



# NSW Women

## FINANCING *your future...*



Today, more than ever before, women are making financial decisions on their own. That said, achieving financial independence is still a challenge for many women.

Working women earn less than men (89% of male average full-time ordinary time earnings). Their working life is often interrupted by the arrival of children and commonly, after children, they return to work part-time (70.1% of all part-time workers are women). This means their capacity to save money is greatly reduced. Women are also part of a community which is experiencing high national debt levels, high house prices and rising interest rates.

As a woman you need to start thinking about financial planning sooner rather than later. And as your financial goals change over time, you have to keep reviewing the way you manage your finances.

No matter what stage of life you're at, the practicalities of managing your finances are the same, and they are:

**Prepare a budget** — work out how much you earn and what you spend it on.

**Set some financial goals** – is it the holiday, a car, a mortgage for a house, start-up for a small business, retirement income?

**Start a savings plan** – look at your budget and see what you can realistically cope with and review it regularly.

Ideally, we would all be able to achieve our financial goals – a house, business, holiday – without having to borrow. The reality is otherwise.

Institutions which provide finance often charge fees and interest, so it is important to do a thorough check, and comparison with other institutions, before making any commitments.

The Australian Securities and Investment Commission (ASIC) Fido website, which offers financial tips and safety checks, is a good place to start. It can also explain how to access your credit reference report, and what to do if you get into trouble with debt (see back page for the website).

*Image courtesy of Getty Images*

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# MESSAGE FROM THE MINISTER



## *Welcome to the latest edition of NSW Women.*

I am delighted to be writing this message as your new Minister for Women in NSW.

I was elected as the State Member for Balmain in March 2007 and have been elevated to the Ministry, holding the portfolios of Minister for Women, Minister for Science & Medical Research, Minister for Health (Cancer), and Minister Assisting the Minister for Environment.

I grew up in the seat of Balmain, in Glebe where I still live with my husband and baby daughter.

I have been a councillor on the City of Sydney Council since March 2004, which included a period as Deputy Mayor.

Prior to entering Parliament, I worked as a lawyer for Slater & Gordon, practicing in asbestos litigation, workers compensation and industrial law. I have also served on the boards of both the Law and Justice Foundation – an organisation dedicated to improving access to justice for socially and economically disadvantaged Australians – and Aidwatch, a campaigning body that monitors the flow of Australian Aid overseas.

I feel both excited and privileged to be given responsibility for overseeing issues concerning women for the NSW Government. Premier Iemma has made a personal commitment to tackling some of the most important issues for women in NSW, including domestic and family violence, and protection of equality for women in the workplace.

My work as a lawyer gave me an insight into some of the major issues facing women in today's workplace. Issues such as health and safety, pay equity, the need for job security and certainty about hours of work, and the importance of family-friendly conditions.

I feel passionately that addressing women's economic inequality is the key to addressing much of the inequality we face in society. Economic equality enables women's full participation in our communities, it acts as a buffer against the disadvantages that many women face throughout their lives, and importantly protects us against poverty in our old age.

The theme of this edition of the newsletter – financial literacy – is one of enormous importance to women. Women still face great difficulties in maintaining financial security. Broken workforce participation, principally because of our family responsibilities, means financial security often eludes us. In the era of WorkChoices, in which we are seeing the gap between women's and men's wages again starting to increase, financial security can be even harder to achieve. And the harsh impacts of the Howard Government's Welfare to Work changes on sole mothers, and women with a disability, are making life even more difficult for these groups of women.

Women are over two and a half times more likely to live in poverty in their old age. A recent study found that half of all retiring women baby boomers have less than \$8,000 in superannuation savings. It is estimated that a single person requires an annual retirement income of around \$35,000 per year for a comfortable retirement.

Issues such as funding for childcare, paid maternity leave, income support for sole parents, carers, people with disability and the unemployed and the administration of superannuation can only be addressed at the federal level.

Nonetheless, there is much that can be done at a state level. I aim to ensure that NSW takes both a prominent role in pushing for national reform, and in protecting and promoting the economic security of women in this state.

The issue of work and family balance is one particularly close to my heart as I struggle to balance my own work and family life. I am keen to see our Government take a stronger and more proactive role in assisting women in NSW to better balance paid work with their other family responsibilities. The issue of women's work and family balance, like many others, is one which reaches across the jurisdiction of government agencies and programs.

I see this broad oversight of the issues facing women today in NSW, as the key role of the Office for Women. The presence of the Office in the NSW Department of Premier and Cabinet offers an excellent opportunity for the Office to play a central role in promoting and protecting the interests of women in this state, across all portfolios and at the centre of Government.

Whilst programs are a key part of the Office's current role, I believe there is scope for a greater emphasis to be given to the Office for Women taking a stronger role in providing broader policy advice to the Government.

My goal is to ensure that this small, strategically placed unit can best influence policy so that outcomes for women are a priority for our Government.

NSW has a proud history of advancing the rights of women and I am committed to working with the individual women and women's organisations in this state to make sure we continue to lead by example.

Verity Firth MP  
Minister for Women

## MESSAGE FROM THE DIRECTOR

We congratulate the new Minister for Women on her appointment and look forward to working closely with her.

This issue of the newsletter is all about managing our finances, which may not seem very exciting, but like it or not, we need to be able to sustain our lifestyles now and plan for a comfortable retirement in the future.

According to the Australian Bureau of Statistics, in 2001, over 60% of retired women had a lump sum payment less than \$20,000, which means they are relying on the government pension for their retirement.

So, if you have not already started thinking about how to manage your money so that you can meet your financial and life goals, now is the time.

This issue offers some timely reminders about how to get started, and many useful tips and contacts to follow up.

Good luck!



Kerrie Bigsworth

Director  
Office for Women  
NSW Department of Premier and Cabinet



## FINANCING YOUR FUTURE

Page 1 story cont'd.

If you decide to invest some or all of your savings, or you borrow money to invest, think about whether you want capital growth or income. Investments that generate income pay you a regular return for as long as you have the money invested. Investments that are designed for capital growth usually only give you access to that growth when you sell them. Investment properties and shares can do both — provide regular income and a capital gain.

The main investment types are: cash, bonds, property and shares. Each makes your money work in different ways and each has risks associated. You can minimise the risk by spreading your investments around (see back page).

If you don't want to make the investment decisions then think about a professionally managed fund. Your money goes into a pool with other investors' money and is managed by a fund manager. If you have superannuation then you already invest in a managed investment.

There are lots of managed funds and the right one for you will depend on how much risk you want to take, the length of your investment and whether you want an income. Once again you need to investigate the options thoroughly (see back page).

Most people regard superannuation as their investment for the future. The fact is, however, that women are

likely to live longer than men but are less likely to have superannuation than men. Women are also likely to have less money across all age groups.

If you don't want to rely on the age pension to sustain your lifestyle in retirement, then it makes sense to increase the amount you put into superannuation (see page 4).

Obtain advice from a financial institution or from an independent financial planner. The latter charge for their services in a number of ways. Some receive payment directly from their employers, others receive commissions from the providers of products in which the client invests, or they can charge a fee directly to their clients for the service provided.

A financial planner must be licensed by ASIC or be authorised to represent a licence holder. You can check this at ASIC's Fido website.

The Financial Planning Association (FPA) says a financial planner's first responsibility is to their client. Their role is not to sell financial products.

The FPA web site offers advice on how to recognise good advice and the warning signs of bad advice (see back page).

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# SORTING OUT SUPERANNUATION

Superannuation schemes are based on a man's working life, rather than a woman's, which is often interrupted by having and raising children, and caring for elderly parents. Because they go in and out of the workforce, women are also more likely to have multiple superannuation accounts, which have higher aggregate fees and charges.

Women are also more likely to pay for child care and other household expenses, further inhibiting their ability to save.

Given the increasing incidence of divorce, and low levels of remarriage amongst women, relying on a partner's superannuation may not be an option.

Today, many older women are relying on the government pension or other allowances, as their main source of retirement income.

It all presents a rather bleak picture for women who want to retire financially secure and independent. To change the situation, today's women have to start thinking about their financial future at a much younger age than their mothers and grandmothers did.

The Office for Women's programs: Girl\$avy and SistaSpeak have already introduced over 6,000 young women in high schools to the notion of planning for financial independence.

In 2008, school curricula will include financial literacy for years 3, 5, 7 and 9, as part of the *Understanding Money* initiative, introduced by the Australian Government in 2006, and supported by the states.

Women have to learn about managing their financial situation, and particularly superannuation, and understand the tax concessions and other government benefits which make superannuation an excellent way to save money (see page 5).

If you have employer-funded superannuation, check what your entitlements will be when you retire. Assess whether this is going to meet your lifestyle needs. If it does not, then think about how you might be able to top it up — either by salary sacrificing or personal contributions.

Know where your superannuation is, and if you're uncertain about whether you may have lost your superannuation at some stage, visit the ATO Website [www.ato.gov.au/super](http://www.ato.gov.au/super). The site has advice on how to find lost superannuation through the Lost Members Register.

Keep as few super accounts as possible and make sure the funds know if you change address.

**On average women currently spend the equivalent of 18 years full-time in the paid labour force, compared to 38 years for men.**

Source: *Women in Australia 2004*, Quote from the Association of Superannuation Funds

**Of lone women aged 65 years and over, 82% depend on government pensions or allowances as their principal source of income.**

**The majority of people aged over 85 years are women.**

**Of women aged over 80 years, only 11% are living in a private dwelling with a partner.**

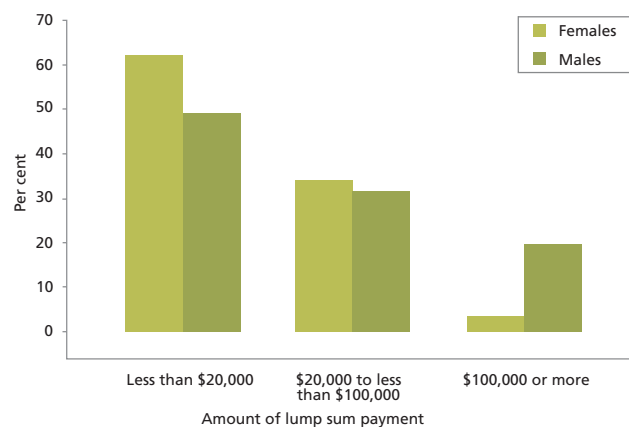
Source: *Women in Australia 2004*, data commissioned from the Australian Bureau of Statistics for the Office of the Status of Women, 2001

## Superannuation balances by age, gender and employment status, 2002

AGE GROUP (YEARS)	MEN EMPLOYED FULL-TIME \$	WOMEN EMPLOYED FULL-TIME \$	WOMEN EMPLOYED PART-TIME \$	WOMEN NOT IN THE LABOUR FORCE \$
15-24	7,800	7,200	1,000	450
25-34	28,600	26,900	13,700	8,100
35-44	69,600	53,800	23,500	13,200
45-54	122,200	83,400	43,700	20,300
55-64	165,500	76,800	57,800	41,800
65+	74,700	86,300	79,400	13,000
Total	72,000	47,200	24,000	17,000

Source: *Women in Australia 2007*, Australian Government Office for Women, 2007

## Retired persons who had received a lump sum payment



Source: *Women in Australia 2004*, Australian Government, Office of the Status of Women, 2004 featuring data obtained from the Australian Bureau of Statistics, *Employment Arrangements and Superannuation*, (Cat No. 6361.0) 2001

# SOME FACTS ABOUT SUPERANNUATION

Employers must pay a minimum of 9% of their employee's earnings, before tax, every quarter, into a superannuation or retirement savings account.

The money held in a superannuation fund or retirement savings account is called your preserved benefit.

You cannot access your super until you have reached your preservation (retirement) age, have permanently retired from the workforce, or you have satisfied certain conditions.

If you have reached your preservation (retirement) age and are still working, you cannot access your superannuation until you stop working and, if you are less than 60 years of age, you must have permanently retired from the workforce.

## Your preservation age depends on your date of birth

Date of birth	Preservation age
Before 1/7/1960	55
1/7/1960 – 30/6/1961	56
1/7/1961 – 30/6/1962	57
1/7/1962 – 30/6/1963	58
1/7/1963 – 30/6/1964	59
After 30/6/1964	60

When you retire, your superannuation is paid to you either as:

- a lump sum
- a superannuation pension, or
- a combination of both.

There are rules and taxation methods for each option so it is important to get financial advice before you start to receive your benefits.

You can top-up your superannuation contribution by salary sacrificing, which means you agree to give up part of your salary or wages each pay day in return for your employer providing benefits of a similar value on your behalf, to your super fund. Your salary sacrificed contributions are paid as employer contributions to your super fund.

Even though you may be employed and your employer is making contributions on your behalf, you can still make your own personal contributions to a superannuation fund or retirement savings account from your normal wage, after tax has been deducted. You may be able to claim a tax deduction for this kind of contribution. Check the ATO website (non-employer funded superannuation contributions) for more information and then talk to someone in Human Resources in your organisation.

The Australian Government will provide a super co-contribution of up to \$1,500 per year if you meet certain criteria.

To be eligible you must:

- pay personal superannuation contributions by 30 June to a complying superannuation fund or retirement savings account
- have a total income (assessable income plus reportable fringe benefits) of less than \$58,000 per year
- earn at least 10% of your total income from eligible employment
- lodge an income tax return for the relevant income year
- be under 71 years of age at the end of the income year, and
- not be a holder of an eligible temporary resident visa at any time during the income year.

From 1 July 2005, employees have been able to choose which fund their employer's contributions are paid into.

From 1 July 2007, Australians over the age of 60 can take a superannuation payment, tax free.

Source: Australian Taxation Office web site [www.ato.gov.au](http://www.ato.gov.au)

## The tax advantages of superannuation

Most superannuation is taxed at a flat rate of 15% at three stages: at the time you contribute, on the earnings made by your superannuation fund, and when you take your superannuation out.

A 15% tax applies to employer contributions and any contributions you make to your superannuation by salary sacrificing.

A tax of up to 15% applies to investment earnings from your super. For most people this is lower than the tax they would pay on earnings from non-super investments, which are taxed at personal income tax rates of up to 46.5%.

Your superannuation fund pays tax on investment earnings before allocating interest to your account.

The tax you pay when you take your superannuation out is governed by several factors including your age, whether you take a lump sum or pension, and your income.

Taxpayers can claim an 18% tax offset on superannuation contributions of up to \$3,000 made on behalf of their low income or non-working spouse. The maximum rebate allowed is \$540.



Image courtesy of Getty Images

# MICRO-CREDIT IN BANGLADESH

The World Bank estimates there are now over 7,000 micro-credit institutions, helping poor people in developing countries with small loans.

Many micro-credit institutions focus solely on women because women tend to use their loan for the good of their entire family.

In Bangladesh – a country governed by patriarchal socio-cultural norms – poor women face huge obstacles. Almost every aspect of a woman's life is controlled by her male guardians. Because women are often restricted from engaging in employment outside the household, they have limited access to money and subsequently, no say in household decision-making matters. The contribution women make to their households is considered insignificant, because it has no monetary value.

Poor people in Bangladesh have traditionally been denied loans from their country's commercial banks because they are not considered credit-worthy.

The situation changed for the poor, rural women of Bangladesh, when the Grameen ('rural') Bank began providing them with collateral-free micro-credit loans (from approximately A\$230) 20 years ago.

The bank's founder, Dr Mohammed Yunus, wanted to prove that the poorest of the poor were capable of using small amounts of money to break out of poverty.

The women have proven to be not only reliable borrowers but also astute entrepreneurs, using their

loans for income-generating activities, such as pottery, weaving, animal husbandry and agroforestry.

The income they receive has been used to improve their homes and the nutritional standards of their children. It has also lessened the women's dependence on their male guardians, and provided them with a 'voice' within their households.

The Grameen Bank currently has over 7 million borrowers, 97% of whom are women. Their decision to bank with women has broken the stereotype about the ability of women to generate an income, and to contribute to the betterment of their families and households.

While it is unrealistic to expect the Bank, or other similar organisations, to break down all the socio-cultural barriers faced by rural Bangladeshi women, it has definitely gone a long way towards empowering women, providing them with an income source, and equipping them with the ability to make their own decisions.

The Bank began as a university research project in 1976, in the southern part of Bangladesh. They currently have branches in more than 90% of all villages in the country.

In 1983, the Bangladeshi Legislature transformed the Grameen Bank into an independent bank.

Micro-credit has made a world of difference in a country in which 40% of the population earns less than A\$1.20 a day. That difference earned Dr Yunus and the Grameen Bank the 2006 Nobel Peace Prize.



*Cattle purchased with loan from Grameen Bank, photo courtesy of Getty Images*



Bangladeshi women feeding chickens purchased with loan from Grameen Bank, photo courtesy of Getty Images

## NEW GOALS

A Micro-credit Summit was held in the United States in 1997, which brought people together from 137 countries. At the summit a nine-year campaign was launched to reach 100 million of the world's poorest families, especially the women of those families, with credit for self-employment and other financial and business services, by the year 2005. That goal was very nearly reached, and in November of 2006, the campaign was re-launched with new goals for 2015:

- to ensure that 175 million of the world's poorest families, especially the women of those families, are receiving credit for self-employment and other financial and business services
- to ensure that 100 million families rise above the US\$1 a day threshold adjusted for purchasing power parity (PPP), between 1990 and 2015.

## BARNARDOS - AN AUSTRALIAN EXAMPLE

Barnardos Australia realises that parents who struggle with debt may risk neglecting their children, by providing inadequate food, clothing, and health and educational needs. By offering a hand-up rather than a hand-out, Barnardos helps families understand budgeting and strengthen their money-management skills. This makes them feel more in control of their lives, which in turn helps them to feel more positive about the future. Barnardos has developed community-based programs to assist low-income families escape from continual financial strains, debt and poverty.

*Fast Track* (a joint initiative with HSBC Australia) is a debt assistance program designed to help families repay their debts, get rid of financial stress and help their children's welfare. Barnardos negotiates new repayment arrangements with creditors that will repay family debts, usually within 12 months. Barnardos matches family repayments up to a certain limit.

*Celebration Planner* (a joint initiative with HSBC Australia) is an education program aimed at developing savings skills, and can be used for any worthwhile family purpose. Barnardos matches dollar for dollar, money saved by the family up to a limit of \$400 in the first year and \$200 in future years.

The *No-Interest Loans Scheme* (a joint initiative with Encompass Credit Union) provides safe, fair and affordable credit for the purchase of essential household items without interest or fees, where other financial assistance is unavailable.

### Stand Up 4 U!

The Office for Women and Streetwise Communications have just produced a free, animated DVD aimed at young women, aged 12-15 years, on the early warning signs of potentially abusive relationships. It shows two relationships which feature possessiveness, isolation, put-down and control.

The DVD will be available towards the end of July. Contact the Office for Women on 02 9228 3141 to get a copy.



# BORROWING MONEY



Image courtesy of Getty Images

## CREDIT CARDS

There are 13 million credit cards in circulation in Australia, and the average balance on a card is just under \$3,000. That adds up to a lot of debt.

Credit cards are a convenient way to borrow money for a short-term purpose but if you don't pay the full amount off each month, you can pay a lot of interest. If you take on a debt of just \$1,000, and pay the minimum amount of \$25.00, then it will take 153 months (nearly 13 years) to clear the debt. In the meantime, you've paid an extra \$1,115.41 in interest.<sup>1</sup> If you have more than one card then the temptation to accrue more debt is greater.

There are many providers offering credit cards, and a multitude of deals which seem attractive, until you do the sums. Generally speaking, there are two types of cards: those which offer interest-free days, which tend to have higher interest rates, and those with no interest free days, which tend to have lower interest rates. Investigate all the options. CANNEX, a company providing financial research and analysis, has evaluated 250 credit cards and provides a rating system on its site at [www.cannex.com.au/](http://www.cannex.com.au/). The Australian Consumer Association's magazine, Choice ([www.choice.com.au/](http://www.choice.com.au/)), has also assessed credit cards.

If you do get into trouble with debt, check the Australian Securities and Investment Commission (ASIC) website for tips on what to do. For example, if you have several loans you can use their multi-loan calculator to give you a snapshot of your current financial situation. It also

## OVERDRAFTS

- Available from your bank, building society or credit union transaction account.
- Allows you to borrow money up to a specified limit.
- You are charged interest on the over-drawn amount and you may have to pay fees and charges as well.
- If you overdraw your accounts, without prior agreement, you may have to pay high penalty fees.

## PERSONAL LOANS

You can compare the cost of fixed term loans by looking at the comparison rate. This shows the cost of the loan taking into account the interest rate, and fees and charges. A personal loan advertised at 7.59% may have a comparison rate of 9.47%.

lets you check which of three options would best suit you: paying off your loans faster without extra money; refinancing your loans; or changing payments on selected loans. Financial counselling services are available (see back page).

<sup>1</sup> <http://www.services.unimelb.edu.au/finaid/managing/trouble.html>



## MORTGAGES

Owning a home is still an aspiration for most Australians – around 70% of private dwellings are either owned outright or being purchased.

Most people take out a mortgage to purchase their home and in today's highly competitive market, lenders keep finding new ways to market borrowing. ASIC's Fido web site provides some useful information on some of the newer loans which are targeting lower income earners and older people, as follows:

**Low-documentation loans** – you don't need to give your lender or mortgage broker as many documents to prove your income, assets and liabilities. Low-doc loans can help if you would not qualify for a standard loan, but look carefully at interest and repayments, and particularly, what happens if you miss a payment.

**Line of credit mortgages** – allow you to make the bulk of your purchases or payments through a credit card with an interest free period. You use the credit card for most purchases, which allows you to leave the bulk of your wage in the loan until your credit card account is payable. This slightly reduces the balance of the home loan debt for part of the month, and therefore, slightly reduces the interest payable. The credit card will be paid off each month by using your funds from the line of credit. The offset savings achieved for most people will be minimal.

The extent to which you can repay a loan more quickly, usually depends to a far greater extent on your capacity to make additional repayments, rather than through offset savings. Generally, borrowers who cannot afford to make significant additional repayments will be worse off refinancing to a line of credit, because a line of credit will usually have a higher interest rate, and the higher interest charges will outweigh any offset savings.

**Reverse mortgages** – you can be eligible for a reverse mortgage if you are 60 years or older and own your own home. This mortgage allows you to borrow cash, usually between 15% and 40% of the value of your home, against your home. Generally speaking, the older you are the more you can borrow. In the case of couples who are both owners of the property, the amount you can borrow is based on the age of the youngest borrower.

With this loan you don't usually have to make regular repayments until you leave and move into care, sell your home or die. Each year, the fees and interest you would ordinarily pay are added to the loan, so that over time, you're charged interest on the interest, and your loan increases accordingly. When the loan ends, you or your estate must repay what is owed, usually out of the proceeds of the sale of your home.

Choice investigated 23 reverse mortgages and their report, which is available at [www.choice.com.au](http://www.choice.com.au), was critical that some fall short of consumer protection standards. Choice was also concerned that lenders provided a poor standard of product information and advice, and that they encouraged borrowers to take a greater loan than that sought.

Since this is one of the biggest financial decisions you will ever make it is crucial that you research widely and understand the implication of the choice you make. CANNEX at [www.cannex.com.au](http://www.cannex.com.au) also evaluates home loans.

## YOUR CREDIT FILE

When you apply for credit, the lender usually checks your credit report which includes credit applications you've made in the past, and overdue payments (eg. for power bills).

A free page on the Australian Consumer Association's magazine website [www.choice.com.au](http://www.choice.com.au) will give you more information including how to correct any errors in the report.



## Field of Women LIVE 2007

Breast Cancer Network Australia (BCNA) will host its second *Field of Women LIVE* on the evening of Saturday 11 August at Telstra Stadium, Sydney, before a **Sydney Swans v St Kilda** AFL match. 13,000 people in bright pink and 100 people in blue will be there to represent the women and men in Australia who will be told this year they have breast cancer. While the majority will survive, more than 2,700 Australians will lose their lives to this disease in 2007.

The \$50 participant registration fee - all of which goes to support the important work of BCNA - includes a pink poncho, admission to the Sydney Swans game on the night and public transport. You can find out more about the event and register at [www.fieldofwomen.org.au](http://www.fieldofwomen.org.au).

The Hon Verity Firth MP, Minister for Women, and Ms Robyn Kruk, Director General, NSW Department of Premier and Cabinet, are amongst the ambassadors supporting the event.

[www.fieldofwomen.org.au](http://www.fieldofwomen.org.au)

# NATIONAL COUNCIL FOR WOMEN 2007 AWARD

Cheryl Ann Orr is this year's recipient of the National Council for Women Australia Day Award, sponsored by the NSW Office for Women.

Ms Orr was one of nine outstanding young women who received an award for their dedication and tenacity in the face of considerable challenges.

A survivor of three stolen generations, Ms Orr has confronted many challenges in her journey to become a professional Aboriginal woman in mainstream society. She is passionate about achieving social justice and equality within the Australian community for Aboriginal people, and is committed to breaking down the negative stereotypes held about Aboriginal people.

The value of education was instilled in Cheryl through the influence of her grandfather, who learned to read when he was 60 years old. She is the first generation in her family to complete a university degree (a Bachelor of Law/Social Science degree from the University of Western Sydney).

Cheryl's decision to study law stems from her sense of obligation, not only to better her own position in society, but also that of her community.

Cheryl presently works at Levy Partners law firm and is concurrently studying for a Post Graduate degree in Practical Legal Training. As part of her role at Levy

Partners, and her work on behalf of Link-Up Aboriginal Corporation, Cheryl visits women's correctional centres, and provides advice on legal matters concerning care and protection and family law matters.

Cheryl was nominated for the Award by the Aboriginal Education Centre at the University of Western Sydney.

The National Council for Women NSW, founded in 1896, is an umbrella organisation for a large and diverse number of affiliated women's organisations. It lobbies for the interests of women and children.



*Kerrie Bigsworth, Norma Burrows, Student Liaison Officer, University of Western Sydney Aboriginal Education Centre (Nepean Campus), and Cheryl Orr*

## BOBBIE TOWNSEND, CEO, WOMEN'S HOUSING COMPANY

The first of *NSW Women's* profiles on successful NSW women

PERSONAL PROFILE

The Women's Housing Company Ltd provides affordable housing for single women without dependant children, in the Sydney Metropolitan region.

Over the past 10 years the Company has grown significantly – from managing 120 properties in 1997 to managing over 600 properties, across Sydney.

The organisation was set up to help women, whose employment situation and income makes it difficult for them to have, not only financial independence, but also their own home. It provides short, medium and long-term housing options at affordable rates to help them achieve independence.

Bobbie Townsend, Chief Executive Officer of the Company, started as a part-time housing worker with the organisation over twenty years ago.

Prior to working in housing, Bobbie spent over ten years working in a range of women's refuges in Sydney and Hobart, where she witnessed first-hand, the issues confronting single women.

Bobbie believes that single women are still marginalised and says her interests lie in promoting good governance, good practice principles in service delivery, change management, accreditation and social justice.

Bobbie completed a Bachelor of Arts in Community Management and study in Australian Housing Policy and Housing Management.

The Women's Housing Company is recognised as a Grade 'A' organisation under the Office of Community Housing registration system, and also achieved excellent results in accreditation under the National Community Housing Standards.

In 2006, the Women's Housing Company received the NSW Award for Excellence in Community Housing for Organisational Management and Governance.



# FINANCING A BUSINESS

Women start up businesses because they want the flexibility of being their own boss, they have a great idea, or they are at the limit of their current career. Whatever the reason, the key to starting a successful business is to have a good business plan, which describes the business, and elaborates on how it will be operated, managed and marketed. Another key component of the business plan is the financial plan. The quality of this is critical to lenders.

The financial plan should include the following information:

- how much money you need to start the business
- the projected profit and loss over the next one to two years
- what your cash flow will be on a monthly basis
- a balance sheet
- potential sources of finance – who will lend you money and how much will you need
- your business break-even point ie. what level of production is needed to cover all your costs?

The major banks and other financial institutions offer a wide range of business financing products, including:

**Overdrafts and lines of credit**, which are useful for smoothing cash flow peaks and troughs. They are flexible, usually short-term, expensive to service, and must be secured by property, or a charge over the business and its assets.

**Bank bills**, which are useful for funding inventory holdings and stock purchases. They provide a fixed advance (amounts over \$100,000) that is repayable or rolled over relatively quickly (eg. within 30/90/180 days). Although generally less expensive than overdrafts, they require similar security.

**Business or term loans**, which are ideal for project or development finance. They provide up to \$2 million fixed funding, repayable in equal instalments over the term of the loan (up to 25 years). Real estate security is frequently required, making these loans particularly affordable when home loan interest rates are low.

**Leasing, hire purchase (HP) and other asset-based finance products**, which are useful for funding the acquisition of company assets (eg. motor vehicles, computer equipment and major production machinery). The standard of security and capital value tend to be lower than for mainstream bank products, and the true interest rates higher.

The NSW Department of State and Regional Development (SRD) expands on this information, and



*Financial management workshop for the craft/design sector, photo by Carmen Lee of Encapture, courtesy of the NSW Department of State and Regional Development*

provides other useful information on setting up and running a small business, at its web site: [www.smallbiz.nsw.gov.au](http://www.smallbiz.nsw.gov.au).

SRD has a number of mentoring programs for women in business – *The Women in Business Regional Program*, which includes business workshops, and mentoring and networking opportunities; and *Women in Business Growth Strategy Workshops*, which are free, half-day business workshops on topics such as using a website as a growth tool.

For more information contact:  
Manager, Women in Business,  
NSW Department of State and Regional Development,  
tel: 9338 6750  
or email: [first@business.nsw.gov.au](mailto:first@business.nsw.gov.au).

There are approximately 645,000 small businesses in NSW, representing 96% of all businesses.

29% of small business operators are women.<sup>1</sup>

63% of all small businesses are home based businesses.<sup>2</sup>

Source:

<sup>1</sup> Australian Bureau of Statistics, *Counts of Australian Businesses*, including entries and exits, [Cat No. 8165.0]

<sup>2</sup> Australian Bureau of Statistics, *Characteristics of Small Business*, 2005 [Cat No 8127.0]

# CELEBRATING INTERNATIONAL WOMEN'S DAY



**International Women's Day (IWD) on 8 March is always a reason to celebrate and 2007 was no exception.**

*Early morning yoga in Cowra, photo courtesy of Cowra Shire Council*

At a special IWD event in Dubbo, 750 women went to hear a number of inspirational women, amongst them Mahboba Rawi, who talked about poverty in Afghanistan. Mahboba explained how she had started an international aid agency to assist the Afghan people rebuild their lives, after two decades of war and oppression.

Ms Malalai Joya, a Member of Parliament, also from Afghanistan, attended UNIFEM's International Women's Day Sydney Breakfast 2007 as guest speaker. Her story of the struggle against the domination of fundamentalists and warlords in her country, and the numerous assassination attempts on her life was chilling.

The breakfast, which helped to raise funds for UNIFEM's work in the Pacific region, was attended by the Premier of NSW, the Hon Morris Iemma MP, together with the then Minister for Women, the Hon Sandra Nori MP, Clover Moore MP, Lord Mayor of Sydney, and Ms Rosalind Strong, President of UNIFEM Australia.

Elsewhere, 113 councils around the state celebrated the day by holding functions and activities for local women using NSW Office for Women IWD grants.



*Creative art in Mittagong, photo courtesy of Wingecaribee Shire Council*

## CELEBRATING INTERNATIONAL WOMEN'S DAY

At Manly, Olympic gold medallist and beach volleyball champion Kerri Pottharst OAM, was the guest speaker at the council's breakfast event. Free beach volleyball lessons gave local women the chance to have some fun with a sporting legend.

Marrickville Council had several free activities for women at the Debbie and Abbey Borgia Community Recreation Centre, including a breakfast, a panel discussion and workshops including weaving, hand massages, guided relaxation sessions, yoga, worm farming, natural cleaning and home detox, ceramics, and mastering a hula hoop. Over 100 women of all ages attended the breakfast and the workshops.

At Cowra, the Council hosted a Women's Well-Being Morning, which included a yoga session (attended by 27 women) in the serene surrounds of the Japanese Gardens, and then a wholesome breakfast at the Gardens Restaurant.

In the Wingecarribee Shire, 70 women participated in a mix of events. There was a cricket day and lunch for older women at the Bradman Oval, an art exhibition and an art framing project, which featured the work of two groups of Aboriginal women from Mittagong and Moss Vale, and a morning tea and life skills forum. The theme of the forum, which was led by a local Life Coach and Trainer, was 'Change in Direction'. It focused on the changes that occur during a woman's life and strategies for dealing with change.



*Hoola hooping in Marrickville, photo courtesy of Marrickville Council*



*Beach volleyball lessons at Manly Beach, photo courtesy of Manly Council*

## 2007 NSW WOMAN OF THE YEAR

Catherine Burn, Assistant Commissioner with NSW Police, is the 2007 Woman of the Year.

Catherine's work and leadership in the Redfern Local Area Command, where she was the Local Area Commander in 2005, led to her nomination.

Catherine began her career in the NSW Police in 1984. She has spent much of her career working as a criminal investigator – with general detectives, homicide strike forces and Special Crime and Internal Affairs. In 2002, she was appointed as the Local Area Commander at Burwood and was transferred to Redfern in 2005. In December 2006, Catherine was appointed Assistant Commissioner, Professional Standards.

Mick Mundine from the Aboriginal Housing Corporation said that Catherine was well respected in the Redfern community.

She was known for her hands-on approach – taking daily walks through neighbourhoods, and developing programs to reduce family violence, and promote relations between the Aboriginal community and police. She accompanied Aboriginal children to State of Origin games, as part of the community's youth mentoring programs.

Catherine said she was proud to be nominated and honoured to be recognised as *NSW Woman of the Year*.

She sees it as recognition for the police in Redfern who are working hard to improve relationships with the community.

'Being nominated for this award demonstrates that we have achieved positive things in the area.

'It shows there is a genuine willingness by both the community and the police to work together to achieve change,' she says.

Since Catherine joined NSW Police, the number of women police officers has increased – from 10% in 1989 to 30% today.

'There has been a great culture change, which has had a positive impact on women, with more women in senior roles, which in turn means more role models for other female officers.'

Leadership is very important to her and she believes it is about being ethical, knowledgeable, consistent and fair.

'My catchphrase is that you need to be professional, lawful and ethical in everything you do, and if you are, everything will fall into place.

'There is room for mistakes, and room for risk, but there is no room for unethical behaviour.

'I think women have a special capacity for leadership as



*The Hon Kristine Keneally MP, Minister for Ageing and Minister for Disability Services, Catherine Burn, 2007 NSW Woman of the Year, and the Hon John Watkins MP, Deputy Premier, Minister for Transport and Minister for Finance, photo by Peter Solness*

we have a willingness to listen and to strive for genuine improvement. We still have a long way to go, but I am encouraged by the women leaders who are around today, and by those who will be here tomorrow.'

*I think women have a special capacity for leadership as we have a willingness to listen and to strive for genuine improvement.*

Assistant Commissioner Burn has received many accolades during her career — she was recognised as Burwood Citizen of the Year 2005, she received the Australian Police Medal in 2007, and before that, two Commissioner's Commendations. Catherine holds a Bachelor of Arts Degree, an Honours Degree in Psychology, and a Masters of Management.

Each year, Ministers and Local Members of Parliament are invited to nominate someone in their electorate or portfolio as their candidate for Woman of the Year. Catherine was nominated by both the Minister for Police, the Hon John Watkins MP, and also by Kristina Keneally, Member for Heffron. The ten finalists and winner of the *NSW Woman of the Year* award were announced at the Premier's Reception held at Government House on International Woman's Day, 8 March 2007.

## TASTING SUCCESS

Eight young women have been given the chance to learn first-hand the secret to being a great chef, through a mentoring program, which pairs them with some of Sydney's highest profile chefs.

Each of the women, who are in year 2 and 3 of the Certificate 3 Hospitality (Commercial Cookery – Trade) course at TAFE, will shadow one of Sydney's great chefs: Tetsuya Wakuda, Matt Moran, Tony Bilson, Kylie Kwong, Grant King, Giovanna Toppi, Neil Perry and Chui Lee Luk.

Between now and the end of the year, the young women will spend 35 hours with their mentor, working in their restaurant, developing menus and recipes, or attending publicity events or photo shoots.

For Esther Mickey, the chance to work with Matt Moran, the chef from Aria Restaurant in Macquarie Street, Sydney was too good to be true. She is a huge fan and believes they share the same principles – using fresh produce and a traditional style of cooking.

She's already experienced the pressure and stress of a high class restaurant but that's what she loves – the adrenalin rush.

'It's an amazing experience,' she says.

Esther has already been lucky enough to score a job with the restaurant, while she completes her apprenticeship.

There are only a few women executive chefs in the hospitality industry so the program aims to encourage female apprentice chefs to complete their apprenticeships, remain in the hospitality industry and ultimately achieve senior positions.

*Tasting Success*, as the program has been dubbed, was launched by the then Minister for Women, the Hon Sandra Nori MP, earlier this year.

The Office for Women has worked closely with TAFE NSW–Sydney Institute to develop and implement the program, which has the support of Tourism Training Australia, HTN–Hospitality Employment Solutions, and the involvement of food industry consultant, Courtney Clark OAM, and Lyndey Milan, Food Director of *The Australian Women's Weekly*.



*Matt Moran, chef and part-owner of Aria Restaurant and apprentice Esther Mickey.*

**In New South Wales, there are currently 18,000 chefs of which only 3,900 (21.6%) are female.**

**There are currently 12,500 cooks of which 5,900 (47.2%) are female.**

**Only 50% of all graduating chefs remain in the industry after eight years.**

**In 2005, only 30% of all enrolments for the Commercial Cookery course, across TAFE NSW, were female.**

Source: Australian Bureau of Statistics *Quarterly Labour Force Survey*, November 2006



*Tetsuya Wakuda, chef and owner of Tetsuyas Restaurant and apprentice Megan Petersen.*

## OFFICE FOR WOMEN FACT SHEETS

The Office has updated its series of fact sheets about women in NSW. The fact sheets cover the issues of women and health, education and training, work and family, violence and safety, leadership, Aboriginal women, rural women, and older women.

They are available by contacting the Office on telephone 02 9228-3141 or can be downloaded or ordered from the publications section of the OFW website:

[www.women.nsw.gov.au](http://www.women.nsw.gov.au).

More information and a glossary of terms can be found on the following websites:

## SUPERANNUATION

**Association of Superannuation Funds of Australia Ltd**  
ASFA is a national, not for profit, non party political organisation that represents the interests of Australia's superannuation funds, their trustees and their members. Their website provides useful information, current advice and warnings and has a particularly interesting report on a previous research project titled *Women, Saving and Superannuation - a research project by Security4Women (S4W)*.

[www.asfa.asn.au](http://www.asfa.asn.au)

### **Australian Shareholder's Association (ASA)**

The ASA website provides useful information and current advice and warnings. It includes information about financial seminars.

[www.asa.asn.au](http://www.asa.asn.au)

### **Australian Government Simpler Super**

Fact sheets and frequently asked questions on the new superannuation arrangements which came into effect on 1 July 2007 are available from the Australian Government website:

[www.simplersuper.treasury.gov.au](http://www.simplersuper.treasury.gov.au)

### **ASIC's Fido site**

The Australian Securities and Investment Commission website contains comprehensive information on topics including credit cards, managed funds, mortgages, and superannuation.

[www.fido.asic.gov.au](http://www.fido.asic.gov.au)

### **Centrelink Financial Information Service (FIS)**

FIS provides free, independent and expert financial information over the telephone and at personal interviews. FIS officers are not financial planners and do not give or sell advice or purchase investment products, but will assist with information on financial planning and choices in retirement.

Call 13 23 00 or [www.centrelink.gov.au](http://www.centrelink.gov.au)

### **Superannuation Complaints Tribunal (SCT)**

SCT is an independent tribunal set up by the Australian Government to deal with complaints about: superannuation funds, annuities and deferred annuities; and Retirement Savings Accounts (RSA). It does this through conciliation or formal review of the complaint or conduct.

[www.sct.gov.au](http://www.sct.gov.au)

## INVESTMENTS

### **Australian Securities Exchange (ASX)**

The ASX provides on-line classes, one-hour lunchtime seminars, booklets eg. getting started in shares, pod casts and presentations, and information on how to start an investor club.

[www.asx.com.au/investor/education/index.htm](http://www.asx.com.au/investor/education/index.htm)

**Australian Securities and Investments Commission**  
See ASIC's Fido listing under superannuation.

### **The National Information Centre on Retirement Investments (NICRI)**

A free, independent, confidential service which aims to improve the level and quality of investment information provided to people with modest savings who are investing for retirement or facing redundancy. It has a useful guide to retirement planning and the areas you need to consider for investment planning.

[www.nicri.org.au](http://www.nicri.org.au)

### **The Investment and Financial Services Association**

A national, not-for-profit organisation, which represents the retail and wholesale funds management, superannuation and life insurance industries.

It has fact sheets on managed funds, life insurance and superannuation.

[www.ifsa.com.au](http://www.ifsa.com.au)

## GENERAL

### **Choice**

A non-profit organisation based in Sydney, funded by consumer subscriptions, which conducts market research and campaigns on consumer issues.

[www.choice.com.au](http://www.choice.com.au)

### **Australian Government Understanding money campaign**

Provides a general introduction to financial planning, credit management, borrowing, investment classes and superannuation.

[www.understandingmoney.gov.au/content/default.aspx](http://www.understandingmoney.gov.au/content/default.aspx)

### **Financial Planning Association of Australia**

[www.goodadvice.com.au/](http://www.goodadvice.com.au/)

## COUNSELLING

### **Financial Counsellors' Association of NSW Inc**

An association of financial counsellors and credit advocates, who work in non-profit organisations across NSW. They provide information about money management, debt collection and bankruptcy, and can help you negotiate with your credit providers.

[www.financialcounsellors.asn.au](http://www.financialcounsellors.asn.au)

### **Women's Information and Referral Services**

A free and confidential information service that provides support and referral for women, including advice on housing and finance.

Telephone 1800 817 227 or [www.women.nsw.gov.au](http://www.women.nsw.gov.au)

### **CreditLine Helpline**

Telephone 1800 808 488

### **G-Line (NSW)**

A 24 hour, 7 days a week, statewide telephone helpline offering crisis counselling for problem gamblers, their families and others.

Telephone 1800 633 635

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