



MEDIA RELEASE – WOMEN'S INDEX financial progress of women disappoints in first half of 2018

Women's economic measure finds that Australian women are progressing but it's a one step forward, two step back march.

Embargoed 6am Wednesday June 27, 2018:

The latest Financy Women's Index powered by Data Digger has revealed that the economic progression of Australian women has suffered a disappointing setback and is yet to fully recover from a drop in workforce participation and female board representation in the first half of 2018.

The Index recovered by 0.3 percentage points to 111 points in the three months to June, from 110.7 points in March however the June result remains 2 percentage points lower than the revised 113 point score achieved in the December quarter – when the Index hit a record high.

“While it's pleasing to see that the Financy Women's Index recovered a bit in the June quarter and remains in a rising trend, its disappointing that it remains down from its December high, not helped by a setback in women in board positions,” said Dr Shane Oliver Chief Economist AMP Capital.

Key findings:

- The Index edged 0.3 percentage points higher to 111 points in the June quarter from March
- The June quarter result continues to lag the December quarter and is down 2 percentage points from 113 points
- The June rebound was helped by board appointments and jobs growth
- Women are still faced with a national gender pay gap of 15.3% and a superannuation savings gap of 30% at retirement age.

“December remains a standout period for economic progress among women thanks to a jump in jobs for women, particularly retail and mining, as well as there being more women represented as a percentage on the boards of the top 20 listed companies by market capitalization,” said Financy Women’s Index Founder Bianca Hartge-Hazelman.

Despite the first half fall in economic progress, the Women’s Index is up 1.4 percentage points this financial year.

The female participation rate is 60.5%, the same as what it was in the December quarter, but up slightly on the 60.4% in the March quarter.

The country’s highest paying sector mining, shed 6,000 female employees, yet added 17,000 male employees in the six months to June, compared to the December quarter.

“Improving the positioning of women in our economy is critical from a social and ethical point of view but its also critical in terms of supporting growth in our economy,” said Dr Shane Oliver.

“Greater female participation in our economy can help soften the impact of the aging population. And perhaps even more importantly a more gender diverse economy will be a more productive economy,” he said.

The number of women represented on top ASX 20 boards increased slightly in the six months to June 2018, but still trails the December quarter.

The Index found that female board members held 30.2% of positions in the top 20 companies in the period to June, a small gain on the 30.1% in the three months to March of this year.

The June result is 1.9 percentage points less than in the December quarter, according to revisions in the Index and the use of calculations contained in the Gender Diversity Progress Report by the Australian Institute of Company Directors (AICD).

“Until we can have objective discussions and debates around the real corporate issues without turning all debates into gender specific matters, we never will make meaningful progress,” said OneVue Managing Director Connie McKeage.

To help better understand women and their economic progress, an Advisory Committee was appointed in June 2018 to review and help grow the Index, which will also undergo further developmental changes and enhancements to ensure the integrity of future reports.

This Committee includes AMP Capital’s Head of Investment Strategy and Chief Economist Shane Oliver, Australia and New Zealand Banking Group’s Senior Economist Joanne Masters, Deloitte Access Economics Partner Nicki Hutley, Melbourne Institute of Applied Economic and Social Research

Professorial Research Fellow Roger Wilkins and Agenda Agency founder Heidi Sundin.

“I’m excited to be involved with the Financy Women’s Index,” said Jo Masters Senior Economist Australia and New Zealand Banking Group. “Measuring the economic progress of women in Australia will hopefully highlight the economic issues that women face and shape the policy debate about how these may be addressed.

The Index also shows that women continue to enrol in tertiary studies at a faster rate than men, and trends suggests that the pace of growth is highest in courses that align with higher paying careers such as information technology (IT) and engineering.

“It’s encouraging to see more women enrolling in tertiary studies than men, and strong growth in female enrolments in courses that align with higher paying careers. However, there continues to be challenges around retaining women in the workforce, with female participation rates continuing to dip in the 30-39 year old bracket,” said Ms Masters.

Women are still faced with a national gender pay gap of 15.3% and a superannuation savings gap of 30% at retirement age.

Philip Kewin, chief Executive of the Association of Financial Advisers (AFA) said the latest Financy Women’s Index results indicate that progress towards creating positive and meaningful cultural change in the financial wellbeing of women in Australia is happening slowly.

“It is disappointing to see that, at 26.1 per cent, the financial and insurance services industry has the highest pay disparity of all industries.”

Data provided to the Women’s Index by the country’s biggest super fund AustralianSuper, shows that while the gender gap in super is improving, it’s not happening fast enough.

“Further work is still needed in the areas of equal pay, equality of opportunity and more equal sharing of family responsibilities to close the gap which results in too many women having insufficient savings to fund a comfortable retirement,” said Rose Kerlin Group Executive Membership AustralianSuper.

Dianne Charman chair of AFA Inspire said the fact that many women work part time is having a long term impact on their superannuation.

“The Financy Women’s Index importantly reminds us to work with women to raise awareness about how even a small contribution to superannuation will, over the long term, put women in a better position.”

About the Financy Women's Index:

The Financy Women's Index powered by Data Digger is an initiative designed to highlight trends in the economic progress of women on a quarterly basis.

The Women's Index is now supported by an Advisory Committee, which is tasked with reviewing the publication and assisting further development and enhancements of future reports.

The Financy Women's Index differs from other economic measures, such as official wages and jobs data, because it focuses on women, whereas most of the headline data reported in the mainstream press reflects an average for the Australian population, but these figures are skewed towards male outcomes as a result of a male dominated workforce.

The Index is designed to highlight trends among working women; from the courses they study once they leave high school, to what industries they work in, their earnings and savings in superannuation, through to those occupying top company board positions.

The Index is based on over 700 annual company reports as well as monthly, quarterly, biannually, and two-yearly data and methodology from the Australian Bureau of Statistics (ABS), the Australian Securities Exchange (ASX), the Australian Tax Office (ATO) and the Australian Government Department of Education and Training.

The Financy Women's Index is made possible with the support of fintech company OneVue, the Association of Financial Advisors and in partnership with Economic Security 4 Women and Women's Agenda.

For media enquires or information on the data contained in the report contact Financy on the details below

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Financy® is dedicated to improving the economic wellbeing of women.

Financy is an online publication that puts women's money matters first and in 2017 launched the Financy Women's Index to track and measure economic progress for working women.

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