



Committee Secretary  
Joint Standing Committee on Foreign Affairs, Defence and Trade  
PO Box 6021  
Parliament House  
Canberra ACT 2600

20 January 2026

**Attn: Chair of the Human Rights Subcommittee, Mr Tony Zappia MP**

Dear Mr Zappia

The UNSW Centre for Social Impact (CSI) welcomes the opportunity to respond to the inquiry into gender equality as a national security and economic security imperative.

For over 18 years, the UNSW Centre for Social Impact has focussed on research and education that accelerates investment and social innovation for sustainable and inclusive economies. In our current portfolio, our research focus on economic empowerment for women applies a gender-lens to demonstrate how female-led enterprises generate social and community benefits - the ripple effect beyond improving their own livelihoods to *civic wealth* and social cohesion, as they mobilise enterprise to address hunger, employment barriers for recent migrants, and climate mitigation and adaptation.

We are pleased to see the recognition by the Joint Standing Committee on Foreign Affairs, Defence and Trade (JSCFADT) of the critical role that women's economic empowerment and prosperity play in national security and peace in the region.

Based on our research, we highlight three key points for investigation and consideration by the Inquiry: (1) Gender investment gap being one of the largest all gender inequality gaps, (2) Need for data transparency and standardisation in revealing barriers and enablers across the entrepreneurial ecosystem, (3) Role for impact investing in national and regional opportunities for women's economic empowerment.

## **1. Closing the Gender investment gap in Australia and the Region**

Globally, there is a \$1.7 trillion financing gap for women entrepreneurs<sup>i</sup>, who could generate a \$5-6 trillion expansion in global GDP<sup>ii</sup>, should we achieve parity in investment. In Australia, only 15% of venture capital investment in Australia goes to female-led businesses<sup>iii</sup>, well below the US (20%)<sup>iv</sup> and comparable to European averages (18%)<sup>v</sup>.

This gender investment gap is comparably one of the most severe forms of gender inequality, surpassing gaps in education (95%), labour force participation (60%), and political leadership (22.5%)<sup>vi</sup>. It is both a social equity issue and a profound economic inefficiency: global research shows that startups with at least one female founder outperform all-male teams by 63% in value appreciation<sup>vii</sup>. At a global scale, Boston Consulting Group estimates that achieving gender parity in entrepreneurship could unlock approximately 3% to 6% increase in global GDP<sup>viii</sup>. By closing the gender gap in the rate of business creation and scaling up, the UK economy is estimated to be boosted up to £250 billion, according to its national review on female entrepreneurship<sup>ix</sup>.

Further, the NRCF Investment Snapshot (March 2025) looks at the representation of female founders and female-led businesses across the NRFC's investment pipeline. In Australia, just 22% of all start-ups are founded by women, and as the NRCF's snapshot shows, this imbalance is even more acute in the manufacturing sector. As NRCF states, this requires data-driven responses, engagement with the wider entrepreneurial ecosystem for pipeline, and production of case studies of female founder success, to ensure that the benefits of increased female representation are felt across the NRCF investment portfolio.

In Australia, dismantling gender gaps is estimated to boost a \$128 billion each year for the Australian economy<sup>x</sup>. Closing this investment gap is not only a matter of fairness—it is a strategic opportunity to unlock billions in untapped economic value and lift national productivity with potential regional impact.

## **2. Need for data transparency and standardisation in revealing barriers and enablers across the entrepreneurial ecosystem**

Unlike leading economies such as the UK and US, Australia lacks a comprehensive, system-wide mechanism to publicly track progress in this domain. As the gender investment gap as the manifested outcome of complex ecosystem interactions<sup>xixii</sup>, the barriers and enablers can be contextual, experienced differently by individuals and groups of entrepreneurs, in different ventures, markets and communities. Improving data transparency would include

tracking indicators for entrepreneurial potential, indicators for entrepreneurial activities, and indicators for performance metrics.

In regard to data standardisation, UNSW CSI is a research partner supporting Equity Clear, a data transparency initiative created by Scale Investors, Giant Leap and Alberts, to develop a national standard for investor diversity reporting<sup>xiii</sup>. This initiative is designed to move the early stage and venture capital sector from ad hoc reporting to a consistent national framework. Unlike current reporting which largely focusses on who ultimately gets funded, the model aims to capture diversity metrics across the full investment funnel, from initial deal screening, through to capital allocation.

### **3. Role for impact investing with a gender lens nationally and in the region**

CSI's recent Impact Investing Benchmarking Report developed in collaboration with Impact Investing Australia reveals also the need for a gender-lens focus in private investment, especially for advisors, and the potential for a renewed focus on blended finance, especially in emerging markets<sup>xiv</sup>. While investors had a moderate interest in gender-equality or economic opportunities for women (22% of investors reporting this as an area of interest), the issues was entirely overlooked by advisors with none selecting this as an area they have recommended to their clients.

We found Australian Impact investing in emerging markets was much lower, with only 4% of respondents indicating that they were very interested in such investments and 38% indicating that they were uninterested. The most common barriers to increasing allocation to emerging markets were a lack of member/client/trustee demand (35% of respondents), emerging markets outside organisation mandate (26%), and lack of internal expertise in emerging markets (22%). The region outside Australia with the most investment interest overall was Asia (44% of respondents), followed by North America (40%) and Europe (36%).

However, there was a strong association between interest in blended finance and interest in emerging markets – 67% of respondents who were 'very interested' in blended finance were at least somewhat interested in emerging markets, falling to 63% for those who were 'interested' in blended finance and 50% of those who were 'somewhat interested' in blended finance.

This indicates greater opportunity for programs such as the successful and DFAT supported Investing in Women program, nationally and regionally<sup>xv</sup>.

At CSI we focus on women's entrepreneurship given its direct relationship to social impact and broader civic wealth creation. Women entrepreneurs often run businesses that are embedded in local networks of families, customers, and suppliers across ethnic, religious, or

political lines; these networks can build cross-community ties during conflict, provide channels for information and de-escalation, and act as platform for communication, especially in local markets and cooperatives. Women's enterprises and cooperatives have long served as hubs for community savings schemes and social protection, collective bargaining with local authorities, and advocacy for local issues<sup>xvi</sup>.

Our recent case study research in Australia (Western Sydney) and Timor-Leste, found an important role for women entrepreneurs, not only in the enterprises, but in the design and leadership of the local government and investment programs supporting their establishment and growth. We also identified the importance of access and inclusion in public infrastructures i.e. the provision of supportive places where women and children can gather and participate in economic empowerment support programs, and that these spaces were created by and with women. Other features include ongoing supports to establish referral networks for women to sustaining their enterprises (and for scaling where this is the desired objective), and access to larger scale procurement opportunities (such as local government or International NGO procurement).

### **Recommendations**

- Improve the transparency of female-led entrepreneurship ecosystem through open data platforms that track investment streams and changes in inclusion of women sustained entrepreneurship in Australia and the region (e.g. a national dashboard)
- Explore opportunities for renewed focus on impact investing through a gender lens and the opportunities for blended finance in Australia and the region
- Blend finance with social protection and rights-based support such as gender-based violence prevention, legal aid, or social norm change work.

Thankyou for the opportunity to contribute to the important work of this Inquiry.

**Professor Danielle Logue**

Director

**Associate Professor Melissa Edwards**

Research & Innovation Director

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- <sup>xv</sup> Investing In Women. <https://investinginwomen.asia>.
- <sup>xvi</sup> UN Women. (2024, Feb 28) *Why investing in women's organizations is critical during crisis: Five stories of resilience* <https://open.unwomen.org/en/story/why-investing-womens-organizations-critical-during-crisis-five-stories-resilience>