

24 March 2020

Committee Secretary
Joint Standing Committee on Foreign Affairs, Defence and Trade

Dear Committee Secretary,

Inquiry into Australia activating greater trade and investment with Pacific island countries

IWDA welcomes the opportunity to present this submission to the Committee. As the Committee considers the conditions necessary to activate greater trade and investment with countries of the Pacific, IWDA would like to make three key recommendations:

1. Ensure Australia's trade and investment policies contribute to progress on gender equality in the Pacific through intersectional, gender analysis at the policy and program development stages of trade initiatives.
2. Support the capacity of Pacific actors, including government trade and investment officials, and regional multilateral bodies, to engage in gendered analysis of trade and investment policy options, including through support to, and consultation with, women's rights organisations.
3. Ensure the Pacific Labour Scheme takes steps to reduce harmful gendered impacts on Pacific communities, including by attracting greater participation by women, reducing and mitigating the impacts of prolonged separations of families and introducing complementary in-country initiatives to support the transformation of social norms around unpaid care.

The gendered nature of economic participation in the Pacific

In all countries, gender inequality has clear social and economic implications; in the Pacific, these implications play out in culturally and contextually specific ways. Women and men are often integrated very differently into formal and informal economies. Men tend to dominate well-paid jobs, management positions and entrepreneurial activities, while many Pacific women face barriers to participation in economic and social life.¹ This includes limited access to and control of economic resources, information, and decision-making rights. Women are disproportionately represented in insecure and part-time work, in the informal economy, and in lower paid industries traditionally considered 'feminine', such as the service and care industries. Women are also largely responsible for vital unpaid subsistence and care-giving activities, such as care of children, elderly people, and people with disabilities, which may impede their ability to engage in paid work.² For example, research into unpaid work from areas of high poverty prevalence in Fiji found that 82 per cent of women regularly do unpaid household work, which may include cooking, cleaning, washing clothes, looking after children or other household members, fetching water and cooking fuel, compared to just 11 per cent of men.³ At a community level, men's and women's work is often completely segregated, resulting in the development of highly specialised skills and knowledge, particularly in relation to natural resource management, fishing and agricultural work.

Implications for trade policy that positively addresses gender equality

Tackling barriers to economic participation faced by women is complex, and transnational trade and investment policies that do not acknowledge and mitigate these complexities risk entrenching gender inequality. The alternative is that expansion of economic opportunities through trade liberalisation, aid-

for-trade and investment, underpinned by strong gender analysis, can improve women's financial security and provide a catalyst for wider transformation in gender relations. However, in many cases trade liberalisation has exacerbated existing gender inequalities and worsened women's economic and social status.⁴ Experience from other contexts has shown that as export-oriented industries benefit from trade and become more attractive, women are pushed out of these industries into lower waged work, thereby expanding the gender wage gap.⁵ Furthermore, unless wider efforts are made to address the gender inequalities that shape women's lives, it cannot be assumed that formal employment opportunities will translate into improvements in overall well-being or wider empowerment. Policy and programming must be developed cognisant that women often have little or no control over how household income is spent and the social norms around women's primary responsibility for unpaid care activities. If there is no action to better distribute unpaid care responsibilities between men and women, then paid work is simply an additional burden to women's existing unpaid workload.

Good policy development requires analysis and mitigation of the asymmetrical gender implications of trade and investment interventions, in order to ensure more beneficial outcomes for all. DFAT is in a unique position to provide a gender lens throughout the design of Australian trade and investment policies, while simultaneously strengthening the capacity of Pacific actors to do the same. This entails providing direct funding to Pacific national and regional bodies, as well as civil society organisations, to invest in gender and/or trade expertise and to facilitate regular community consultation regarding the development, implementation and impact assessment of trade and investment policies.

Implications for labour mobility

The current cornerstone for boosting employment links between Pacific nations and Australia is the Pacific Labour Scheme, launched in July 2018. Remittances from family members working overseas are one of the fastest growing sources of finance for developing countries, representing a significant proportion of some Pacific nations' economies.⁶ However, the unequal participation of women in the scheme, as well as the likely social impacts of prolonged absence of working age population, pose concerns and require further steps to understand and mitigate potential negative effects of the scheme.

According to live data provided on the Pacific Labour Scheme homepage, as at 11 March, the gender split of workers currently in Australia was 80.4% men, 19.6% women.⁷ The expansion of eligible industries to include service, care and hospitality sectors has been billed as an effort shift this balance, but is yet to yield results.⁸ While this *may* lead to increased participation by women, it also problematically perpetuates existing gendered aspects of workforce participation. Exploration of potential incentives for male-dominated industries to employ more women should be undertaken, to avoid reinforcing existing gendered work roles and to support the transformation of wider gender norms. Furthermore, to more fully understand the factors deterring or preventing women from participating, investment in research, monitoring, evaluation and learning processes will be required. Reducing the isolation of workers through systematic connections to trade unions, overseas employee networks and other supports stands to diminish vulnerability concerns.

Prolonged absences as a result of the Pacific Labour Scheme also have the potential to skew social dynamics in communities left behind. With prolonged family separation, women's social role in undertaking unpaid care is likely to increase, while at the same time, the absence of working age people will further put pressure on those left at home to carry forward the requirements of the paid labour force. The significant extension of time spent in Australia by unaccompanied workers through the Labour Scheme (maximum three years) compared to the longer running Seasonal Worker Program (maximum nine months), is likely to have significant repercussions that must be addressed with urgency.⁹ The NZIPR Labour Mobility for Sustainable Development Project found the potential consequences of such absences included "marital dissolution or family abandonment, domestic violence, poor nutrition of workers and/or those who remain at home, disciplinary problems with children, cultural transgressions, and extreme emotions felt by workers and those who remain at

home”.¹⁰ Exploring the possibility of expanding eligibility for family accompaniment could reduce the severity of such separation, and support increased participation by women with family and care responsibilities. Complementary initiatives that support the transformation of social norms around unpaid care will be vital to both mitigate the impacts of the scheme, and transform unequal gender norms.

For more information or to discuss the contents of this submission further, please contact Iona Roy, Research, Policy and Advocacy Advisor, iroy@iwda.org.au.

Yours Sincerely,



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¹Carnegie, M. et al. *Gender and economy in Melanesian communities, A manual of indicators and tools to track change. 2nd Edition*. Melbourne: IWDA, 2019, pp 8-10.

²Ibid.

³ IWDA. 2020. "Gender differences and potential implications of covid-19 in Fiji: insights from Individual Deprivation Measure data".

⁴Kabeer, Naila, 2018. "Women Workers and the Politics of Claims Making: The Local and the Global". *Development and Change*. No. 49 (3): pp. 759-789.

⁵ United Nations Conference on Trade and Development. 2016. "Trade and Development Report, 2016". <https://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=1610>.

⁶ Ratha D. et al. *Data release: Remittances to low- and middle-income countries on track to reach \$551 billion in 2019 and \$597 billion by 2021*, World Bank, 2019, <https://blogs.worldbank.org/peoplemove/data-release-remittances-low-and-middle-income-countries-track-reach-551-billion-2019>.

⁷ Pacific Labour Scheme, "Pacific Labour Scheme workers in Australia". Accessed 11 March 2020. <https://pacificlabourmobility.com.au/>

⁸ Hill, E. et al. *The Pacific Labour Scheme and transnational family life: policy brief*. UNSW, 2018.

⁹ Howes, Stephen. *The Pacific Labour Scheme: no families allowed?*, Canberra: DevPolicy Blog, 23 February 2018.

¹⁰ Underhill-Sem, Y. et al. *Are There Only Winners? Labour Mobility for Sustainable Development in the Pacific*, Auckland: New Zealand Institute for Pacific Research, 2019, p36.