity plan for Victorian women, by supporting survivors into housing and work, and helping them maintain connections to work and study.



Women's housing equality

Stable, affordable housing is central to gender equality. It provides a foundation for study, workforce participation, the care of children, good mental health and violence-free lives. Australia's culture of housing financialisation, high house and rent prices, and social housing underinvestment is failing women on low and middle incomes – with terrible consequences for their wellbeing and safety.

Inclusive housing investments are therefore gender equality investments. Housing can be made affordable and offer long-term stability to women and children escaping violence; older, single women at high risk of rental stress and homelessness; and single mothers and their children, many of whom face housing stress.

We applaud the Victorian Government's investment of \$5.3 billion to create more than 12,000 new social housing and affordable homes. We also welcome the Victorian Homebuyer Fund shared equity scheme, which could be used by separated and older women, single mothers and 'key workers' with secure but modest incomes and savings. However, the scheme has very broad eligibility. We recommend Government invests in awareness campaigns and support measures to ensure these priority groups benefit from the scheme.

Co-invest in an innovative housing model for women

In light of the dire housing situation facing many single, older women and those escaping family violence, Good Shepherd has decided to leverage \$10 million of its own capital to create affordable, stable housing for older women and those at risk of homelessness due to family violence. Government could **co-invest in the design of a new, replicable women's housing model** to support a growing group of women and provide long-term safety and security.

It is well-known that single women aged 55 and over are one of the fastest growing groups experiencing homelessness and rental stress. This has two key drivers: women's income and wealth inequality stemming from gendered differences in pay, workforce participation and superannuation accumulation; and widespread housing policy failures, including a huge lack of social housing and affordable private housing. Trauma and family violence also produce housing insecurity and are the major cause of women's homelessness.

Government co-investment in a women's housing design strategy would enable production of an innovative housing model that is uniquely suited to the needs and financial situations of vulnerably housed women, and that delivers optimal social and economic returns. The ultimate model would act as a template for women's housing provision across Victoria by government and not-for-profit providers.

We envisage a model that accommodates women with a continuum of needs, ranging from those with very low incomes to those with modest incomes and assets who cannot afford market-rate housing. The model will value women's agency and ensure they can be active participants in the management and design of their homes and the creation of community.

Reinvest revenue windfalls in social & affordable housing

The lack of affordable housing is so acute that Government needs to **augment the very welcome 'Big Housing Build' by reinvesting revenue windfalls in this program**. Victoria's 2020–21 stamp duty revenue is \$473 million higher than expected due to steep house price increases. Total stamp duty revenue was \$6.4 billion. This revenue can fund social and affordable housing to help offset the damaging effects of high house prices and rents, particularly in regional areas.

Social housing re-investments should be targeted at family violence-victim survivors, vulnerably housed older women, and single mothers experiencing housing stress.

Sole female parents and their children are one of the most financially disadvantaged groups in Australia. Research by the Council of Single Mothers and their Children shows the overwhelming majority (90%) of single mothers are concerned or greatly concerned about their long-term financial wellbeing. Providing adequate housing is a major challenge for 30% of single mothers.

And while Victoria is making significant social housing investments for family violence survivors (including children), more is warranted. The pandemic is associated with first-time intimate partner violence and increased frequency or severity of violence. Social housing is critical for women on low incomes who need to leave their homes. Across Australia, 7,690 women a year return to perpetrators because they have nowhere affordable to live, and 9,120 become homeless after leaving due to family violence. Part of this national housing shortfall could be met by the Victorian Government, with co-investment from the Australian Government.

Back financial capability programs that support women into housing

Financial capability services maximise the value of social and affordable housing investments. Stable, secure housing is not just about physical infrastructure, but skills, self-confidence and accessible support at times of need, whether we live in social housing, private rental housing or have a mortgage. In the 2022–23 budget, Government could **fund housing-focused financial capability services**, and set women and families up for secure housing futures.

Good Shepherd currently delivers these services in conjunction with organisations such as Launch Housing and the Self Help Addiction Resource Centre in Victoria, and City West Housing in New South Wales. We provide high-quality financial capability programs to women leaving shared accommodation and residential recovery services, who want to build skills in bill management, budgeting, banking, and safe and affordable credit use.

Good Shepherd could play an integral 'connector' role and deliver a dedicated financial program to support the work of the housing sector. The program would provide a continuum of services for women and families, including:

- prevention-focused financial capability programs aimed at long-term housing security
- support to access safe and affordable financial products/services (e.g. NILS), leveraging Good Shepherd's expertise in housing-focused NILS products
- referrals to specialist financial counsellors and individual coaching – geared towards early intervention and crisis-stage support to prevent homelessness.

The program would focus on social housing residents and women leaving specialist housing services, but could also support those in precarious home ownership (e.g. young families facing income shocks; recently separated women). Targeted support at times of crisis and major life events prevents permanent exit from home ownership, including for mid-aged/older women.



Women's income security & workforce access

Women's economic recovery is fundamental to Victoria's economic recovery. Now is the time to restore women's jobs, create more secure work, and rebuild women's incomes and assets after depletion during the pandemic. Decent incomes for women allow individuals and families to flourish, support economic participation and provide stimulus for the entire community.

Women have faced two years of heavy jobs/hours loss and vast unpaid work. From May to October 2021, 68% of jobs lost were held by women; most were part-time. Women have a higher underemployment rate than men, and comprise many of the 'hidden' unemployed, i.e. those who want paid work but face barriers such as a lack of affordable and accessible childcare.

We welcome Government's commitment to building economic equity and the 2021-22 budget measures in this area, including free TAFE courses and tailored jobs and training support for women. Heading into 2022, the need for economic equity measures has only grown stronger, and Victorian action must be matched by commonsense action from the Australian Government. Major Victorian budget priorities are listed below; more can be found in our submission to the 2021 Economic Equity Inquiry.

Deliver quality job support services tailored to women

Women must be supported into decent, secure jobs over the next 12-24 months to avoid long-term unemployment, and the physical and mental health effects of cycling between insecure jobs. Government can **fund quality job support services, delivered through community sector partnerships, to bolster women's long-term financial security and wellbeing.**

Good Shepherd/Roy Morgan research shows 40% of employed Australians experienced negative employment changes during the pandemic, especially job or hours loss. Women, migrants and young people are most affected. The impact of employment changes extends beyond finances and into family relationships, housing and mental health, making it vital for job programs to offer holistic services that support the needs of the whole person in becoming 'job ready'.

Job support for women should include a focus on young people at risk of job scarring (i.e. life-long impacts on pay, career progression and employment) and women who are 15-20 years from retirement and need to (re)build superannuation. A women's job support program would also assist women who have not been able to participate in or sustain paid work due to family violence, or whose self-confidence and financial resources have been impaired. The program will also provide post-employment support to sustain women's connection to paid work.

Women who previously enjoyed financial stability may have a particular need for job support during the COVID recovery. Good Shepherd/Roy Morgan research shows less than a fifth of people who experienced negative employment changes during the pandemic had faced financial difficulties pre-pandemic. This newly vulnerable group can benefit from navigation services, being less familiar with the support available during periods of unemployment.

Train skilled women for the net zero economy

Victoria has an opportunity to lead the way in decarbonising the economy and ensuring women benefit from this transformation. The transition to a net zero economy will reinforce gendered workforce segregation and pay gaps if it largely supports male-dominated workforces and misses emerging opportunities for women and girls.

Over the coming years and decades, jobs will be created by megatrends such as decentralised, renewable energy; the growth of energy efficiency; the rise of the circular economy; 'nearshoring' and reshoring the production of goods such as clothing to create more sustainable supply chains; and transformations in food supply and security due to changing consumer diets and other factors.

There is an urgent need to **develop and fund a strategy that analyses the benefits of the net zero economy for women, identifies job opportunities in new and growing sectors, and provides supportive education, training and finance.**

Accessible and affordable vocational education and training will be an important pathway, especially for women on low and middle incomes, and could build on Government's free TAFE program and 'Respect and Equality in TAFE' initiative. Government can also investigate joint initiatives with industry to support an inclusive transition, and adopt a strong gender equity focus in community-level economic transitions, such as in the Latrobe Valley.

Enable job security and fair pay for social & care economy workers

Women's income security depends on valuing their work within the social & care economy, the engine room of the wider economy. The health care and social assistance sector is Australia's largest employer at 14.3% of all jobs, eclipsing both construction (8.6%) and manufacturing (7.7%). Women make up 80% of this workforce. Gendered work norms leave many of these jobs insecure and underpaid, yet this work is vital to our wellbeing and survival, by providing health, disability, aged care, family violence and other services. Some of these jobs may command a 'risk premium' that is not reflected in wages, with female essential workers concentrated in health and education roles highly exposed to COVID risks.

The Victorian Government can significantly improve women's job security and pay by **fairly funding social and community services**. This is a major gap in Government's efforts to address job insecurity and build women's economic equity.

First, this requires **ending 'drip funding'**, which entrenches insecure, short-term contracts. Government can pilot new five-to-seven-year funding cycles that align with projected need over multi-year timeframes, consistent with the Productivity Commission's recommendations.

Second, Government can **index funding to allow employers to meet regulatory obligations supporting women's economic equity**. Indexed funding would cover the costs of key equity measures such as wage rises and higher superannuation contributions. Funding should also reflect the true costs of delivering high-quality, digitally enabled services to clients, including family violence victim-survivors and older women in an ageing population.



**Our vision is that
all women, girls
and families are
safe, well, strong
and connected.**

