

# Submission on Gendered Economic Inequality: HECS–HELP, Workforce Flexibility, Birth-Related Health Impacts, and Inadequate Income Support for Mothers

## Introduction

This submission addresses the interconnected structural inequalities faced by women in Australia arising from the interaction of higher education debt, childbirth, maternity leave, caregiving responsibilities, reduced workforce flexibility, temporary or chronic illness resulting from pregnancy and birth, and inadequate income support through Centrelink. While HECS–HELP repayment inequality is a central concern, it exists within a broader framework of gendered disadvantage that extends beyond student debt and into employment structures, health outcomes, and income security.

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## Part A: HECS–HELP Repayment Inequality and Gendered Outcomes

The HECS–HELP system, while income-contingent in design, produces **substantively unequal financial outcomes** for women. Due to pregnancy, childbirth, maternity leave, birth-related illness, and primary caregiving responsibilities, women are significantly more likely than men to experience interrupted workforce participation and reduced earnings across their working lives.

As a result:

- Women take substantially longer to repay HECS–HELP debts
- Debts remain outstanding for extended periods during which **indexation continues to apply**
- Women ultimately **pay far more in total** than men for the same qualification, despite often earning less over their lifetime

This is not merely a timing issue but a **structural financial penalty**. The longer a HECS–HELP debt remains unpaid, the greater the cumulative indexation applied, meaning that women—particularly mothers and single mothers—repay a higher total amount than male counterparts with identical initial debt levels.

Periods of maternity leave, unpaid caregiving, part-time employment, and reduced work capacity due to birth-related illness are treated by the system as neutral gaps, rather than as compulsory and socially necessary labour. During these periods:

- No repayments are made
- Indexation continues to compound
- No offsets, credits, or protections are applied

Accordingly, the HECS–HELP framework effectively **transfers the economic cost of reproduction and caregiving onto women**, embedding gender inequality into higher education financing and contributing to long-term financial disadvantage.

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## Part B: Workforce Flexibility as a Structural Gender Inequality

Beyond HECS–HELP, **limited workforce flexibility** constitutes a standalone structural issue disproportionately impacting women, particularly mothers and single mothers.

Women with children often face:

- Inflexible working hours incompatible with school and childcare schedules
- Limited access to part-time roles with career progression
- Casualisation without job security, paid leave, or income stability
- Penalisation or career stagnation when requesting flexible or remote work arrangements

These constraints significantly reduce women's capacity to:

- Increase working hours
- Accept promotions or leadership roles
- Maintain continuous full-time employment

For single mothers, these barriers are magnified due to the absence of a secondary caregiver. The labour market continues to be structured around an outdated assumption of an unencumbered worker, which systematically excludes women with primary caregiving responsibilities.

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## Part C: Temporary and Chronic Illness Resulting from Birthing

A significant and under-recognised issue is the **health impact of pregnancy and childbirth**, which frequently results in temporary or chronic illness affecting women's ability to participate fully in the workforce.

Conditions commonly arising from or exacerbated by childbirth include:

- Postpartum depression, anxiety, and other perinatal mental health conditions
- Pelvic floor injuries and incontinence
- Chronic pelvic pain
- Autoimmune conditions triggered or worsened by pregnancy
- Endometriosis progression
- Musculoskeletal injuries
- Long-term fatigue and hormonal disorders

These conditions can persist for months or years and are often inadequately recognised or accommodated in workplace settings. Many women are forced to:

- Reduce working hours involuntarily

- Exit the workforce temporarily or permanently
- Forego career advancement
- Manage illness alongside caregiving without adequate support

These health impacts arise directly from reproductive labour that benefits society as a whole, yet they are routinely treated as private or individual issues rather than systemic consequences requiring policy recognition.

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## Part D: Inadequacy of Centrelink Benefits for Mothers

Income support payments administered through Centrelink are **disproportionate to the actual cost of raising children and maintaining personal wellbeing**, particularly for mothers who are primary or sole carers.

Current benefit levels frequently fail to meet:

- Housing costs, including rent or mortgage payments
- Child-related expenses such as food, clothing, education, and healthcare
- Out-of-pocket medical costs associated with pregnancy, childbirth, and postnatal illness
- Basic necessities required for a parent to maintain their own physical and mental health

For mothers—especially single mothers—Centrelink payments often require impossible trade-offs between:

- Meeting children's basic needs
- Attending to their own health and recovery
- Investing in education or workforce re-entry

Inadequate income support exacerbates stress, ill health, and financial precarity, undermining both maternal wellbeing and child outcomes. Rather than functioning as a stabilising safety net, current payment levels frequently entrench disadvantage and prolong dependency.

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## Part E: Compounding Impacts on Single Mothers

Single mothers experience the cumulative effects of:

- Disproportionate HECS–HELP repayment burdens
- Severely limited workforce flexibility
- Sole responsibility for unpaid caregiving
- Inadequate income support
- Increased exposure to financial stress, housing insecurity, and ill health

As a result, single mothers are more likely to carry HECS–HELP debt well into mid-life, experience constrained borrowing capacity, and face long-term economic precarity despite high levels of education and workforce participation.

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## Structural Neutrality Versus Substantive Equality

The issues outlined above demonstrate that **formal policy neutrality does not result in substantive equality**. Systems that ignore biological realities, unpaid care labour, health impacts of childbirth, and the inadequacy of income support reproduce inequality while appearing equitable on their face.

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## Recommendations

This submission recommends the following reforms:

1. **HECS-HELP Reform**
  - Pause indexation during maternity leave, primary caregiving periods, and medically certified birth-related illness
  - Introduce caregiving credits or partial debt forgiveness for prolonged workforce interruption
  - Mandate gender impact assessments for all HECS-HELP policy changes
2. **Workforce Flexibility Reform**
  - Strengthen enforceable rights to flexible work for parents and carers
  - Ensure flexible roles retain pay equity, career progression, and job security
  - Prohibit discrimination related to caregiving or birth-related illness
3. **Recognition of Birth-Related Illness**
  - Formally recognise childbirth-related illness as a legitimate basis for workplace adjustment
  - Expand access to paid leave, income protection, and reasonable accommodations
4. **Adequate Income Support Reform**
  - Increase Centrelink payment rates to reflect the true cost of raising children
  - Index payments to living costs, not just inflation
  - Recognise parenting and recovery from childbirth as legitimate forms of social contribution
5. **Targeted Support for Single Mothers**
  - Apply intersectional policy design recognising sole caregiving responsibility
  - Integrate education debt, health, employment, and income support considerations in reform

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## Conclusion

Women's economic inequality cannot be addressed in isolation from the realities of childbirth, caregiving, illness, workforce inflexibility, and inadequate income support. The cumulative effect of these systems places women—particularly mothers and single mothers—at a persistent structural disadvantage. Achieving substantive equality requires coordinated reform across education financing, employment law, health policy, and social security.

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