

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

10 – 11 February 2010

Question: aet 95

Topic: Female Workforce Participation

Hansard Page: E35-E36 (11/02/2010)

Senator COONAN asked:

Senator COONAN—I appreciate how difficult this may be to quantify, but has there been any measurement of the potential flow-on effects of the gender-based gap on overall female workforce participation? The World Economic Forum Global Gender Gap Report scored Australia at something in the order of 50 per cent. Has there been any measurement of what flow-on effect there might be if this gap is right on overall female workforce participation?

Dr Henry—I understand—you are asking the question: if Australia were to lift its rates of female participation to, say, the best performing in terms of female workforce participation, what would that do to the level of GDP and the GDP per capita?

Mr McDonald—I think we might have to take that on notice to see what analysis we have. There may well have been some that we have done and there may be some that it is in broader cross-country studies.

Senator COONAN—I realise that is just a scale. I am just interested in whether there has been any measurement.

Mr McDonald—We are happy to take that on notice and see what we can provide.

Answer:

It is broadly accepted that increasing participation rates is likely to contribute to higher measured economic growth. For example, the 2010 Intergenerational Report estimated that, everything else being equal, lifting the total participation rate by 5 per cent in every projection year to 2049-50 would result in real GDP being 4.94 per cent higher than otherwise in 2049-50.