Marriage remains an economic bulwark. Single people ... are economically vulnerable, and much more likely to fall into the arms of the welfare state. Furthermore, they call sooner upon public support when they need care—and, indeed, are likelier to fall ill (married people, the numbers show, are not only happier but considerably healthier). Not least important, marriage is a great social stabiliser of men.

—The Economist on gay marriage, January 1996

When it comes to ending discrimination against same-sex couples, the battle lines are usually drawn between those who oppose such relationships outright and those who champion equality regardless.

This has left little room for people who are keen to judge same-sex entitlements on their merits, especially moderate conservatives free of animosity to homosexuals but unwilling to concede change unless it’s necessary.

That all changed in October when John Howard announced his intention to review discrimination against same-sex and other interdependent couples.

For the first time ever, there is a space in the national debate for centre-right values to be applied to sexuality discrimination.

For the first time, gay rights has jumped the ideological divide.

The economic consequences of discrimination

One of the reasons for this important shift is the Human Rights and Equal Opportunity Commission’s inquiry into financial and workplace entitlements for same-sex partners.

It has raised the profile of the issue higher than ever before. It has also hammered home the need for reform by uncovering the trauma and disadvantage caused by discrimination.

Take these four case studies:

- I am a 50 year old man who for the past 32 years has lived with my male partner... Over those years we have also built up a business which now employs 25 people. Our superannuation fund refuses to even discuss whether they should rightfully include each of us in our partner’s superannuation beneficiary instructions. If one of us were to die suddenly the taxation issues involved in settling our estate with its business interests would be horrendous because of the entrenched discrimination...

- My partner has $35,000 in PSS Super. If he died I would not be eligi-
Far from devaluing traditional unions and family ties, legal equality for same-sex couples and their families focuses public attention on what marriage and family are really about.

ble to recieve his super as same-sex relationships are explicitly excluded (under the PSS Act) from being considered. This money would allow me to continue to pay ‘his share’ of our mortgage for 3 years, without it I would be forced to sell our home and everything we worked for.

- If a member of an opposite-sex couple is incapacitated and requires nursing home care, a federal guarantee protects that person’s partner from having to sell the family home to finance a nursing home place. This guarantee does not apply to same-sex couples, so we would face the possibility of being forced to sell our home if one of us ever became incapacitated.

- Our relationship ended acrimoniously in 2004. I was asked to leave ‘her’ house, the only home my son and I had in Australia. I was barely marginally financially able to support my son and myself at this point. Due to the lack of any legal same-sex recognition … I was unable to pursue any legal route to ask for property settlement or support, based on my years of contribution to the relationship and the disparity in outcomes. I sought legal advice and was told that, if we had been a heterosexual couple, I would have been entitled to a significant settlement… My son has suffered in terms of opportunities and outcomes. I am in the rental market, unable to get ahead enough to purchase a home. I am unable to afford to relocate to Canada.

One needn’t have human rights as a public-policy gold standard to be shocked by these stories. Lurking not far beneath the detail of disadvantage is every responsible economic policymaker’s nightmare: a system of laws which limits financial self-reliance and heightens the risk of welfare dependence.

The discrimination that same-sex couples face in areas such as the Medicare safety net and the child care rebate are regular, irritating impost that add up to a kind of tax on being gay, if not financial catastrophe. But when that discrimination reaches areas such as joint pensions, the aged care assets test or accident compensation, we’re talking about the kind of unmanageable financial burdens that change lives for the worse. (From a free-market position such government subsidies are obviously a problem. But once their political reality is conceded, it’s also the discrimination within these benefits which should earn the disapproval of fiscal conservatives.)

There is substantial empirical evidence to suggest that legal discrimination can have disastrous economic consequences for the individuals and couples involved. A number of US and UK studies analysing same-sex couple household incomes support the claim that the absence of legal rights and protections for same-sex relationships heightens the risk of financial jeopardy. In her paper, ‘Sexual Orientation Discrimination in the UK Labour Market’, British researcher Michele Calandrino sums up two of the most important conclusions of this body of research for policy-makers.

The first is about discrimination reducing the workplace choice and flexibility needed to maximise personal income.

As a result (of institutionalised discrimination) lesbian, gay and bisexual people (LGB) might be more risk averse within the labour market and decide to trade-off some income in exchange of greater job security and better benefits. The main point here is that even if LGB people may not end up being worse off than heterosexual people, the final outcome is not efficient, because LGB people are not free to choose the preferred family/job arrangements.

Calandrino’s second conclusion is about discrimination preventing family members from providing for each other.

Since same-sex partnerships are not legally recognised, homosexual people do not have the possibility to form their own legally protected family. (Legally recognised) families represent strong safety nets for individual workers and this possibility of ‘income-insurance’ is not open to homosexuals.

What does it mean for couples to suffer ‘resource penalties’, to have their freedom of financial choice reduced and to be bereft of ‘income-insurance’?

At the hands of systemic legal discrimination, same-sex couples experience the kind of financial insecurity that no amount of savings, income or planning can eliminate. For some partners in same-sex relationships, this is a disincentive to maximise earning, savings and investments, to plan or take any of the financial risks necessary to increase personal capital. For others there is a heightened risk of falling into the welfare net. For all, there is a reduced capacity to engage in wealth creation.

If the Census is correct to suggest
that at least 40,000 Australians are in same-sex relationships, and if the Bureau of Statistics is correct to further suggest that this is a serious under-estimate, it is more than an individual misfortune when a lover's embrace cannot stop you falling from financial independence into poverty and the arms of the state.

It is a serious problem in public policy that so many people are withdrawn, to whatever degree, from full economic participation.

The ethical argument for gay marriage

As important as eliminating discrimination is in the development of rational economic policy, there are ethical considerations as well.

Advocates of blanket prohibitions on homosexuality seize more than their fair share of attention whenever the moral debate begins. But beyond Leviticus there is another important moral debate to be had about centre-right values such as fidelity, commitment, self-discipline and responsibility, about the gradual evolution of traditional institutions such as marriage, family and parenthood, and about the role of the law in fostering these values and institutions.

Gay conservatives or ‘homocons’ such as Jonathan Rauch, Andrew Sullivan and William Eskridge have argued passionately that giving equal rights and status to same-sex relationships will ‘civilise’ homosexuals, in particular men. Rauch claims that reform is less about civil rights than responsibility. He calls same-sex marriage a form of ‘soft-coercion’ away from ‘a Peter Pan culture of libertinism and liberation’ towards ‘a social compact forged of responsibility’.

Rauch may be overstating his case. Most gay men take on the same levels of interpersonal and social responsibility as everyone else, and those who don’t won’t change just because the law does. But despite their stereotyping and their overreaching claims, homocons have made a valuable contribution to the relationships debate.

They have highlighted the hypocrisy of other social conservatives who cite the health and well-being benefits of marriage but then deny these to homosexuals, who talk of the importance of protecting children but deny the children of same-sex couples equal legal protection and social opportunities, who denounce homosexuals for being promiscuous and then denounce us for wanting to commit to each other.

When Australian Christian Lobby spokesperson, Jim Wallace, declares his opposition to recognising same-sex relationships because ‘so many of those people are lonely’, homocons are right to scratch their heads and ask what better way to stop us being lonely than to encourage fidelity in same-sex relationships?

When Archbishop Peter Jensen cites the benefits of a greater emphasis ‘on love not tolerance, on community not individualism, on self-discipline not permissiveness’ homocons are right to demand the benefits of those values should flow to same-sex couples too.

The other contribution that homocons have made is to highlight how important extending traditional values and institutions to include same-sex couples is to strengthening these values and institutions.

Imagine if the way we defined relationships and family was the same today as it was a hundred years ago when interracial unions were barred and wives and children were considered to be property. Loyalty to these institutions would have long ago withered away. In the same way, those contemporary conceptions of relationship and family which fail to adapt to changing social reality will become steadily less relevant.

Gay rights has jumped the ideological divide.

When social conservatives declare that same-sex unions and families ‘de-mean and degrade’ marriage and parenting, they show a profound lack of confidence in the institutions they claim to champion. To these conservatives the homocons’ challenge is simple: include same-sex couples and their families in traditional institutions to demonstrate the resilience and relevance of these institutions, and to show that the conservative ideal is so universal that even homosexuals have a place in it.

The weight behind this challenge is the experience in those countries such as the Netherlands, Canada and Scandinavia, where same-sex couples and their families have full or virtual legal equality and protection. Not only have traditional values not collapsed, they have been reinvigorated, with heterosexual marriages up and divorces down for the first time since the 1950s.

Far from devaluing traditional unions and family ties, legal equality for same-sex couples and their families focuses public attention on what marriage and family are really about. It strips these institutions of the cultural baggage and political hype that has worn them down, and draws our attention back to the love and commitment they were always meant to be about.

It’s a lesson as relevant in today’s Australia as it has ever been, and one the political Right now has an opportunity to embrace.