Breaking the norm
Unleashing Australia’s economic potential

In partnership with Australians Investing in Women
November 2022
Acknowledgements

This report was produced by Deloitte Access Economics in partnership with Australians Investing in Women (AIIW). Deloitte Access Economics and AIIW would like to acknowledge and thank the AIIW Research Reference Committee members for their input to this report.
Glossary and definitions

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full text</th>
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<tbody>
<tr>
<td>ABS</td>
<td>Australian Bureau of Statistics</td>
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<td>AIIW</td>
<td>Australian Investing in Women</td>
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<td>ASX</td>
<td>Australian Stock Exchange</td>
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<tr>
<td>CGE</td>
<td>Computable general equilibrium</td>
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<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
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<tr>
<td>FTE</td>
<td>Full-time equivalent</td>
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<td>GDP</td>
<td>Gross domestic product</td>
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<td>HILDA Survey</td>
<td>Household, Income and Labour Dynamics in Australia Survey</td>
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<table>
<thead>
<tr>
<th>Terminology</th>
<th>Definition</th>
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<tr>
<td>Gender</td>
<td>Gender is a social and cultural concept distinct from sex, and there is a spectrum of gender identities, expression and experiences that fall outside of the traditional gender binary. Gender is not static; it exists along a continuum and can change over time.¹</td>
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<tr>
<td>Gender bias</td>
<td>The differing treatment of individuals that stem from beliefs about the differing characteristics, preferences and abilities between genders. These can be explicit beliefs but also deeply rooted intrinsic beliefs.</td>
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<tr>
<td>Gender discrimination</td>
<td>The differing treatment of individuals solely because they belong to a certain gender.²</td>
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</table>
| Gender norms           | Gender norms can be thought of as beliefs, shared by men and women, about what men and women should or ought to behave (or how they should or ought to be).³ As such, gender norms tend to exaggerate small or simply perceived differences between men and women into stereotypes that are considered representative of all men and women.  

  Gender norms contribute to gender bias by creating or reinforcing perceived differences between men and women. One reason this occurs is because of cognitive shortcuts used by the brain to generate expectations of others based on information about the group the individual belongs to rather than specific information about them.  

  Gender norms can manifest in gender attitudes and gender behaviours.                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Gender stereotypes     | Representations or classifications of men and women that are simplified and conventionalised. Gender norms often manifest in gender stereotypes and then become prescriptive – that is, they may motivate people to adjust their self-view and preferences to what seems appropriate based on their gender group.                                                                                                                                                                                                                      |
| Intersectionality      | Intersectionality refers to interconnected nature of factors like race, sex, class, socio-economic status, ethnicity, sexual orientation and disability, which can create overlapping and interdependent systems of disadvantage.                                                                                                                                                                                                                     |
| Sex                    | Sex refers to a set of biological attributes allocated at birth. Sex is usually categorized as female or male but there is variation in the biological attributes that comprise sex.                                                                                                                                                                                                                                                                                                           |
Foreword

Depending on where you get your news, it can feel like we are in a period of rapid enlightenment. We are more aware, we are more inclusive, we are more equal!

But even simple stats on gender equity in Australia paint a far more sombre picture.

Women continue to earn substantially less than men. Women contribute to far more domestic labour. Women have nowhere near the same volume of voice in leadership.

As a country we are not progressing relative to our counterparts, we are falling behind.

And gender gaps persist despite the great structural advances made in some areas – paid parental leave, employment regulations, subsidised childcare.

Research tells us that this is because the driver – the perpetuator – of gender inequity lurks deeper than the structural advancements spoken of in politics and media.

The driver of gender inequity lies in the beliefs that we as a society hold about women and men – our gender norms.

Our norms become our expectations. Our expectations become our behaviour. Our behaviour becomes our reality – our rules, our institutions, our incentives, our workplaces, our homes and our relationships.

This research traces the relationship between gender norms and gender gaps, because norms sit behind every gap that persists in Australia, from pay, to leadership, to violence, and more.

A small and passionate team from Deloitte Access Economics developed this paper with immeasurable support and advice from Australians Investing in Women and their research committee. Our team is also grateful for the investment Deloitte has made towards this research and the Firm’s support of our recently formalised national Gender Economics practice.

At face value, gender norms may not appear to be an economic issue. However, economics is ultimately about human behaviour and decision making. We cannot understand economic outcomes – such as the division of paid and unpaid work – without exploring the social constructs that drive these choices. Our research benefits from a growing body of research about gender norms and builds on the innovative findings of several researchers, economists and institutes working on this topic.

In this report we want to show you that changing our minds on gender is not just the right thing to do, nor would its returns be limited to women and girls. Changing gender norms will benefit everyone, and drive returns for our whole national economy.

SRUTHI SRIKANTHAN
Partner
Deloitte Access Economics
This is a pivotal time for gender equality in Australia. The call to action has got louder in recent years as women bore the brunt of unpaid work in the pandemic, marched to demand safety at home and work, and propped up the care sector.

And women have stepped up to shatter enduring stereotypes. Far from being scared off, more women walked through the doors of Parliament House after the 2022 Federal election than ever before.

Concerted advocacy from women leaders saw the Treasurers of NSW and Victoria make an intentional focus on childcare, as a driver of women’s workforce participation, the core of their 2022 budgets.

Meanwhile the push for gender-balanced leadership in public and private institutions has accelerated.

These are key steps. But much more work needs to be done to break down the rigid gender norms that lead to bias and discrimination in the first place.

A tight labour market and skills shortages has made it acutely apparent that ignoring or wasting the contribution of any part the population is unsustainable.

Rigid gender norms that reinforce women’s and men’s traditional roles at home and options for work act as a major barrier to achieving social, economic, and political equality.

They come at a significant cost to all Australians. And removing them can also deliver a surge in economic participation and growth.

That’s why Australians Investing In Women has proudly partnered with Deloitte Access Economics to publish a ground breaking examination of the economic cost of gender norms.

As a national not-for-profit that works to embed a gender lens across philanthropic practice, we recognise the massive benefits from addressing barriers to women’s equality.

This research is a call-to-action for policy and decision makers in government, business, and the community sector.

And importantly, it is one of the first times such analysis has recognised the philanthropic sector’s vital role in Australia’s economy. The findings reinforce the need for private and corporate funders to help address rigid gender norms to accelerate progress.

More and more Australians want to ensure their philanthropy is aligned with their values— and that includes giving with a strategic focus on women and girls.

On behalf of AIIW, and the members of our Research Reference Committee, and the Bell Family Foundation whose generosity has enabled us to partner in this report, we sincerely thank the team at Deloitte Access Economics for tackling this critical issue and presenting the challenge to us all to unleash the full potential of Australians.
The beliefs we hold about gender drive the opportunity, choice and perception of women in our society. When gender norms do not reflect true gender differences, they serve to create and perpetuate gender gaps across households, communities and institutions. This report finds that if Australian gender norms were brought more in line with reality, our society would not only be more inclusive but also more prosperous - $128 billion larger every year on average.

AUSTRALIA IS FALLING BEHIND OTHER COUNTRIES ON GENDER EQUITY

<table>
<thead>
<tr>
<th>Rank</th>
<th>2006</th>
<th>2022</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Sweden</td>
<td>Iceland</td>
</tr>
<tr>
<td>2</td>
<td>Norway</td>
<td>Finland</td>
</tr>
<tr>
<td>3</td>
<td>Finland</td>
<td>Norway</td>
</tr>
<tr>
<td>15</td>
<td>Australia</td>
<td></td>
</tr>
<tr>
<td>43</td>
<td>Australia</td>
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</tbody>
</table>

- Australia's full-time gender pay gap: 14.1%
- Female representation as ASX300 CEOs: 6%
- The proportion of philanthropic funding allocated to women and girls: 12%

GENDER NORMS IN AUSTRALIA

- 30% of Australian men think gender inequality doesn’t really exist.
- 28% of Australian men think women often make-up or exaggerate claims of abuse or rape.

Younger generations are more conservative. Gen Z’s are the least likely to say ‘Children do just as well if the mother earns the money and the father cares for the home and children’ compared to any other generation.

THE BENEFITS OF BREAKING DOWN NORMS

- $128b opportunity for the Australian economy
- Over 50 years: 461,000 additional FTE employees each year

For every year without prescriptive gender norms

APPLICATIONS TO ADDRESS GENDER NORMS

To enable change, Australia needs to directly tackle the root cause of gender inequity and focus on actions that shift the way we think about gender.

- Shift how gender is communicated in early childhood
- Encourage men to be active fathers
- Prevent the portrayal of harmful stereotypes in media
- Remove workforce disincentives for women
- Adopt equitable recruiting and promotion practices
- Reward businesses which perform well
- Apply a gender lens to decision-making
- Promote role models who go against the status quo
- Measure, track and report on progress
Executive summary
Australians hold vastly different beliefs and expectations around how people should behave based on their gender – commonly referred to as gender norms. These views, whether conscious or unconscious, have a profound and irrefutable impact on our choices and how we perceive others.

Gender norms are created and reinforced from a young age through our families, through education, our peers and through social channels such as media. These norms can be internalised and shape our individual preferences, or they can be externalised and lead to bias and discrimination, which impacts the way society and institutions are organised.

Over time, gender norms create barriers to an individual’s choices and opportunities, which lead to vastly different life outcomes; from pay, to participation in the labour force, unpaid work, representation in leadership, investment decisions and domestic work (see Figure E.1). And, because they incentivise men and women to behave in stereotypical ways, gender norms underpin all persisting gender gaps in Australia.

Figure E.1: Impacts and outcomes of gender norms

<table>
<thead>
<tr>
<th>Impact</th>
<th>Channel</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>How we perceive ourselves (internalisation of norms)</td>
<td>Shapes gendered preferences and decision-making</td>
<td>I do more housework than my husband after seeing my mum do more housework than my dad.</td>
</tr>
<tr>
<td>How we perceive others (externalisation of norms)</td>
<td>Influences the way we treat others through bias or discrimination</td>
<td>When I interview women candidates, I wonder if they plan on having children any time soon.</td>
</tr>
<tr>
<td>How institutions are organised (structural factors)</td>
<td>Reflects the way society and institutions are organised based on underlying norms</td>
<td>My partner and I cannot both work full-time due to high childcare costs, and I earn less so I will cut back my hours.</td>
</tr>
</tbody>
</table>

Examples:

- **Gendered occupations and industries**: 75% of clerical and support workers are women.
- **Labour force participation and hours worked**: The participation rate is 62% for women and 70% for men.
- **Division of unpaid domestic work**: Women do 1.8 hours more housework each day than men.
- **Gender pay gap**: The gender pay gap is 14.1%.
- **Leadership gap**: 6% of ASX300 CEOs are women.
- **Domestic and family violence**: 1 in 6 women experience intimate partner violence.
- **Gender gap in investment**: Solely female founded start-ups received 0.7% of private funding.
- **Gendered access to family supports**: 12% of individuals in non-public sector who take parental leave are men.
- **Institutional working patterns designed for men**: Mining workers typically work 49 hours per week.

Much of the dialogue around gender equity to date has focused on structural factors, such as access to paid leave entitlements or childcare costs. While important, these structures are largely a reflection of the cultural values of our time. This means that focusing on structure is not enough. In order to enable change, we need to tackle the root cause and change the way we think about gender.

Australia is falling behind on measures of gender equity. In fact, Australia moved from 15th to 43rd over the 16 years to 2022 on the World Economic Forum’s Global Gender Gap Index. Despite concerted advocacy and some action to tackle issues of gender equity in Australia, gender gaps persist across a variety of areas, as shown in Figure E.1. For example, woman still earn 86 cents for every dollar earnt by a man, spend 1.8 hours more on domestic labour per week, and make up only 34% of board positions and 6% of CEO positions on ASX200 companies. (data sourced from the Workplace Gender Equality Agency and the OECD).

Gender gaps not only exist in the way we work, but also in the way we give. Despite the significant economic and social impact of investing in women, only 12% of Australian philanthropic foundation grants are allocated to women’s and girls’ projects. Further, 74% of not-for-profit grant applicants had not undertaken a gender analysis when designing their interventions. This research was supported by Australians Investing in Women, recognising the powerful role that gender norms play in widening the gender gap in philanthropy and the potential for targeted investment to improve outcomes for women and girls in Australia.

More and more evidence shows there is a significant benefit to changing gender norms. Breaking down prescriptive gender norms could help Australia become a more prosperous and inclusive society. But there is also a strong economic rationale for taking action. Practically, the abandoning of gender norms could mean that:

- more girls choose STEM subjects at high school
- boys do as much housework as their sisters, and earn the same amount of pocket money
- women are portrayed as politicians and CEOs as often as men in TV shows
- men participate in housework as much as women.

These individual changes may not seem impactful in isolation, but in aggregate they would have significant social and economic consequences.

In recent years the explanatory power of gender norms has gained traction in leading research, with norms being cited as the core, underlying driver behind gender gaps today. Yet, our understanding of the link between norms and existing gender gaps in quantitative terms is not well understood. Without an understanding of the measure association between norms and gender inequity today, it is difficult to make a case for change and incentivise stakeholders to take action.

This report seeks to make this case for change. Modelling for this report finds that abandoning prescriptive gender norms would grow Australia’s economy by $47 billion by 2040 and $163 billion by 2050, in present value terms. As expectations and norms change over time, the benefits are expected to become even larger, reaching $515 billion over the next fifty years. This translates to $128 billion in higher GDP each year on average. It would also create 461,000 FTE jobs each year on average to 2071. For context, this is more than six times the number of FTE jobs added in the year to August 2022.

$128 billion benefit and 461,000 additional FTE employees, for each year without gender norms
This modelling represents a contribution to the way in which gender gaps have been modelled in comparable studies. Where previous estimates have focused on the impact of addressing structural manifestations of one or two gender gaps, the modelling here has sought to capture the return to addressing the root cause of gender inequity – the beliefs which society holds as norms. The results of prior studies have ranged from 0.5 to 8 per cent of GDP, while the modelling reported here finds that, by focusing on a number of gender gaps influenced by norms, the expected benefit is an increase in GDP of 6.2% by 2071.

In particular, this modelling considers the benefits associated with having a larger talent pool (more women contributing more hours of work in the labour force) and better allocation of the talent pool (driving higher productivity). Labour market returns, however, are only a subset of the benefits associated with abandoning rigid gender norms. Indeed, there are likely to be substantial social and wellbeing benefits which accrue to individuals and the community, which would be valued over and above the figures reported here. These benefits couldn’t come at a better time. With the cost of living rising and wage growth largely stagnant, the economic gains associated with more flexible gender norms would translate into an additional $12,200 per year for every household.

Yet, in order to realise these gains, there are various barriers Australians will need to overcome.

1. **Australians hold rigid gender views**

   Recent research by the Global Institute for Women's Leadership has found Australian men are more traditional in their gender attitudes than the global average, with 30% of Australian men agreeing gender inequality doesn't really exist. This was the highest of all countries except Saudi Arabia. The research also found that the share of men that agreed women often make up or exaggerate claims of abuse or rape (28%) was the highest of any Western nation included in the survey.

2. **Younger generations are just as (if not more) traditional than older generations**

   The issue of gender inequity is not going to resolve on its own. In fact, attitudes of Gen Z men in Australia on topics related to gender equality are more closely aligned with the Baby Boomer generation than Millennials or Gen X’s. Gen Z’s are less likely than Millennials and Gen X’s to agree that children do just as well if the mother earns the money and the father cares for the home and the children. Further, 65% of Gen Z’s agreed that a father should be as heavily involved in the care of his children as the mother; this was the lowest share of any generation including Builders and Baby Boomers (68%).

3. **Gender norms are based on inaccurate assumptions about differences in skills and aptitude**

   Not only do Australians hold very different views about the roles of men and women but generally these norms exaggerate very small or perceived biological differences. In fact, academic studies tend to find that average differences between genders are small compared to the within-gender differences.4 Put differently, on average men are more different to other men, than they are to women.

4. **The more different you think men and women are, the more likely they are to be different**

   Because gender norms can be internalised, exaggerated gender norms are more likely to flow through to differences in measurable outcomes between men and women. Research shows that men and women will adapt their behaviour to what is expected from their gender group. In fact, there is no evidence that women living in higher-sexism countries experience lower wellbeing despite the limited freedoms these countries provide (such as not being able to drive, work or receive an education). This is compelling evidence that women have internalised the gender norms of the country they are living in.

   To enable change, and realise the economic gains, Australia needs to directly tackle the root cause of gender inequity and focus on actions that shift the way we think about gender or limit the potential impact it can have.

   Changing the way we perceive ourselves based on gender can be minimised by addressing harmful gender stereotypes. The UK for example has introduced laws which specify that advertisements must not include gender stereotypes that are likely to cause harm or widespread offense. There is also evidence that children's toys and books tend to be very gendered, so simple actions such as buying toys marketed to the opposite gender or swapping the gender of the protagonist in a children's book can help widen perspectives around gender. Similarly, promoting examples of success of men and women in counter-stereotypical roles has also been shown to have a positive impact on educational selection and addressing occupational imbalances (known as the role model effect).

   Where the communication of gender norms cannot be prevented completely, the impact can be limited through policies which address bias. There are various strategies that have proven to be effective, and which cost very little for businesses to adopt. For example, removing gender signifiers from resumes and job applications, increasing transparency in pay negotiations, and providing structured interviews can help limit the potential impact of bias on our decision making. More broadly, having a gender equity strategy and transparently tracking and reporting on progress over time is critical for business accountability.

   At the structural level, actions should be targeted at incentivising people to take steps to counter the impact of traditional gender roles, acting as a lever for cultural change. For example, it is not enough to provide generous parental leave policies to both men and women – countries with the highest uptake of parental leave among men often offer it on a ‘use it or lose it’ basis. By providing incentives for men to take longer periods of parental leave it helps to normalise the role of men as active fathers.

   Similarly, addressing effective marginal tax rates on women through lowering childcare costs can encourage women to return to the workforce after having children.

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4. Put differently, on average men are more different to other men, than they are to women.
Notably, we recognise that women bring unique perspectives and experiences that should be valued. But this report challenges us to consider the ways that gender norms influence the life paths of men and women and lead to these varying perspectives.

And importantly, a world with less restrictive gender norms doesn’t remove choices such as education pathways, careers or who is the homemaker, or the breadwinner. However, it is a world where those choices are not constrained due to gendered concerns around perceived ability, financial security or judgement.

Removing expectations based on stereotypical, binary ideas about gender, allows everyone to freely understand their preferences and make choices independent of gender. This freedom from restrictive gender norms contributes to building a more inclusive and prosperous economy.

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**Figure E.2: Actions to address gender norms in Australia**

<table>
<thead>
<tr>
<th>Add structural incentives</th>
<th>Change the way we perceive ourselves based on gender</th>
<th>Address bias</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Remove workforce disincentives for women</td>
<td>• Prevent the portrayal of harmful stereotypes in advertising</td>
<td>• Measure, track and report on progress</td>
</tr>
<tr>
<td>• Encourage men to be active fathers</td>
<td>• Promote role models who go against the status quo</td>
<td>• Adopt equitable recruiting and promotion practices</td>
</tr>
<tr>
<td>• Apply a gender lens to decision-making</td>
<td>• Shift how gender is communicated in early childhood through children’s toys and books</td>
<td>• Recognise businesses who perform well</td>
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1. Introduction
When it comes to gender equity, Australia is moving backwards. Australia moved from 15th to 43rd over the 16 years to 2022 on the World Economic Forum’s Global Gender Gap Index, which measures gender-based gaps across educational attainment, economic participation and opportunity, health and survival and political empowerment. Australia performed particularly poorly in relation to women's economic participation and opportunity, falling from 12th in 2006 to rank 38th in 2022.5

Despite concerted advocacy and some action to tackle issues of gender equity in Australia, **gender gaps persist across a variety of areas including pay, workforce participation and domestic responsibilities**. For example, women still earn 86 cents for every dollar earnt by a man, spend 1.8 hours more on domestic labour per day, and make up only 6% of CEO positions on ASX200 companies.6,7,8 What's more, despite the significant economic and social impact of investing in women, only 12% of Australian philanthropic foundation grants are allocated to women's and girls' projects.9

Clearly, there is still work to be done to improve the lives of women and girls in Australia and allow them to contribute to their full potential. Yet, the dialogue to date has largely focused on specific issues in isolation – pay, participation, childcare, leadership in decision making etc. – as opposed to focusing on the underlying cause.

**Consciously or subconsciously, we all hold beliefs about how men and women should behave, or how they should be – commonly referred to as gender norms.**10 From the day we’re born, we are exposed to norms and expectations centred on gender (see Box 1.1). The practice of gifting baby boys with blue clothes or toys, and girls with pink, is just one example. However, gender norms can of course exist for any number of things – from the products we buy and the drinks we consume, to subject selection and career options, expectations around who should be primarily responsible for children and how people dress. Gender norms have a profound impact on not only how we see others but also how we perceive ourselves. Gender norms create both external pressures – compelling people to behave in a way that conforms to other people’s idea of gender – and internal pressures – reinforcing behaviour through beliefs about how you yourself should behave as a man or woman.13

In recent years the **explanatory power of gender norms has gained traction in leading research, with norms being cited as the core, underlying driver behind gender gaps today.**14 Yet, our understanding of the link between norms and existing gender gaps in quantitative terms is not well understood. Without an understanding of the measure association between norms and gender inequity today, it is difficult to make a case for change and incentivise stakeholders to take action.

To our knowledge, this study is the first to attempt to estimate the potential benefits associated with dismantling bias and gender norms in Australia. This report seeks to contribute to the literature on gender equity in Australia by exploring the role of gender norms in underpinning differences in outcomes between men and women in Australia. It aims to highlight the need for change and the steps to achieve it and, for the first time, sets out in detail the potential economic gains for Australia.

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**Box 1.1: Gender versus sex**

Sex refers to a set of biological attributes and is usually categorized as female or male. However, there is variation in the biological attributes that comprise sex and how those attributes are expressed. Sex also includes intersex, being individuals born with several sex characteristics.11

Gender is a social and cultural concept distinct from sex, and there is a spectrum of gender identities, expression and experiences that fall outside of the traditional gender binary. Gender is not static; it exists along a continuum and can change over time.12

While gender exists beyond the binary, the analysis in this report focuses on norms related specifically to men and women. This is because society is currently dictated by gender norms related to being labelled a man, or a woman. And by highlighting the dangers of adhering to these norms, this report challenges us to reconsider the binary definition of gender and how this impacts our lives.

Re-evaluating the norms associated with gender would have substantial returns for all Australians, especially individuals outside of the gender binary – who currently face discrimination as a result of these norms.
1.1. Australians are probably more traditional than you think

Broadly, gender norms can be thought of as societal beliefs about how men and women should behave, or how they should be.\textsuperscript{15} Gender norms are not homogenous and can vary by race, ethnicity, culture and even peer group.

Gendered attitudes continue to persist in Australia, with a range of research reports indicating that expectations based on gender vary significantly. In fact, recent research has found some cohorts of Australian men are more traditional in their gender attitudes than the global average (Chart 1.1).\textsuperscript{16} The share of men who agreed that gender inequality doesn't really exist (30%) was the highest of all countries except Saudi Arabia and the share that agreed that women often make up or exaggerate claims of abuse or rape (28%) was the highest of any Western nation included in the survey.\textsuperscript{i}

While Australian men hold more traditional gender attitudes than the global average, Australian women's beliefs are in line with the more progressive views of women worldwide. For example, the share of Australian women who believe that gender inequality doesn't really exist is less than half that of Australian men and the same as the global average (14%).\textsuperscript{17} This suggests that not only are Australian men more traditional compared to men elsewhere in the world, but the difference in beliefs between Australian men and women is larger than most other countries.

Importantly, gender norms are fluid and evolve over time. While pink is currently associated with femininity, in the early 20th century, it was a male signifier. This means that the way we think about gender today is very different compared to fifty years ago.

Changing gender norms have contributed to remarkable progress in women's economic participation over the past fifty years. For example, the shifting of social norms around women's exclusive role as homemakers has led to increases in the female labour force participation rate, their educational attainment and the gender pay gap. These changes demonstrate that it is feasible and attainable for social norms to change.

However, recent studies have shown that younger generations in Australia tend to hold more traditional gender views than older generations.

Data from the Household, Income and Labour Dynamics in Australia (HILDA) Survey, a nationally representative survey of Australian households, shows that the attitudes of Gen Z men on topics related to gender equality are more closely aligned with the Baby Boomer generation than Millennials or Gen X (see Chart 1.2). This suggests that younger generations may be at least as traditional as older generations in Australia.

The share of men who agreed that gender inequality doesn't really exist (30%) was the highest of all countries except Saudi Arabia and the share that agreed that women often make up or exaggerate claims of abuse or rape (28%) was the highest of any Western nation included in the survey.\textsuperscript{i}

<table>
<thead>
<tr>
<th>Chart 1.1: Proportion of men that agree with each statement</th>
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<tbody>
<tr>
<td>Gender inequality doesn't really exist</td>
</tr>
<tr>
<td>30%</td>
</tr>
<tr>
<td>21%</td>
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<tr>
<td>14%</td>
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<td>14%</td>
</tr>
</tbody>
</table>

Source: Global Institute for Women's Leadership\textsuperscript{18}

\textsuperscript{i} Countries with higher shares than Australia include China (28%), South Korea (29%), Peru (30%), Russia (36%) and Malaysia (36%).
There is other evidence of strong conservatism among young men today. The 50|50 Foundation found that compared to the Baby Boomers, Gen Z and Millennials are more likely to hold less gender progressive views. The National Community Attitudes towards Violence Against Women Survey has also identified a steady decline in the share of Australians that recognise that mainly men commit acts of domestic violence – this percentage was 74% in 2009, 71% in 2013 and 64% in 2017. In reality, the vast majority of perpetrators of domestic violence are male – in 2018, 97% of family and domestic violence-related sexual assault defendants were male.

1.2. Men and women aren’t as different as you might expect

Not only do Australians hold very different views about the roles of men and women but generally these norms exaggerate what are actually very small or perceived biological differences. In fact, it is not the case that any intrinsic differences between men and women result in statistically significant differences in aptitudes, preferences or personalities. Academic studies tend to find that average differences between genders are small compared to the within-gender differences. Put differently, men are more likely to vary compared to other men, than they are to women on average.

Furthermore, where differences do exist in outcomes between men and women, these differences may be socially constructed as opposed to being driven by underlying biological differences in ability or skill. For example, despite the stereotype that boys are better than girls at mathematics, boys significantly outperformed girls in mathematics in only 32 of the 79 countries that participated in the OECD’s Programme for International Student Assessment in 2018. In 14 countries, girls significantly outperformed boys and there was no significant difference observed in the remaining 33 countries. The variations in size of the gender gaps and the inconsistency suggests these gender gaps are socially or culturally constructed.

The remainder of this report is structured as follows:
- Chapter 2 provides a framework for understanding the impact of gender and bias on individual behaviour
- Chapter 3 outlines the current state of gender gaps in Australia, and the role of gender norms in contributing to these gaps
- Chapter 4 estimates the economic gains from dismantling bias and norms in Australia
- Chapter 5 concludes with a framework for action for individuals, businesses, governments and philanthropy.

Additionally, Appendix A outlines the approach, assumptions and limitations of the modelling.
2. The impact of gender norms
This report identifies three distinct channels through which gender norms impact behaviour:

1. **How we perceive ourselves**, or the internalisation of norms. Gender norms can be internalised at an early age, influencing preferences and decisions.

2. **How we perceive others**, or the externalisation of norms. Gender norms can influence the way we treat others by creating a biased or stereotyped view about people based on their gender.

3. **How institutions are organised**, or structural factors. Gender norms can also cause structural factors to be organised in a way that reinforces traditional gender roles.

Figure 2.1 provides examples of how gender norms manifest in what we believe, what we say and how we act across the three channels.

2.1. **How we perceive ourselves**

*Gender norms can change how we perceive ourselves.*

This means that they become internalised, as norms aren’t simply descriptive but they are also prescriptive – that is, they may motivate people to adjust their self-view and preferences to what seems appropriate based on their gender group (Figure 2.2).

Research shows that men and women will adapt their behaviour to what is expected from their gender group.\(^{25,26}\) In fact, gender stereotypes have been associated with superior performance in stereotypically gendered domains and underperformance in counter stereotypical domains (e.g., such as men underperforming in reading).\(^{27,28,29}\)

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**Figure 2.1: Impacts of gender norms**

<table>
<thead>
<tr>
<th>CHANNEL</th>
<th>IMPACT</th>
<th>EXAMPLES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>How we perceive ourselves</strong> (internalisation of norms)</td>
<td>Shapes gendered preferences and decision-making</td>
<td>I do more housework than my husband after seeing my mum do more housework than my dad. I was also told women are bad at maths, so I chose not to study it at university.</td>
</tr>
<tr>
<td><strong>How we perceive others</strong> (externalisation of norms)</td>
<td>Influences the way we treat others through bias or discrimination</td>
<td>When I interview women candidates, I wonder if they plan on having children any time soon. I often find women in leadership are bossy and not very likeable.</td>
</tr>
<tr>
<td><strong>How institutions are organised</strong> (structural factors)</td>
<td>Reflects the way society and institutions are organized based on underlying norms</td>
<td>My partner and I cannot both work full-time due to high childcare costs, and I earn less so I will cut back my hours. I would like to spend more time with my children, however my workplace doesn’t offer parental leave to men.</td>
</tr>
</tbody>
</table>


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**Figure 2.2: The relationship between norms, preferences, and gendered outcomes**

Concerns with social image and stress associated with ‘going against the grain’ are inhibitors to men and women’s success when deviating from traditional gender norms. This may help explain why, for example, marriage is much less likely as soon as a woman’s earning potential is greater than a man. These norms then permeate in society because people tend to grossly exaggerate gendered differences and overpredict their size.

Norms are established from birth with implicit or explicit emphasis on gender roles and teaching what is and isn’t appropriate behaviour based on sex.

One study showed that girls at the age of six are more likely to consider boys to be “really, really smart”, despite girls at this age getting better grades at school than boys. This indicates early transmission of the cultural norm linking men and boys with intelligence.

The evidence for the internalisation of gender norms is perhaps clearest in studies which compare life satisfaction across different countries. While we may expect women in countries with high levels of sexism to experience lower life satisfaction than those living in countries with low levels of sexism on average, this is not the case. In fact, there is no evidence that women living in countries with higher sexism experience lower wellbeing despite the limited freedoms these countries provide (such as not being able to drive, work or receive an education). This is compelling evidence that women have internalised the gender norms of the country they are living in.

Because gender norms can be internalised, exaggerated gender norms are more likely to flow through to differences in measurable outcomes between men and women. This has significant ramifications for how we interpret differences in outcomes driven by gendered preferences and choices for example in study and occupational choices, decisions about whether to work full-time, and more. These decisions, while freely made, are constrained by gender norms and expectations.

Box 2.1: Case study on trans perspectives

Many transgender people are uniquely able to identify the effect of gender norms on their lives as they have been perceived by others as both genders. By transitioning, transgender people are changing their gender presentation, while their identity, ability, experience and personality remains the same. As such, they have effectively isolated the impact of gender presentation and corrected for all other variables.

In her book, The Authority Gap, Sieghart explores this phenomenon by interviewing two Stanford professors: a transgender man, Ben Barres, and a transgender woman, Joan Roughgarden, about their experiences of the authority gap. Barres revealed that, after he transitioned, he was listened to more, taken more seriously and interrupted less. His work received higher acclaim and he was told that it was ‘better than his sister’s,’ which actually meant better than himself pre-transition.

“By far the main difference that I have noticed is that people who don’t know I am transgendered treat me with much more respect: I can even complete a whole sentence without being interrupted by a man.” Ben Barnes

In contrast, Roughgarden’s career went backwards – her pay, which had been average for tenured professors, slipped down to the bottom 10% of academics, she lost her seat on the University Senate Committee and found it hard to win grant funding. Other professors interrupted, ignored and condescended to her more than ever before. They lectured at her, told her that they were smarter than her or that she hadn’t read the literature properly, and required her to find a man to support her claims. Together, the experiences of Barres and Roughgarden are illustrative of the influence of gender norms on worse outcomes for women in the workplace.

The value of the transgender perspective in examining the authority gap between men and women is well-established in the literature. In a study of 66 trans men, Miriam Abelson found that most trans men believed that, since transitioning, they were seen as more competent, taken more seriously and had their authority questioned less. A similar study by Kristen Schilt found that the pay of trans women fell by nearly a third after they transitioned, but the pay of trans men went up. Importantly, the experience of transgender people is influenced by the extent to which they are perceived as cisgender. Those who are viewed as cisgender generally face less prejudice and workforce discrimination.

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1 A transgender man is a man who was assigned female at birth.
2 A transgender woman is a woman who was assigned male at birth.
2.2. How we perceive others

Gender norms can influence the way we treat others by creating or reinforcing perceived differences between men and women, leading to bias and discrimination. One reason this occurs is because of cognitive shortcuts used by the brain to generate expectations of others based on information about the group the individual belongs to rather than specific information about them.

While outright discrimination and the deliberate exclusion of women from the workplace is less prevalent today than it has been historically, experiences of gender bias occur more frequently and can manifest in a myriad of ways. For example, women are more likely than men to be interrupted, denied credit for their ideas or have their qualifications questioned. Even women who are established leaders in their fields are undermined by this authority gap (Figure 2.3).

Unconscious bias can have a powerful impact on how individuals are perceived. In fact, 80 to 90 per cent of the mind works unconsciously. Our early judgements of people, based on factors like their attractiveness, body language, gender and ethnicity, are persistent and stubborn. Once an impression has been made, we tend to dismiss new information that contradicts it. Unconscious bias can be just as damaging as outright discrimination, with research indicating that the cumulative effect of subtle discrimination is just as detrimental as overt discrimination.

Experiences of discrimination and bias create barriers to women’s career advancement, influence the distribution of domestic work done in the household, and contribute to domestic and family violence, among other impacts. Importantly, experiences of gender bias and discrimination can be exacerbated and altered by other intersectional factors such as race, sex, class, socio-economic status, ethnicity, sexual orientation, and disability. For example, women with disabilities face additional barriers in the workforce, being paid less than both men with a disability and women without a disability.

Similarly, black women in the United States earn 63% of what white men earn, compared to 83% for all women. Interestingly, stereotypes can also go the other way – research has found weaker implicit gender stereotypes towards STEM for African American women, contributing to them being more likely than white women to study related subjects.

Viewing women as a homogenous group risks missing important differences and nuances in the experiences of gender identity across different socio-cultural dimensions. Keeping this in mind is vital when assessing the issues faced by different women and when formulating actions for change (see Chapter 5).

Figure 2.3: Findings from research on the US Supreme Court

Female justices are 4x more likely to be interrupted than male justices

And 96% of these interruptions are by men

Box 2.2: Gender bias in medicine

Pervasive gender norms and stereotypes are undermining the healthcare women receive and putting their health at risk. The stereotype that women are “hysterical” and more “sensitive” than “stoic” men has caused the health conditions women face to be systematically trivialised and mistreated. For example:

• Despite the fact women report more severe levels of pain, a higher frequency of pain and pain of longer duration, they are consistently treated for pain less aggressively than men.

• Women experiencing chronic pain are more likely than their male counterparts to be perceived as overly emotional, malingerers and delusional. As a result, women are more likely to be diagnosed with a psychological cause of their pain, rather than a physical one.

• Women are also provided with less pain medication, more antidepressant prescriptions and more referrals to mental health services.

Moreover, the gendered belief that pain, even when chronic and severe, is a natural component of womanhood has forced women to endure serious conditions without a diagnosis and contributed to the consistent underfunding of women’s health research. The severe symptoms faced by women suffering from chronic conditions are often believed to be a natural part of being a woman, delaying diagnosis. For example, the average endometriosis diagnosis requires over eight years of waiting and ten doctor visits, during which the disease is typically mistaken for natural period pain.

Further, less than 2.5% of publicly funded medical research in the United Kingdom is directed to reproductive health, even though one in three women will experience a reproductive health problem in their lifetime. This reflects that, despite the opportunity of enormous returns on investment in women’s health, the conditions women face are often accepted by the medical profession as unworthy of further investigation and an unavoidable part of being a woman.

2.3. How institutions are organised

Structural barriers are the ways that society and institutions are organised which may inadvertently create or perpetuate traditional gender roles. Institutions can refer to political institutions like government, but also other institutions such as financial, academic or religious institutions. These structural factors are absorbed into institutions and society and are the result of the historical exclusion of women from formal hierarchies such as the workplace and politics, and positions of power. In this way, gender norms have been perpetuated by systems of power, and ideas of social and economic value, that have been traditionally designed and articulated by men and for men.

Many studies show that workplaces today still perpetuate and discriminate on the basis of gender stereotypes. For example, jobs where success is disproportionately based on being available for long and unpredictable hours, such as an average of 49 hours per week for mining workers, are often incompatible with the caregiving role that women are also expected to undertake.

Government policy can also present structural factors that interact with gender norms to create barriers for women. For example, the combined effect of income tax and the taper rate on the childcare subsidy in Australia reduces the benefit of second earners, who are mainly women, returning to work. The effects are so large that, right across the income distribution, there is limited financial gain to a second earner working an extra day, particularly beyond three days a week.

Another example in government policy is parental leave schemes that provide more generous leave to mothers than fathers, through the classification of parents into primary and secondary carers. This structure perpetuates gender norms by ensuring that women who are earning less in a couple are more likely to take extended parental leave, contributing to the well-known “motherhood penalty” that weighs on women’s lifetime earnings.
3. The gaps created by gender norms
Research from around the world has found men and women are more similar than they are different, but gender norms exaggerate small and perceived differences to create vastly different life outcomes. Gender norms undermine women’s empowerment by introducing barriers to both men’s and women’s choices and opportunities, which in turn lead to gendered differences in outcomes such as in pay, participation, leadership, domestic responsibilities, investment, and more (Figure 3.1).

While there is sometimes a perception that progress toward gender equity is inevitable, Australia is progressing slowly across many measures and is falling behind the global average.

Figure 3.1: The outcomes of gender norms

The narrative around gender equity to date has largely been focused on these issues in isolation, as opposed to addressing the underlying cause. Yet, gender norms are the core, driving factor behind the differences in outcomes between men and women today.

This Chapter explores the link between gender norms and gendered outcomes in Australia, as well as providing an overview of Australia’s performance globally. To compare the size of gender gaps between countries, data collated by the OECD is used. More granular time series data is used to assess the progress towards closing the gaps over the past five years. In this Chapter, shrinking the gender gap by more than 20% has been classified as **progress**, between 5-20% as **slow progress** and less than 5% as **stalled**.

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**Examples**

**Gendered occupations and industries**
- 75% of clerical and support workers are women

**Labour force participation and hours worked**
- The participation rate is 62% for women and 70% for men

**Division of unpaid domestic work**
- Women do 1.8 hours more housework each day than men

**Gender pay gap**
- The gender pay gap is 14.1%

**Leadership gap**
- 6% of ASX300 CEOs are women

**Domestic and family violence**
- 1 in 6 women experience intimate partner violence

**Gender gap in investment**
- Solely female founded start-ups received 0.7% of private funding

**Gendered access to family supports**
- 12% of individuals in non-public sector who take parental leave are men

**Institutional working patterns designed for men**
- Mining workers typically work 49 hours per week

Gender pay gap

The gender pay gap reflects the percentage difference between women's and men's average weekly ordinary full-time earnings.

Key stats on the gender pay gap

The gender pay gap in Australia is:

- greater than the OECD average (13%) and more than twice as large as New Zealand, Norway and Denmark
- estimated to take 20 years before parity is reached
- highest in technical and leadership positions such as Professional, Scientific and Technical Services, and Financial and Insurance Services (<20%).
- contributes financial insecurity in retirement and older women being the fastest growing group of people experiencing homelessness in Australia.

Progress over time: The gender pay gap is slowly improving, having fallen from 16.0% to 14.1% between 2016 and 2022.

The role of gender norms

Gender norms contribute to the gender pay gap by widening gendered differences in occupational choice, leadership, and the likelihood of promotion. Analysis of Australian data found that 33% of the gender pay gap can be attributed to care, family, and workforce participation, 24% due to occupational and industrial segregation, and 36% to gender discrimination. These are all factors which are driven directly or indirectly by gender norms.

Another recent study examined the extent to which cultural differences contribute to the gender pay gap, as measured by gender compensation variations across corporate executives. The authors found that while previous modelling was able to explain 44% of the gender compensation gap, adding cultural measures increased this to 95% - in other words, the most significant determinant of the gender pay gap was identified as a society's culture.
Unpaid domestic work

This measure compares the average time women spent on unpaid household and care work per week, relative to men. This includes time spent on activities such as cooking, cleaning washing and gardening, as well as time spent taking care of children, the elderly or family members with a disability.

**Key stats on unpaid work**

- Compared to other OECD countries, Australia ranks 15th, placing it behind countries like New Zealand, Slovenia, Costa Rica and Italy.°
- Even among couples where both partners work similar hours, a substantial gap in unpaid work hours remains.°
- Gendered differences in the division of unpaid work have been found to contribute to 2% of the gender pay gap in Australia and a reduction in gross domestic product (GDP) in New Zealand of 0.5% each year.°, °

**Progress over time:** Progress has stalled, with close to no change between 2016 and 2021.°

- **Global leader** Sweden: 1.3 hours
- **Australia:** 1.8 hours

**The role of gender norms**

Gender norms related to stereotypical roles of men and women heavily influence the gender gap in unpaid domestic work. The internalisation of these norms begins early in life. For example, young girls undertake more housework than boys and, despite this, make less pocket money.°

These patterns translate to the unequal division of unpaid work between partners, becoming even more starkly gendered when families have children, with women's share of house and care work sharply rising.°

Women are also punished from deviating from these traditional gender norms. For example, when women earn more than their husband, they compensate by increasing the time spent on household work.
Labour force participation reflects the size of the male or female labour force, divided by the total working-age population of the respective gender.

Key stats on participation

- Women’s workforce participation rate in Australia (62%) compares favourably to the OECD average (51.7%). However, it remains below common comparator countries including all five of the Nordic countries, Canada and the United Kingdom.
- Lower women’s labour force participation imposes costs to women and the economy more broadly, through lower lifetime earnings, lower superannuation balances and economic security.
- Halving of the gap between male and female workforce participation rates would deliver $140 billion in benefits to Australian households over 20 years.  

Progress over time: The gap between men and women’s labour force participation is improving, with the gap falling 25% between 2016 and 2022.

The role of gender norms

Gender norms can widen workforce participation gaps due to expectations around men working full-time and financially providing for their family, and not taking up flexible work arrangements. Structural barriers in the workforce further prevent men from taking a more active role as care givers. For example, the limited availability of paid parental leave for men both sets the expectation that men should not be primarily responsible for children while reinforcing the expectation that women stay home and take time out of the workforce.
Part-time employment refers to the share of employed persons working part-time.

Key stats on part-time employment
- Australia has a high rate of women's part-time employment, with approximately **37 per cent of employed women in Australia working fewer than 30 hours per week** compared to the OECD average of 25%.
- Australian men are also more likely to work part-time than many other countries (15% compared to the OECD average of 10%).
- Increasing women's total workhours by 2% would boost Australia's GDP by about **$11 billion**.

Progress over time: Progress has **stalled**, with only small improvements between 2016 and 2021.

The role of gender norms
Norms surrounding the role of women in the home contribute to the high prevalence of female part-time work in Australia. This perpetuates a traditional male breadwinner arrangement within households, and undermines women's economic security, through reduced pay, lower lifetime earnings and retirement savings. Part-time work has also been demonstrated to adversely impact promotion prospects and opportunities to take on management roles.
Gendered occupations and industry distribution

While this can be measured in several ways, the statistic below reflects the share of women in the clerical and support workforce.

Key stats on gendered occupations and industry distribution

- Gendered occupations have persisted over the past 20 years, with the proportion of women in traditionally female-dominated industries increasing. For example, the percentage of workers in the health care and social assistance industry who are female has increased by nearly 2% from 1998-2018.\(^8\)
- Some male-dominated industries are also seeing further declines in the representation of women. For example, women make up a smaller percentage of the transport, postal and warehousing workforce today (20.9%) than they did in 1998 (23.1%).\(^8\)
- Occupational and industry segregation account for **4% and 20% of the gender pay gap** respectively.\(^9\) It also contributes to a misallocation of talent across the economy by constraining the matching of the best suited people to jobs.

Progress over time: Improvement in the gap in gender-based industry segregation is **stalled**, with little change in the share of women in the traditionally female dominated industries of education, health care and social assistance between 2016 and 2021.\(^9\)

The role of gender norms

Gendered industry segregation is strongly driven by gender norms. Evidence indicates that boys and girls unevenly sort into occupations not based on talent, but based on what they see in the world around them, particularly at home and school.\(^4\) Research also points to the role of implicit stereotypes in creating this divide, with a correlation found between the gender gap in maths, and norms regarding women’s role in society.\(^5\) Other factors such as the visibility of role models also have an impact.\(^6\) For example, girls with teachers with stronger implicit gender stereotypes tend to perform worse than those with teachers who are more gender neutral.\(^7\)
Gender gap in leadership

The share of women in management compared to total managers and the share of board seats held by women on companies covered by the MSCI All Country World Index.

Key stats on the gender gap in leadership

- The share of women in leadership positions has increased in some tiers of Australian companies over the last five years.
- While Australian women’s representation on boards (34%) is better than the OECD average (27%), it remains below that of leading countries such as New Zealand (42%) and Sweden (38%).
- Just 6% of ASX300 CEOs and 26% of executive leadership roles are held by women. Increasing the proportion of women in senior leadership to 50% would increase business profitability by 2.1%.
- A 10-percentage point or more increase in female representation on the boards of ASX-listed companies leads to a 4.9% increase in company market value.

Progress over time: The gap between men and women in leadership is improving, with the share of women in directorship positions increasing from 24.7% to 31.3% between 2016 and 2021.

The role of gender norms

Gender norms are also at play in establishing and widening the leadership gap between men and women. Perceptions such as women and men being suited to different types of work, that women in leadership are not as ‘nice’ as their male counterparts and assumptions that women are less committed to their careers due to family can all create unconscious barriers which can impact career opportunities and progression.

Similarly, while there is limited evidence to support gendered differences in workplace risk-taking, people’s experience when taking risks does differ. One study found that men reported more positive consequences from taking risks at work than women, which led to a greater chance of men continuing to take risks.
Gender gap in investment

The gender gap in investment can cover various measures, such as philanthropic funding, corporate giving, and venture capital funding. The data below relates to the share of total start-up funding allocated to companies with at least one female founder.

**Key stats on the gender gap in investment**

- In Australia, there is a lack of evidence on the amount of philanthropic funding that goes to women. However, one survey found that **12% of philanthropic foundation grants are allocated to women’s and girls’ projects**.

- Globally, 16% of private philanthropic funding supports gender equity and women’s empowerment, and, in the United States, only 1.6% of philanthropic giving in 2016 was dedicated to women’s and girls’ organisations.

- In 2022, only **0.7% of venture capital funding went to solely female founded companies**, compared to 85.1% for solely male founded companies (with the remainder to mixed gender founded companies).

- This is despite the proven economic dividend from investing in female entrepreneurs, for example with research showing that equal participation in entrepreneurship between men and women would **increase global GDP by 3% to 6% ($2.5 to $5 trillion)**.

**The role of gender norms**

The gender gap in investment is in part driven by the lack of diversity among those making funding decisions. For example, research from the United States in 2020 found that while women make up 45% of the venture capital workforce, only 11% of venture capital deciders (investment partners) are women.

A lack of representation at the funding level can contribute to innovative products and services being overlooked due to implicit gender biases. This has a real cost. For example, one study found that female founders who pitch their ideas to seed investors receive, on average, less than half the funding of male founded businesses. This is despite **companies founded by women ultimately delivering 2x more per dollar invested**.

Internalised and institutional gender norms contribute to the status-quo, exacerbating existing inequities and preventing investors from maximising the impact of investments. Applying a gender-lens to investing may help fund performance as diversifying portfolios may force investors to look at asset classes or industries that they may not have otherwise considered.
Intimate partner violence

The lifetime prevalence of violence is measured as the percentage of women who have experienced physical and/or sexual violence from an intimate partner at some time in their life.

*Key stats on the gender gap in intimate partner violence*

- **One in six Australian women experience physical and/or sexual violence** from an intimate partner during their life. Importantly, these figures are likely to underestimate the true prevalence of violence against women and are difficult to compare across countries due to differences in the reporting of incidents.
- There are also costs imposed through *non-violent forms of abuse*. For example, Deloitte estimates that financial abuse suffered by Australian men and women imposed **$5.7 billion** in direct costs for victims and **$5.2 billion** in costs for the broader economy in 2020.\(^{117}\)
- The estimated cost of violence against women in Australia is approximately **$22 billion a year**.\(^{118,119}\) This includes pain and suffering, health costs, lost productivity, justice and legal system costs and intergenerational impacts.
- The most recent ABS data **shows an increase in intimate partner and sexual violence in Australia** over time.\(^{120}\)

**Progress over time**: Improvement in the rate of intimate partner violence is **stalled**, with an increase in the rates of reported abuse.\(^{121}\)

The role of gender norms

A range of research correlates traditional ideas of masculinity with domestic violence. For example, Gonzalez & Rodriguez-Planas (2020) use data on immigrant women from 28 European countries to show that, after controlling for a range of country-specific and demographic variables, *immigrants from more gender equal countries of ancestry are significantly less likely to be victims of intimate partner violence*. This suggests that **gender norms strongly contribute to the incidence of gendered violence**. More broadly, research indicates that restrictive gender norms impact health behaviours and access to care\(^{124}\), with negative consequences for women’s health.
How do gender norms impact Isabel’s life?

An illustrative example of how gender norms impact an individual throughout their lives. The type and extent of impact will vary from person to person.

**Isabel**

**Current State**

- Isabel’s mum is her primary carer and does most of the unpaid work.
- Isabel learns that women are naturally more suited to ‘domestic’ work.
- More of Isabel’s household contributions are viewed as ‘her role’ rather than ‘additional’ compared with her brother. She receives less pocket money for her contributions as a result.

**Breaking Gender Norms**

- Isabel’s parents share housework and caring responsibilities equitably.
- Isabel’s father is a more active parent throughout her whole life.
- Isabel sees men and women as equally capable of domestic and professional work.

**Childhood and home life**

- Isabel’s teacher thinks this is a normal difference between girls and boys and approves of Isabel’s ‘good behaviour’.

**Education**

- Isabel’s teachers encourage her to speak up. She sees men and women depicted in diverse ways in her textbooks.

**Career**

- Isabel is confident in leading and presenting to clients. Her partner is supportive, and they share domestic work equally.

**Having children**

- Isabel has two children. She takes the bulk of the parental leave as the ‘primary carer’.
- She does not receive superannuation contributions whilst on parental leave.

** Retirement**

- Isabel has much less superannuation than her male partner, who earned more, worked full time, and received superannuation contributions during the time Isabel was on parental leave. She worries about the future.
- Isabel is a successful entrepreneur with a healthy superannuation fund and feels confident in her retirement plans.

**Internalisation of norms**

- Isabel thinks the boys are smarter than her, even though she gets better grades, and stops speaking up as much in class.

**Externalisation of norms**

- Isabel become less confident and learns to stay quieter.

**Structural factors**

- Isabel negotiates a lower salary than some of her male colleagues when starting a new job, because she has less confidence in her skills.

- Even though it’s not her role, she is often asked to organise the office parties and social events. Her male colleagues say they are too busy.

- When a promotion opportunity arises, Isabel’s male colleague gets it. He does the same quality of work as Isabel, but is viewed as more ambitious.

- Isabel has two children. She and her partner both decide to take parental leave to care for their children.

- Isabel has two children. She takes the bulk of the parental leave as the ‘primary carer’.

- She does not receive superannuation contributions whilst on parental leave.

- The cost of child care means it makes financial sense for one partner to work part time. Because Isabel earns less, they decide she should be the one to take a step back from her career.

- Isabel and her partner both return to work and continue to split child care and domestic work equally.

- Government policies making child care more affordable allow both Isabel and her partner to work full time.

- Isabel has much less superannuation than her male partner, who earned more, worked full time, and received superannuation contributions during the time Isabel was on parental leave. She worries about the future.
How do gender norms impact Charlie’s life?

An illustrative example of how gender norms impact an individual throughout their lives. The type and extent of impact will vary from person to person.

<table>
<thead>
<tr>
<th>Current State</th>
<th>Breaking Gender Norms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charlie's parents role model a 'traditional' division of labour with his dad working and mum staying at home.</td>
<td>Charlie's parents share housework and caring responsibilities equitably.</td>
</tr>
<tr>
<td>Charlie learns that men should be competitive and suppress their emotions.</td>
<td>Charlie sees that men can also take on a caring role at home.</td>
</tr>
<tr>
<td>Charlie internalises ideas of how men should behave from popular culture.</td>
<td>Charlie decides to join his sister’s dance classes because he thinks it looks like fun.</td>
</tr>
<tr>
<td>Charlie doesn't study the subjects that he finds most interesting because he thinks they are 'girly' subjects.</td>
<td>Charlie's teachers encourage him to pursue the subjects he finds most interesting.</td>
</tr>
<tr>
<td>Charlie doesn't see many male role models in his life with careers he thinks he would like to pursue.</td>
<td>Charlie studies subjects that he finds most interesting and align to his preferences.</td>
</tr>
<tr>
<td>Charlie pursues a career in a field that aligns with his understanding of the type of work that men are expected to do.</td>
<td>Charlie pursues a career that aligns with his preferences and finds meaning in his work.</td>
</tr>
<tr>
<td>He would prefer to work fewer hours but doesn't because he thinks it is a sign of weakness.</td>
<td>His career satisfaction is improved throughout his working life.</td>
</tr>
<tr>
<td>Charlie's co-workers didn't take parental leave when they had children, so Charlie doesn't either.</td>
<td>Charlie utilises employer and government parental leave policies to take 20 weeks leave to look after his child.</td>
</tr>
<tr>
<td>Charlie misses important moments in his children's life because he prioritises work.</td>
<td>Taking parental leave makes Charlie more comfortable caring for his child which enables him and his partner to better share the care responsibilities.</td>
</tr>
<tr>
<td>Even though Charlie earns less than his partner, they decide she will stay home to look after the children and then return to work part time.</td>
<td>Charlie supports his partner to pursue an exciting career opportunity by working part time for several years.</td>
</tr>
<tr>
<td>Charlie feels increasingly less comfortable taking the lead on parenting roles and decisions over time. This compromises the strength of the relationship with his children.</td>
<td>Charlie has a strong relationship with his children and a career that aligns with his underlying preferences. He feels like he has made an impact that matters in his career.</td>
</tr>
</tbody>
</table>
4. The gains from abandoning prescriptive gender norms
Gender norms significantly underpin many economic decisions, affecting who is in paid work, how much they work, the type of work they do and more. For example, stereotypes that girls are not as good at maths as boys, or expectations that women should drop out of paid work after having children, ensure that individual decisions influenced by norms translate into population-level outcomes. Changing how we think about gender could therefore lead to large shifts in the economy.

Previous analysis has shown how individual gender gaps, such as the gender pay gap, create costs for both individuals and the broader economy. However, it is not well understood how the contribution of gender norms to the widening of multiple gender gaps is causing quantifiable economic impacts. Furthermore, the costs associated with each of these gaps individually cannot necessarily be added together, due to the close linkages between gaps. For example, unpaid domestic work and the likelihood of working part-time are closely related.

To our knowledge, this report is the first to provide an economy-wide view of the gains to be made if inflexible gender norms were dispelled in Australia.

Modelling for this report finds that if Australia abandoned prescriptive gender norms, the economic impact could be a boost to GDP of at least $128 billion annually for the next fifty years. In present value terms, this is equivalent to $47 billion by 2040 and $163 billion by 2050. In the long run, abandoning prescriptive gender norms would grow Australia’s economy by $515 billion in net present value terms over the next fifty years to 2071.

The impact by 2071 – of 6.2% higher GDP – is approximately equivalent to the contribution of the education and training industry to the economy. In employment terms, removing prescriptive gender norms would create over 461,000 full-time equivalent (FTE) jobs on average each year from 2022 to 2071, more than six times the number of FTE jobs added in the year to August 2022. In the short term, more flexible gender norms would create 149,000 FTE jobs in 2040, and 440,000 FTE jobs in 2050.

$128 billion benefit and 461,000 additional FTE employees, for each year without gender norms
Importantly, in a world with less rigid gender norms women could still choose to stay at home as primary carers. The purpose of this economic analysis is to establish the benefits to society where a woman can choose a path based on her preferences and individual circumstances only, rather than internalised and externalised social pressures or structural factors for example those linked to the gender pay gap.

This modelling does not link specific prescriptive gender norms with economic impacts. Rather, it considers how the materialisation of norms, in what we believe, what we say and how we act, translates into known gender gaps (see Figure 4.1). The potential economic benefits of closing or narrowing these gender gaps, by changing what we believe and hear, is then estimated.

**Figure 4.1:** Examples of how breaking prescriptive gender norms leads to economic benefits

<table>
<thead>
<tr>
<th>Prescriptive gender norms</th>
<th>Breaking the norm</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>What we believe and hear</strong></td>
<td><strong>What we see and how we act</strong></td>
</tr>
<tr>
<td>Men should be the main breadwinner</td>
<td>The labour force participation rate is 62% for women and 70% for men.</td>
</tr>
<tr>
<td>It’s better if the mum stays at home and cares for the children</td>
<td>The part-time work rate is 44% for women, compared to 19% for men. In addition, women do 1.8 hours more housework per day than men.</td>
</tr>
<tr>
<td>Men are naturally better leaders than women</td>
<td>Women represent 34% of board positions and 6% of ASX300 CEOs. As a share of workers, men are also more likely to be employers than women (10% compared to 7%).</td>
</tr>
<tr>
<td>Fathers don’t need to take parental leave, it’s the mother’s responsibility</td>
<td>12% of individuals in non-public sector who take parental leave are men.</td>
</tr>
</tbody>
</table>

Source: Deloitte Access Economics (2022)
Previous studies on the economic benefits of improving gender equity are shown in Table 4.1, with a longer list provided in Appendix B. These studies have tended to focus on the impact of addressing one or two drivers of inequity, with results in the range of 0.5 to 8 per cent of GDP across various timeframes, countries and scenarios.

This report adds to the literature by focusing on gender norms as the underlying driver of all gender gaps. The modelling also considers a broad range of gaps, with the following gender gaps directly or indirectly covered through this exercise: labour force participation, part-time employment, unpaid domestic work, gendered occupations, leadership and the gender pay gap.

Our result of 6.2% higher GDP relative to baseline in 2071 is on the higher end of the range covered by previous studies. Our analysis also moves beyond presenting a hypothetical closing of the gaps. It presents a plausible pathway to gender equity that could be achieved by reducing gender norms and an additional economic uplift that takes into account the trajectory Australia is currently on. The assumptions behind the modelling are explained in this chapter and Appendix A.

Table 4.1: Headline results from other modelling on the economic benefits of improving gender equity

<table>
<thead>
<tr>
<th>Participation</th>
<th>Finding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unpaid domestic work</td>
<td>Men and women sharing the load more equally at home, shifting the time each has available to spend in paid employment, could add 0.5 per cent to New Zealand’s GDP.¹²⁶</td>
</tr>
<tr>
<td>Leadership</td>
<td>Having an equal representation of women in leadership could add up to $10.8 billion to the Australian economy every year.¹²⁷</td>
</tr>
<tr>
<td>Labour force participation</td>
<td>Halving of the gap between male and female workforce participation rates would deliver $38 billion annually (equivalent to 2.4 per cent of GDP) to Australian households by 2038.¹²⁸</td>
</tr>
<tr>
<td>Part-time employment</td>
<td>Increasing women’s total work hours by 2 per cent would boost Australia’s GDP by about $11 billion.¹²⁹</td>
</tr>
<tr>
<td>Labour force participation</td>
<td>If women’s workforce participation rates in NSW were to reach the same level as men’s, it would lift the overall participation rate by 5 percentage points and the economy would be 8 per cent larger by 2060-61.¹³⁰</td>
</tr>
<tr>
<td>Labour force participation</td>
<td>The economic benefit to the UK of increasing the female employment rate to that of Sweden’s is about 6 per cent of UK GDP.¹³¹</td>
</tr>
</tbody>
</table>

4.1. How gender norms influence economic drivers

Gender norms impact the economy through two main levers: labour force participation and productivity. Productivity and participation are two of the three ‘Ps’ that contribute to longer term economic growth (the third is population).

This section explains how gender norms contribute to a distorted labour market as employers face a reduced talent pool (lowering labour force participation) and a misallocated talent pool (lowering productivity). The figure below summarises this framework.

**Figure 4.2: Framework linking gender norms, gaps and economic growth**

![Diagram showing the framework linking gender norms, gaps, and economic growth]

### How we perceive ourselves (internalisation of norms)
Shapes gendered preferences and decision-making

- I do more housework than my husband after seeing my mum do more housework than my dad.

- I was also told women are bad at maths, so I chose not to study it at university.

### How we perceive others (externalisation of norms)
Influences the way we treat others through bias or discrimination

- When I interview women candidates, I wonder if they plan on having children any time soon.

- I often find women in leadership are bossy and not very likeable.

### How institutions are organised (structural factors)
Reflects the way society and institutions are organized based on underlying norms

- My partner and I cannot both work full-time due to high childcare costs, and I earn less so I will cut back my hours.

- I would like to spend more time with my children, however my workplace doesn’t offer parental leave to men.

### Examples

- Gendered occupations and industries
  - 75% of clerical and support workers are women

- Labour force participation and hours worked
  - The participation rate is 62% for women and 70% for men

- Division of unpaid domestic work
  - Women do 1.8 hours more housework each day than men

- Gender pay gap
  - The gender pay gap is 14.1%

- Leadership gap
  - 6% of ASX300 CEOs are women

- Domestic and family violence
  - 1 in 6 women experience intimate partner violence

- Gender gap in investment
  - Solely female founded start-ups received 0.7% of private funding

- Gendered access to family supports
  - 12% of individuals in non-public sector who take parental leave are men

- Institutional working patterns designed for men
  - Mining workers typically work 49 hours per week

### Economic impact

- Participation
  - Smaller talent pool

- Productivity
  - Misallocated talent pool

- Loss of wellbeing
  - Not modelled


**Participation**

Dictated by gender norms, women are less likely to be in paid work than men, and those that are work fewer hours than men.

The female labour force participation rate in Australia is 62%, compared to 70% for the male participation rate. Despite recent progress, with more women opting into paid work over time, the Australian rate is still below comparator countries like Sweden.

Forecasts also show the female labour force participation rate stagnating in the next 20 years.12

Australia also has an extremely high part-time work rate for women, particularly compared to other countries such as Sweden, which has seen convergence in part-time rates between men and women. This reduces the size of the talent pool available to employers, dragging down labour force participation.
Boosting the supply of labour is always an important determinant of economic growth, but is particularly critical now as Australia faces key skills shortages. Recent research commissioned by Chief Executive Women identified the underutilised supply of female workers as the key resource to draw on to battle Australia’s record number of job vacancies post pandemic.\footnote{Due to available literature, only the impact of reducing occupational segregation is modelled. The results would be higher if estimates were available to also model the impact of reducing sectoral segregation.}

In a world with less rigid gender norms, women would be able to more fully participate in the labour force, unrestricted by barriers such as internalised stereotypes and experiences of discrimination in workforce processes. Men are also likely to play a bigger role at home in this scenario, and spend less time in the workplace.

Our modelling accounts for this compensating effect in the part-time work input, by assuming a drop in men’s paid work hours consistent with previous modelling undertaken by Deloitte Access Economics. This makes no assumption about the availability of childcare or other structural factors, but assumes that men and women differently juggle paid and unpaid work based on existing constraints. The net impact on participation remains positive.

**Productivity**

Gender norms also influence productivity, due to talent misallocation. Bias and stereotypes on the basis of gender can cause men and women to be unevenly distributed across jobs, despite no significant differences in their innate talent.

As a result, having a higher share of men (or women) in any sector or occupation is a potential indication that workers are not best matched to jobs that align with their individual talent, skills or capability.

By abandoning gender norms, it is likely that our labour market would be more evenly split by gender, across sector, occupation and leadership. This would boost productivity as the average worker would be more productive.

Multiple studies explore this relationship – such as Bandiera et al (2021), who find that reducing the misallocation of women’s talent, for example by reducing norms around women’s role in the household, would increase firm productivity by 32% on average.\footnote{See Appendix A for a more detailed summary of the literature on the impact of talent misallocation on productivity.}

Women are concentrated in lower earning occupations for a variety of reasons, including expectations about gendered discrimination.\footnote{At the same time, women in Australia are the most highly educated in the world, according to the Global Gender Gap Index.\footnote{Better distributing men and women across jobs would therefore tap into one of Australia’s most underutilised resources.}}

Our modelling accounts for this compensating effect in the part-time work input, by assuming a drop in men’s paid work hours consistent with previous modelling undertaken by Deloitte Access Economics. This makes no assumption about the availability of childcare or other structural factors, but assumes that men and women differently juggle paid and unpaid work based on existing constraints. The net impact on participation remains positive.

**Inputs to the modelling**

To estimate the economic benefits of abandoning gender norms, this report uses computable general equilibrium (CGE) modelling to capture what would happen if the:

- female labour force participation rate increased to meet the male labour force participation rate (or equivalently the female rate in Sweden, a leading country in gender equality in workplaces)
- female part-time work rates decreased to reach those of Sweden
- female talent was more evenly distributed across occupations (employers, entrepreneurs and employees), allowing for higher productivity with better allocated talent.

The inputs to the modelling for each benefit are summarised in the table below.

### Table 4.2: Inputs to the modelling

<table>
<thead>
<tr>
<th>1) Participation</th>
<th>2) Productivity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Labour force participation</strong></td>
<td><strong>Hours worked</strong></td>
</tr>
<tr>
<td>Base case (what would happen if gender norms did not change)</td>
<td>The female labour force participation is 62%, compared to 70% for the male rate, and the female rate in Sweden. Projections suggest it will reach 65% around 2040 then stagnate.</td>
</tr>
<tr>
<td>Project case (what would happen if we abandoned gender norms)</td>
<td>The female labour force participation rate continues to grow beyond 2040 and reaches the 70% target in 2071.</td>
</tr>
</tbody>
</table>

Sweden is used as a comparator country for the participation impacts as they are a world leader on gender equity. Sweden has one of the lowest part-time work rates for women in the OECD and a high female labour force participation rate, and is commonly cited as a benchmark in gender equity modelling exercises.

Abandoning gender norms is associated with a 4.9% increase in the female labour force participation rate in 2071, equivalent to 777,000 FTE. Additionally, to reach Sweden’s part-time employment rate would require 565,000 FTE employees by 2071. This reflects an additional 810,000 female FTEs and a reduction of 245,000 male FTEs.

The increase in productivity due to better job matching is estimated to increase labour productivity by 1.6% by 2069, based on Cuberes & Teignier (2016). Further detail on the literature supporting these mechanisms, and how the inputs to the modelling were developed, are provided in Appendix A.

### 4.2. Economic impact of abandoning gender norms

**Modelling for this report finds that abandoning prescriptive gender norms would grow Australia’s economy by at least $128 billion each year, on average, from 2022 to 2071.**

In present value terms, this impact equates to additional GDP of $47 billion by 2040 and $515 billion over the next 50 years to 2071. This economic benefit is largely driven by higher labour force participation (80% of the total impact), with the remainder a result of higher productivity (20%).

The benefits of dismantling gender norms extend beyond economic growth to higher standards of living for the whole population, men and women alike. The impact of breaking down gender norms on individuals can be assessed using gross national income – a measure of the total income earned in Australia.

From 2022 to 2071, abandoning gender norms would generate an additional $4,600 per person, or $12,200 per household, every year.

This modelling strengthens the case that removing inflexible gender norms would make everyone better off. But this economic dividend will only be realised if action is urgently taken, by individuals, businesses, government, philanthropists and more – Chapter 5 provides this framework for action.

Importantly, this modelling is limited to the impact of gender norms on participation and productivity in the labour market specifically. However, it is noted that abandoning norms would likely entail further economic benefits related to gender gaps that were not explored in the modelling, such as the productivity benefits of improving the gender balance of industries, not just occupations.

Our modelling also does not account for the non-economic benefits of abandoning gender norms. For example, research shows that when childcare is more equally managed within a heterosexual household, both the man, woman and children are happier and healthier. It could also lead to broader benefits such as decreasing rates of domestic violence, with evidence showing that the more rigid a man’s stereotype of ‘manliness’, the more likely he is to get involved with risk taking behaviours, enact violence and sexual harassment, and suffer from low moods. If these impacts were included in the modelling, it’s likely the cited impacts would be even higher.

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* A discount rate of 7 per cent is used in this modelling. This is consistent with similar studies, and is a relatively conservative rate for the time horizon used.
5. A framework for action
Actions focused on addressing gender inequity in Australia have generally focused on structural changes such as the provision of workplace entitlements and legislating against gender discrimination. While these structures are important and are responsible for much of the progress that has occurred to date, they only address part of the problem.

Meaningful, long-term change will only come through actions tackling the root cause of gender equity and addressing the way we think about gender. This means preventing the internalisation of gender norms and putting frameworks and policies in place to limit the impact of bias (see Figure 5.1).

Figure 5.1: Framework for acting against gender norms

- **How we perceive ourselves (internalisation of norms)**
  - Shapes gendered preferences and decision-making
  - Examples:
    - I do more housework than my husband after seeing my mum do more housework than my dad.

- **How we perceive others (externalisation of norms)**
  - Influences the way we treat others through bias or discrimination
  - Examples:
    - When I interview women candidates, I wonder if they plan on having children any time soon.

- **How institutions are organised (structural factors)**
  - Reflects the way society and institutions are organized based on underlying norms
  - Examples:
    - My partner and I cannot both work full-time due to high childcare costs, and I earn less so I will cut back my hours.

**ECONOMIC IMPACT**

- Participation: Smaller talent pool
- Productivity: Misallocated talent pool
- Loss of wellbeing: Not modelled

**OUTCOMES**

- Change the way we perceive ourselves based on gender
  - Prevent the portrayal of harmful stereotypes in media
  - Promote role models who go against the status quo
  - Shift how gender is communicated in early childhood through children's toys and books

- Address bias
  - Measure, track and report on progress
  - Adopt equitable recruiting and promotion practices
  - Reward businesses who perform well

- Add structural incentives
  - Remove workforce disincentives for women
  - Encourage men to be active fathers
  - Apply a gender lens to decision-making

**EXAMPLES**

- Gendered occupations and industries: 75% of clerical and support workers are women
- Labour force participation and hours worked: The participation rate is 62% for women and 70% for men
- Division of unpaid domestic work: Women do 1.8 hours more housework each day than men

**IMPACT**

- Participation: Smaller talent pool
- Productivity: Misallocated talent pool
- Loss of wellbeing: Not modelled

This section identifies actions that could change norms and shift how individuals, organisations, philanthropists (see Box 5.1) and society view gender. Critically, any intervention should be backed by a robust evidence base. As such, this Chapter has been informed by a detailed literature review and based on international evidence of what is effective. Clearly, the business case for action is clear, with the potential for tackling gender norms to add an additional $128 billion to Australia’s economy each year. Whatever the action that is adopted, it’s unlikely change will be immediate. An ongoing commitment from a range of stakeholders is critical to tackling gender norms and driving long term sustainable change.

Box 5.1: Spotlight on philanthropy

Philanthropists and corporate donors are another group of actors within the broader ecosystem that can play a key role in supporting initiatives to empower women and girls, change gender norms and address gender inequity.

In Australia, 1.38 million people are employed by almost 60,000 charities, and the corporate giving sector on its own has been valued at between $4.5 and $17.5 billion per year.\textsuperscript{140} Philanthropy is often referred to as the risk capital of social innovation. Private, institutional, and corporate philanthropists are able to fund innovative or high-risk initiatives governments or other stakeholders may not have an appetite to fund.

Philanthropy is uniquely positioned to drive social change given it’s insulated from the consequences of risk taking. The case studies that follow in this chapter are examples of philanthropically funded initiatives that have demonstrably shifted gender norms on the political and literary landscapes in Australia.

They are examples of applying gender analysis to an issue, and a gender lens to the solution, to great effect. Embedding a gender lens on all philanthropic giving is a key strategy for surfacing, examining, assessing and ultimately shifting gender norms.

Pathways to politics

Since federation, Australian women have been underrepresented in Parliament. Prior to the 2022 Federal Election, Australia was ranked 57th in the world for female representation – just behind South Sudan, Croatia and Chad.\textsuperscript{141} By comparison, New Zealand was ranked 6th.\textsuperscript{142} Despite being half of the population, women had never made up more than a third of MPs in the House of Representatives or the ministry until 2022.\textsuperscript{143}

Increasing the representation of women in politics has a host of material benefits for citizens, including the advancement of women’s rights in areas such as domestic and family violence, healthcare and pay equity.\textsuperscript{144} It has also been found to increase collaboration and bipartisanship in Parliament, improve population health and strengthen democratic institutions.\textsuperscript{145,146,147}

**Pathways to Politics Program for Women** (Pathways to Politics) is a national, non-partisan initiative that aims to access these benefits by increasing the number of women in elected office.\textsuperscript{148} It provides women who are committed to running for office with networking opportunities and practical training on good governance, campaigning and leadership.

**Pathways to Politics is “designed to equip women for election and build their networks so they can be the change makers we so urgently need.”**\textsuperscript{149} Dr Helen Haines, an Independent MP.

The Program is a philanthropic initiative of the Trawalla Foundation, Women’s Leadership Institute Australia and the University of Melbourne. It is delivered by the University of Melbourne, Queensland University of Technology and the University of NSW.

Since Pathways to Politics launched in 2016, it has made important inroads in improving female political participation, with 21 electoral successes achieved nationally and two alums successfully contesting their seats twice.\textsuperscript{150} With the majority of alums intending to run for office in the next ten years, the program anticipates that at least 10 will campaign to be elected in the 2022 Victorian state election.\textsuperscript{151} Political journalist, commentator and television host, Annabel Crabb, described the program as an “invaluable down payment on a better kind of politics” and commended it for taking “practical steps to address the problem [of a lack of female representation], equipping women with the skills and confidence to get involved.”\textsuperscript{152}

The success of Pathways to Politics is just one example of how philanthropic funding can drive meaningful change in relation to gender equity. Philanthropy can act as a significant source of income for not-for-profit organisations that contribute to the public good. In the case of Pathway to Politics, this funding ensures that the organisation can offer networking and training opportunities to women interested in politics and, over time, materially improve female representation in politics.
5.1. Actions addressing the way we perceive ourselves based on our gender

The internalisation of gender norms begins from a young age. Shifting how children internalise gender norms can have long-term impacts by changing how boys and girls view themselves and altering the decisions they make later in life. This begins by recognising how the gendered ways boys and girls are treated can impact skill acquisition, education and occupational choice.

For example, studies demonstrate that toys marketed to boys provide greater opportunities to form mathematical reasoning and spatial cognition skills while those marketed towards girls, such as dolls, promote traditional gender roles and collaborative play. The differences between the skills and attitudes developed from childhood can contribute to differences in educational attainment and job selection later in life.\(^{153}\)

Promoting a broader range of opportunities to men and women can help people make decisions that better align with their skills and preferences throughout their lives, rather than internalised expectations based on gender. One promising example is the success of programs exposing university students to female role models in traditionally male-dominated fields, such as economics. These programs have a proven impact on female students’ likelihood of continuing to study those subjects at a higher level.\(^{154}\)

The effect of shifting internalised gender norms, even on a small scale, can be magnified through peer effects. For example, men taking paternity leave has been demonstrated to have a positive spill over on their brother’s, son’s and co-worker’s uptake of parental leave.\(^{155}\) This highlights the potential for individuals to be agents of change within organisation and accelerators for well-designed policy.

Philanthropists can also contribute to a shift towards gender norms through advocating and raising awareness of issues that may shift internalised norms. As they are often able to have a longer-term focus than other organisations, philanthropists can support and operate in areas which other actors, with shorter-term focuses, may not.

One area that has been identified as particularly important in the notion of gender equity is changing masculine norms. This includes through advocacy in spaces such as raising men’s awareness and behaviour around domestic violence, changing men and boy’s concept of masculinity and supporting the de-segregation of industries and occupations dominated by single genders.

The evidence for the impact of masculine norms on contributing to harmful attitudes and behaviours is strong. Research has found that beliefs in rigid masculine norms are 20 times more important than demographic variables in predicting the use of physical violence, sexual harassment and online bullying.\(^{156}\) As such, actions that contribute towards changing these norms are an important enabler of societal change.

Media and advertising also play a key role in reinforcing how people internalise gender, with representation in popular culture and media perpetuating traditional gender roles. Tropes of men being shown as incapable parents, and women being shown as passive can contribute to actual harm (see Box 5.2).\(^{157}\) Changing how the media depicts men and women is an important step in ensuring that more egalitarian expectations of men and women in society are established.

Figure 5.2: Actions to address how we perceive ourselves based on gender

<table>
<thead>
<tr>
<th>Shift how gender norms are internalised from childhood</th>
<th>Promote opportunities for men and women</th>
<th>Change how media and advertising perpetuate gender norms</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Make informed choices about the toys purchased and produced for children</td>
<td>• Create programs that increase exposure to counter-stereotypical role models in gender segregated fields</td>
<td>• Create regulatory frameworks to avoid problematic advertising</td>
</tr>
<tr>
<td>• Ensure that men and women are depicted in educational material in diverse and counter-stereotypical ways</td>
<td>• Implement mentorship programs to help workers succeed in industries and occupations with few men or women</td>
<td>• Produce advertisements that do not perpetuate traditional gender norms</td>
</tr>
<tr>
<td></td>
<td>• Utilise philanthropic advocacy to promote opportunities and drive change</td>
<td></td>
</tr>
</tbody>
</table>

Box 5.2: Gender conscious advertising

The average person is exposed to over 5,000 advertisements every day, and advertising can play a powerful role in reinforcing traditional gender norms. The extent of gendered differences depicted in advertising is large (see Figure 5.4).

**Figure 5.4: The depiction of boys and girls in television and advertising**

- In television advertisements, men are almost **twice as likely** as women to be portrayed as funny, and **62% more likely** to be shown as intelligent.
- In commercials on a children’s television network, female characters were often placed in *cooperative play situations*, while male characters were placed in *competitive interactions*.
- In advertisements for children’s games and toys, boys are **typically depicted as independent while girls are not**.

Sources: Deloitte Access Economics (2022)

These differences in the representation of boy and girls in advertising has a meaningful impact on how we internalise gender. *Studies of young men have found that those who more regularly consumed male-oriented media were more likely to adhere to traditional views about masculine roles and endorse stereotyped beliefs about masculinity.* Advertising can also impact people’s health and wellbeing. For example, advertising has been linked to increases in women’s self-objectification as a result of exposure to sexualised content, as well as negative impacts on body satisfaction. Young Australian men have also been found to have increased body dissatisfaction after exposure to television commercials that portrayed ‘idealised’ muscular male bodies, compared to those exposed to non-appearance-related commercials.

The UK’s Advertising Standards Authority, in a report on gender stereotypes in advertising, determined that there is significant evidence of potential harm as a result of creating and reinforcing internalised messages about how people should behave and look on account of their gender.

Following this report, the authority implemented a **ban on playing off gender stereotypes in advertising**. The new rules specifies that “advertisements must not include gender stereotypes that are likely to cause harm, or serious or widespread offense.” This includes examples such as men or women failing to achieve a task specifically because of their gender, depicting stereotypical personality traits for boys and girls, or suggest that new mothers should prioritize their looks or home cleanliness over their emotional health. Belgium, France, Finland, Spain and Norway also have regulations that addresses gender stereotypes in advertising.

While women currently make 70-80% of all purchasing decisions, actions to change gender norms is likely to increase the share made by men. This presents an opportunity for businesses to not only be part of the solution through their advertising practices, but to achieve a financial return by reaching new and different audiences more frequently.
5.2. Addressing bias and discrimination

Government, workplaces and institutions can play a crucial role in recognising and minimising the impact of discrimination and bias.

Firstly, it is important to measure, track and target progress over time. Collecting data and measuring outcomes allows issues and opportunities for improvement to be identified and success rewarded. However, data collection alone is not enough to drive change. Within businesses it should be coupled with actions that ensure that the information is incorporated into decision making and is used to make meaningful progress.

Government can accelerate progress by incentivising businesses to incorporate gender into their decision making. This can include encouraging businesses to develop an understanding of how gender impacts their businesses through linking gender outcomes to government procurement practices, introducing mandatory reporting of gender outcomes and implementing recognition schemes to reward best-practice organisations within industries. Aligning the financial incentives of businesses with tangible gender outcomes provides a transparent and actionable pathway to reduce the impact of bias and discrimination.

Gender bias can impact who gets hired, whether they get promoted and how much they get paid. These factors compound across an individual’s career, contributing to women not progressing as fast as men and the gender pay gap widening. These biases are wide reaching and include differences in how men and women are typically perceived in interviews and how the wording of job advertisements can impact who applies for roles.

Gender bias can also impact the work that managers assign to employees, particularly non-promotable work that is less likely to advance an employee career. Research has found that women are 50% more likely to be asked to do non-promotable work, and when women are asked, are 50 percent more likely to say yes to these requests.

Diversity and gender equality training consistently fails to reduce implicit bias. Individuals are largely unable to consciously alter their unconscious stereotypes through short-term training measures. Instead, of emphasising training for individuals, interventions should focus on overhauling systems and culture. In the workplace, employers should utilise gender equitable workplace practices to avoid gender bias, as outlined below.

• Gender-blind hiring – the removal of gender signifiers from resumes and job applications. A study by the Astronomical Society of the Pacific found that anonymising applications for research time on the Hubble Space Telescope increased the percentage of successful applicants that were women by 67%.

• Increasing transparency in negotiations – alerting all applicants to the bounds of what can be negotiated for the position. A study of MBA students applying for their first job found that industries with high levels of ambiguity around starting salary negotiations had a significant gender pay gap.

• Defined rules on compensation – determining compensation based on established rules and guidelines. For example, a study of 8,000 employees in a financial services firm found that the gender pay gap is much smaller among base salaries, which are subject to formal rules, than it is for bonuses.

• Structured interviews – asking all candidates a standardised set of questions in the same order. Despite their unpopularity, structured interviews are consistently found to reduce gender bias and be more predictive of job performance and collaboration.

Figure 5.3: Actions to address how we perceive others

<table>
<thead>
<tr>
<th>Measure, track and target progress</th>
<th>Incentivise businesses to consider gender</th>
<th>Utilise gender equitable practices in the workplace</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Measure and report on gender outcomes such as promotions, hiring and pay.</td>
<td>• Incorporate gender measures/standards in government procurement processes</td>
<td>• Use equitable recruiting practices and salary negotiations such as gender-blind hiring, structured interviews and defined rules on compensation</td>
</tr>
<tr>
<td>• Apply a gender lens to government decision making and gender responsive budgeting.</td>
<td>• Recognise businesses for making progress through an enhanced WGEA citation scheme</td>
<td>• Use gender equitable promotion practices such as opt-out promotion applications</td>
</tr>
<tr>
<td>• Implement targets or quotas for female representation in politics, in management positions and on company boards.</td>
<td></td>
<td>• Implement mentorship and career development programs that provide pathways to career advancements for women</td>
</tr>
</tbody>
</table>

**Box 5.3: Stella Prize**

In the beginning of 21st century, the success of Australia’s female authors was diminished greatly by gender bias in the literature industry. A study examining leading Australian publications from 1985 to 2013 found that female authors were far less likely to have their work featured in published reviews than male authors. Even though women made up two-thirds of published authors, only one-third of reviewed books were written by a woman. Books with a female author were also less likely to win an award or be featured on a course syllabus (at a high school or tertiary level) – this was particularly true for books written from a woman’s point-of-view. Further, female authors earned, on average, 25% less than male authors.

The Stella Prize (Stella) is a woman’s literature award that was established in 2013. It aims to support women writers, grow their readership, increase access and participation in literature, and shift the gender balance of literary journalism in Australia. Stella has four key initiatives: writing competition, research on gender equality in Australian literature, education and residencies.

The Stella Prize has had a significant impact on its winners, granting substantial financial support to them and expanding their readership. Beyond the $50,000 in prize money, Stella has provided them with new literary opportunities, access to engaged readers and greater professional recognition. In fact, since 2014, the Stella Prize has increased the sales of the winning title by an average of 823% in the week of the award, causing winners to sell approximately 721 units.

Moreover, the Stella Count tracked and raised awareness about the gender bias in literary reviews. The findings of the Count placed social pressure on a host of Australian publications to achieve gender parity in their reviews and were featured in many Australian newspapers including the Guardian, the Conversation and the Sydney Morning Herald. In 2012, 10 of the 13 publications examined in the Count reviewed more books by men than by women – by 2020, this number had fallen to 3. The 2020 Stella Count showed that 55% of books reviewed in Australian publications were written by women – a massive increase from 40% in 2021.

This was also the first time since the Count began in 2012 – and possibly since the first book review appeared in Australia in 1824 – that the field as a whole has reviewed more books by women authors than by men. This achievement shows that the act of counting has been effective in holding the industry to account and driving systemic change in the literary sector.

Paula McLean, a board member and major funder of the Stella Prize, attributes much of this improvement to the cultural change inspired by Stella.

“[Empowering] Australian women’s writing can play a key role in ending the systemic bias and tackling discrimination.”

Paula McLean
5.3. Removing structural gender inequity from institutions

While government policy and institutions play a powerful role in embedding traditional gender norms and roles into society, they can also be used as a powerful tool to drive cultural change and shift gender attitudes.

One area that structural reform can play a key role in is changes to policies that create a disincentive for women to re-enter the workforce after having children. Structures within the tax and welfare system that financially penalise women who return to paid work on more of a part time basis reinforces notions that fathers should be responsible for paid employment, while mothers look after children. Removing these incentives would allow parents to better align their work life decisions in a way that reflects their preferences.

The disproportionate share of women in lower paying industries is a key structural factor that contributes to the gender pay gap. For example, workers in female dominated industries with a bachelor degree or above earn 30% less per hour than workers in male dominated industries with a bachelor degree or above. Revaluating how the economy values care work, including in occupations such as aged care, nursing, childcare and teaching, is an important change that would encourage more people into fields with pressing skill shortages. Not only would investing in care work improve economic outcomes but it would also improve wages for this type of work, contributing to better quality of care for patients and helping to meet future demand for workers.

Structural changes that shift attitudes by normalising men’s role as active fathers are essential next steps in evening the playing field and driving the economic gains estimated in this research. Such changes include setting government and workplace policy so that it encourages men to take parental leave, work flexibly and work part-time. Making it financially attractive to take advantage of these benefits, such as by offering well-designed and generous parental leave (see Box 5.4), can also drive long term cultural change.

The actions that governments take, even when not explicitly related to gender, affect men and women differently. Systematically considering how government policy impacts both men and women by applying a gender lens is critical. Not including these considerations can result in traditional understandings of policy, which have systematically excluded gender, missing opportunities to maximise the impact of government funds and to promote gender equity alongside other objectives.

For example, the status quo for economic stimulus has been to fund construction industries, which is a typically male dominated field (97.5% of trade workers and on-site construction employees in Australia are men). This approach disproportionately benefits men and unintentionally reinforces their role as the primary earner within families. It also fails to best stimulate the economy with contemporary research suggesting that a care-led, rather than construction-led recovery may actually create more jobs.

Applying a gender lens is also important in philanthropy to meet the needs of people in a target group. In Australia, a 2020 study from Perpetual showed that 74% of not-for-profit grant applicants had not undertaken a gender analysis when designing their interventions. Furthermore, investing in women and girls has been demonstrated to have a multiplier effect for families, communities and economies.

Gender neutral approaches to funding risk perpetuating existing inequities and can fail to identify opportunities to maximise the impact of investments. For example, the Stars Foundation was established to address a stark gender gap in the support provided to Aboriginal and Torres Strait Islander girls compared to boys. This gendered investment gap, identified as being as large as 300%, did not arise out of an intention to under invest in First Nation girls. Rather, it was the natural consequence of a gender-neutral approach. With the gap identified, the Stars Foundation was able to implement a high impact support program in schools that resulted in an 82% average attendance rate for participants, compared to 68% for all Indigenous students at the participating schools.

Adopting a gender lens approach to philanthropic and public investment challenges internalised and institutional gender norms that contribute to the status-quo. It ensures the interests of women and girls are consistently taken into account.
Box 5.4: Parental leave as a tool to shift the burden of unpaid work

Encouraging fathers to take parental leave is one way of changing norms around who cares for children. International evidence demonstrates that policies that encourage fathers to be more involved in the early years of a child’s life results in them continuing to be more involved for years to come.\textsuperscript{200} Evidence also suggests that increasing fathers’ parental leave entitlements has benefits for their life satisfaction, relationships and for child development.\textsuperscript{201} Until recently, the government funded parental leave schemes in Australia provided 18 weeks of paid leave for primary carers while secondary careers were provided two weeks, both paid at the minimum wage. The uptake of this leave scheme, and comparable employer provided parental leave, is profoundly gendered with an overwhelming number of people taking primary careers leave being mothers, and those taking secondary careers leave being fathers.\textsuperscript{202} Policy announced in the 2022 Federal Budget saw the primary and secondary carers schemes merged into one, shared 20-week payment, removing any individual entitlement for fathers. The latest announcement extends government funded parental leave to 26 weeks, with details about how this will roll out, including whether a ‘use it or lose it’ feature will be added, to be evaluated by the Women’s Economic Equality Taskforce.

The design of Australia’s parental leave schemes is at odds with international best practice, which is to provide fathers with longer, non-transferable parental leave on a use it or lose it basis at a generous income replacement rate. For example, in Norway each parent is entitled to 15 weeks of non-transferable leave paid at 100% of their wage or 19 weeks paid at 80% of their wage.\textsuperscript{203} The economic impacts for women are exacerbated by laws that mean Australian employers and the Commonwealth do not have to pay superannuation for employees on parental leave. As more women take longer parental leave, this compounds the superannuation gender gap. Industry Super Australia modelling found that receiving superannuation on Commonwealth Parental Leave Pay would mean a mother of two would be $14,000 better off at retirement.\textsuperscript{204} By offering relatively meagre parental leave entitlements to fathers, Australia’s scheme encourages couples to structure their home and work lives in accordance with more gender traditional notions of the family. To remedy this, Australia should use parental leave as a lever for cultural change to normalise fathers becoming active parents. Moves towards a more generous parental leave scheme that provides a short-term incentive for fathers to take leave, would provide a long-term benefit for mothers, fathers and the economy.
5.4. What next?

Gender norms are pervasive and have a profound impact on our choices and the way others are perceived, leading to vastly different life outcomes between men and women over time. Because they have such a wide-reaching impact, change cannot be realised by action from one stakeholder alone. Businesses, government, philanthropists, and the community more broadly all have a role to play. In other words, change is not someone else’s problem.

Some organisations and governments, recognising some of the benefits outlined in this report, are already acting. The Commonwealth Government has announced plans to make childcare more affordable by increasing the child care subsidy. Similarly, the New South Wales Government and Victorian Government have announced significant reforms to improve the accessibility and affordability of preschool. Governments are also driving change by incorporating gender considerations into procurement processes. For example, the Western Australian Government is currently undertaking a pilot program to embed gender equality principles and practices into selected government procurement activities.

Business is increasingly pushing forward progress on parental leave policies, with many in some industries now offering 18-26 week paid parental leave for both mothers and fathers. More action is needed. This Chapter has identified actions that everyone can take to help realise change – whether in business, philanthropy, policymaking or a household. And the business case for doing so is clear, with the benefits reaching $47 billion by 2040 and $163 billion by 2050, in present value terms. As expectations and norms change over time, the benefits are expected to become even larger; reaching $515 billion over the next fifty years.

Because gender norms are communicated and reinforced from birth, actions which address gender stereotypes from a young age are likely to be particularly impactful. This is because they have the opportunity to catalyse change across an individual’s entire lifespan, propagate through communities and change how the next generations’ views people of different genders and the options available to them.

Importantly, a world with less rigid gender norms will continue to see some women as primary homemakers, and men as breadwinners. However, it is a world where their choices are not constrained due to concerns around social image or financial disadvantage linked to the gender pay gap. By removing expectations based on sex, we can allow all people – in and outside the gender binary - to freely understand their preferences, make choices independent of gender and contribute to building a more inclusive and prosperous society in Australia.
This report uses CGE modelling to quantify the impact of abandoning prescriptive gender norms on the Australian economy. This is estimated by looking at two key economic drivers – labour force participation and productivity.

The analysis shows that if Australia abandoned prescriptive gender norms, the economic impact could be 6.2% of GDP in 2071, or $128 billion larger each year. In present value terms, this impact equates to additional GDP of $515 billion over the next 50 years.

In employment terms, removing prescriptive gender norms would create over 461,000 full-time equivalent (FTE) jobs, on average, each year from 2022 to 2071.

The following sections explain how CGE modelling is conducted, and the methodology for developing the participation and productivity inputs into the modelling.

CGE modelling
To estimate the economic impact of abandoning gender norms, CGE modelling was used. The CGE model represents the demand and supply relationships in the economy, providing a clear way to trace how changes in labour force participation and productivity impacts key variables (like value-added and employment). CGE modelling captures the net impact of a labour supply shock. That is, it captures the increase in economic growth relative to a baseline scenario where the economy grows over time per business as usual.

CGE modelling is the framework best suited to modelling the impact of large projects or policies on the economy. In this framework, it is possible to account for resourcing constraints and opportunity costs, and to model changes in prices and the behaviour of economic agents in response to changes in the economy.

The Deloitte Access Economics regional general equilibrium model (DAE-RGEM) is a model of the world economy and represents the interaction of households and firms with factor markets and goods markets over time. DAE-RGEM represents all economic activity in the economy, including production, consumption, employment, taxation and trade. It can be customised to represent regions and industries of interest.

Labour force participation input
Just over 62% of adult women in Australia are in the labour force, compared to 70% for men. This difference is influenced by gender norms around care and work, especially upon the arrival of children, where men are expected to continue working and women to drop out of the workforce. In comparison, while there is still a large gender gap in Sweden, the labour force participation rate for women is 70% compared to 77% for men.

The 2021 NSW Intergenerational Report projected that the participation rate for women would grow slowly over the next twenty years before stagnating around 2040 at approximately five percentage points below the participation rate for men. Consistent with this, we assume that with no change in gender norms, the Australian female labour force participation rate would grow to a peak of 65% then flatline at this level (base case in Chart A.1).

Conversely, based on the abandoning of gendered expectations around unpaid and paid work roles, our scenario models continued growth in the female labour force participation rate beyond 2040. In this scenario, parity in labour force participation is reached by 2071 with a 70% female participation rate. This is equivalent to the current male participation rate in Australia, as well as the female participation rate in Sweden.

Compared to the base case, this modelling reflects an increase in the labour force participation rate in 2071 of 4.9%. This is estimated to reflect an additional 777,000 FTE in the Australian economy in 2071.
Hours worked input
Gender norms strongly influence the distribution of paid and unpaid work split between men and women in Australia. This is particularly evident in the 44% of female workers that are part-time, which has generally increased since 1990. Only 19% of male employees work part-time. In comparison, the share of female part-time workers has been steadily declining in Sweden since 1990, with increasing convergence to the share of male workers who are part-time.

Based on the latest data, 25% of the female workforce in Sweden works part-time. Under current growth rates, it would take over 100 years for this target rate of 25% to be reached in Australia. If the share of part-time female workers in Australia began to decline at the same rate as in Sweden in the last twenty years, the target rate could be met in 2071. Labour supply in Australia would be significantly boosted with 12% of the female workforce in 2066 working full-time rather than part-time.
Chart A.2: Part-time and full-time shares of male and female workers, Australia and Sweden (1990 to 2020)

Australia


Sweden

However, with the abandoning of gender norms, the increase in working hours for some women is likely to lead to a drop in working hours for men, who will take up an increased share of the burden at home. Previous modelling conducted by Deloitte Access Economics found that, for every 4.3 hours of additional paid work done by the lower earner, the higher earner would do 1.3 hours less of paid work to compensate for the increase in unpaid housework and childcare.\textsuperscript{207}

Accounting for this rebalancing within households, we estimate that the net additional hours generated by the increase in full-time female workers is equivalent to an additional 565,000 FTEs in 2071. This increase in workers is gradually met with an increasing number of women moving to full-time work over the next 40 years.

### Productivity input

Talent misallocation due to gender norms lowers productivity and output as individuals are not best matched to occupations and industries that align with their skills.\textsuperscript{208} A number of studies have examined this relationship:

- Cuberes & Teignier (2016) examine how occupational gaps affect resource allocation and reduce efficiency in the labour market, by looking at gendered differences in entrepreneurship (closely related to leadership) – whether someone is a worker, self-employed or an employer.\textsuperscript{209}
- Lee (2020) finds that gender discrimination in the non-agricultural sector leads to talented women sorting into agricultural roles, causing a decline in productivity in the agricultural sector.\textsuperscript{210}
- Hsieh at al (2019) estimate that closing gender and race occupational gaps between 1960 and 2010 in the US explained between 20% and 40% of growth in aggregate market output per person.\textsuperscript{211} This is largely a result of reduced barriers to human capital formation, but also increased efficiency in job matching.
- Bandiera et al (2021) use personnel data from a multinational firm with 60,000 employees over 100 countries to quantify the impact of eliminating gender norms. They find that reducing the misallocation of women's talent, for example by reducing norms around women's role in the household, would increase firm productivity by 32% on average.\textsuperscript{212}

Talent misallocation also lowers incentives for women to develop specific abilities and skills that are suited to certain jobs, further dampening productivity. With expectations about gender roles and discrimination on the basis of gender, women have fewer incentives to invest in education for certain types of jobs. Hsieh et al (2019) argue that discrimination is higher in high-skill (and high earning) occupations, which has acted as a disincentive to women (and men of colour) to undertake the necessary education for these jobs.\textsuperscript{213}

The productivity gain associated with abandoning gender norms is modelled in this report using analysis by Cuberes & Teignier (2016), as they include results for Australia specifically.\textsuperscript{214} Cuberes & Teignier (2016) find that, in Australia in 2010, talent misallocation across occupations was associated with a 3.18% productivity income loss per capita.

This productivity loss is based on the gender gap in the share of workers that are employers (including entrepreneurs, classified as business owners without any employees). In 2022, 7.4% of working women are employers, compared to 10.5% of working men. Historical growth rates indicate that gender parity in the number of employers will not be reached for over 100 years.

However, if the growth rate of the last 10 years is maintained, the share of working women that are employers will equal the equivalent rate for men in 2069. Using Cuberes & Teignier (2016), this is estimated to lead to a productivity increase of 1.6% in 2069.
## Appendix B: Other report results

<table>
<thead>
<tr>
<th>Gap</th>
<th>Finding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labour force participation, part-time employment, occupations and industry</td>
<td>Australia’s economy would be $1.8 billion larger every year on average over a 33-year period as a result of increasing female participation in technology occupations.</td>
</tr>
<tr>
<td>Part-time employment</td>
<td>Men and women sharing the load more equally at home, shifting the time each has available to spend in paid employment, could add 0.5 per cent to New Zealand’s GDP.</td>
</tr>
<tr>
<td>Labour force participation, Gendered occupations and industry</td>
<td>Having an equal representation of women in leadership could add up to $10.8 billion to the Australian economy every year.</td>
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<tr>
<td>Leadership</td>
<td>Increasing the proportion of women in senior leadership to 50% would increase business profitability by 2.1 per cent.</td>
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<tr>
<td>Leadership</td>
<td>Gender equity on boards would improve the productivity of the Queensland population by $87 million.</td>
</tr>
<tr>
<td>Leadership</td>
<td>An increase in the share of female ‘top-tier’ managers by 10 percentage points or more led to a 6.6 per cent increase in the market value of Australian ASX-listed companies, worth the equivalent of $105 million.</td>
</tr>
<tr>
<td>Labour force participation</td>
<td>Halving of the gap between male and female workforce participation rates would deliver $38 billion annually (equivalent to 2.4 per cent of GDP) to Australian households by 2038.</td>
</tr>
<tr>
<td>Labour force participation, part-time employment</td>
<td>Increasing women’s total work hours by 2 per cent, representing would boost Australia’s GDP by about $11 billion.</td>
</tr>
<tr>
<td>Labour force participation, hours, occupations and industry</td>
<td>If all countries matched their best-in-region country in progress toward gender parity, $12 trillion, or 1 percentage point, could be added to the global economy annually over 10 years.</td>
</tr>
<tr>
<td>Participation</td>
<td>If women’s workforce participation rates were to reach the same level as men’s, it would lift the overall participation rate by five percentage points and the economy would be 8 per cent larger by 2060-61.</td>
</tr>
<tr>
<td>Labour force participation, part-time employment, gender pay gap</td>
<td>Reaching parity in men’s and women’s workforce participation rate, hours worked, and wages could increase the NSW economy 15 per cent by 2060-61.</td>
</tr>
<tr>
<td>Labour force participation</td>
<td>The economic benefit to the UK of increasing the female employment rate to that of Sweden’s is about 6 per cent of UK GDP.</td>
</tr>
<tr>
<td>Labour force participation, hours work, gender pay gap</td>
<td>Closing half the gap between men and women’s workforce participation rate would result in women’s earning increasing by $26 billion annually. When combined with halving differences in average earnings, women’s income would increase by a total of $111 billion per year.</td>
</tr>
</tbody>
</table>
Endnotes


36. Mary Ann Sieghart, The Authority Gap: Why women are still taken less seriously than men, and what we can do about it (Random House, 2021).

37. Charlotte Alter, ‘Cultural sexism in the world is very real when you’ve lived on both sides of the coin,’ (16 May 2016) the Times <https://time.com/transgender-men-sexism/>.


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46. Mary Ann Sieghart, The Authority Gap: Why women are still taken less seriously than men, and what we can do about it (Random House, 2021).


71. Analysis of HILDA data.


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