



## Fact Sheet

### Economic Security vs Financial Security

**Economic security** is being able to afford life's necessities such as food, shelter, and essential living expenses.

**Financial security:** is having enough money to comfortably cover monthly expenses, recover from financial setbacks, and save for the future. It opens opportunities for higher levels of security and wellbeing through education, training, and employment. It's about having low financial stress and feeling in control of your money.



#### Why this is relevant to women

Australian women are persistently and overwhelmingly less economically secure than men. Women have lower lifetime earnings and are more likely to work part-time or in less secure forms of employment.

The current gender pay gap in Australia is 13.8%, with women earning \$255 less than men per week.

Women also disproportionately take more time out of the workforce for unpaid caring responsibilities affecting their ability to accrue retirement savings. Consequently, retired women are more likely to live in poverty than men.

#### Causes of economic insecurity

##### Discrimination

Gender discrimination in the workforce is the single most significant contributor to the gender pay gap in Australia. This includes women being paid less than men for doing the same work and women having less opportunity for training, mentoring or promotion. Gender discrimination causes 39% of the gender pay gap.

##### Interrupted working life

Years not working due to interruption is the second biggest contributor to the gender pay gap. There are many reasons women face interruptions including care roles, career breaks, study and unemployment. Women are overwhelmingly more likely to take time out to care for children and family members.

##### Occupational Segregation

Occupational and industrial segregation also drives women's economic insecurity. Female-dominated industries such as teaching, nursing and social services pay significantly less than male-dominated industries.

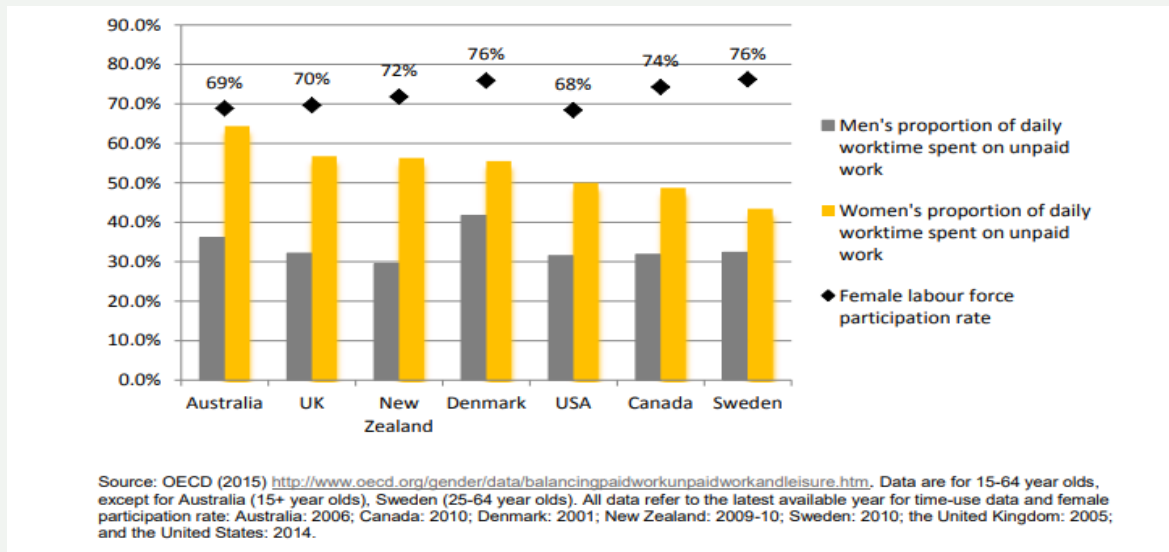
##### Unpaid care and work

The unequal distribution of unpaid care and domestic load can significantly impact women's workforce participation, particularly employment quality, as women are often forced into part-time, casual, or unsustainable employment.

This is due to factors including an inability to access childcare, lack of flexible work arrangements and time spent outside the workforce disrupting career progression.

Women spend 64.4% of their average weekly working time on unpaid care work compared to 36.1% for men.

**Unpaid care work in Australia is estimated to be valued at \$650.1 billion, the equivalent to 50.6% of Australia's GDP. However, unpaid care work is not included in the calculation of GDP.**



## Resources

<https://www.security4women.org.au/boosting-womens-economic-security/economic-security-defined-for-all-women/>

<https://home.kpmg/content/dam/kpmg/au/pdf/2019/gender-pay-gap-economics-summary-report-2019.pdf>

<https://www.wgea.gov.au/publications/australias-gender-pay-gap-statistics>

<https://www.wgea.gov.au/sites/default/files/documents/australian-unpaid-care-work-and-the-labour-market.pdf>

## Contact

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