

Financy Women's Index.®



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Financy Women's Index[®]



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JUNE QUARTER FINANCY WOMEN'S INDEX - RELEASED OCTOBER 11, 2017

A joint initiative of Financy and Data Digger

Financy Women's Index[®]

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ABOUT THE FINANCY WOMEN'S INDEX©

The Financy Women's Index© is a quarterly report card on the economic progress of Australian women

The Financy Women's Index powered by Data Digger is the country's only quarterly Index which benchmarks the working-life economic progress of Australian women.

The Index captures five years of gender specific data from Australia's major statistical agencies across six key indicators as well as over 700 company reports.

The Index highlights trends among 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.

Developed by women's money publication Financy and data company Data Digger, the Index provides businesses, consumers, media and policy makers with a reliable report card on the economic progress of Australian women.

It also helps to cut through much of the noise often reported around gender equality and pay gaps in the workforce.

The Index is based on 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.

Please note that Financy and Data Digger have amended the inaugural Index released in March 2017 to reflect official revisions in the latest available statistical information.

The June Index is the second report published by Financy and Data Digger and is proudly sponsored by OneVue, an Australian All Ordinaries listed company (OVH) led by one of Australia's most prominent female executives.

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KEY RESULTS

Australian women can feel more optimistic about their economic progress with the latest FWX showing further improvement in the June quarter.

Key findings

- The Financy Women's Index improved 0.7 percentage points to 109.9 points in the three months to June 30, 2017 - building on the inaugural December result of 109.1 points.
- Job gains in female full-time work participation boosted the result as the number of women full time exceeded three million.
- The gender pay gap narrowed to 15.3% as female wages rose.
- Further gains in the Index were held back as momentum in the pace of women occupying top-level board positions stalled.

The Financy Women's Index, powered by Data Digger improved 0.7 percentage points to 109.9 points in the three months to June 30, 2017.

The result builds on the inaugural December Index as the number of women working full-time surpassed the three million mark for the first time on record.

The pace of growth in women occupying full-time positions also rose at a faster rate than it did for men, where growth has virtually flatlined.

The national gender pay gap based on average weekly ordinary full-time earnings narrowed to 15.3%, which is the best result since 2006.

The number of women sitting in top company board positions held firm at 31% after significant gains in 2016 drove the December Index to its highest level in five years.

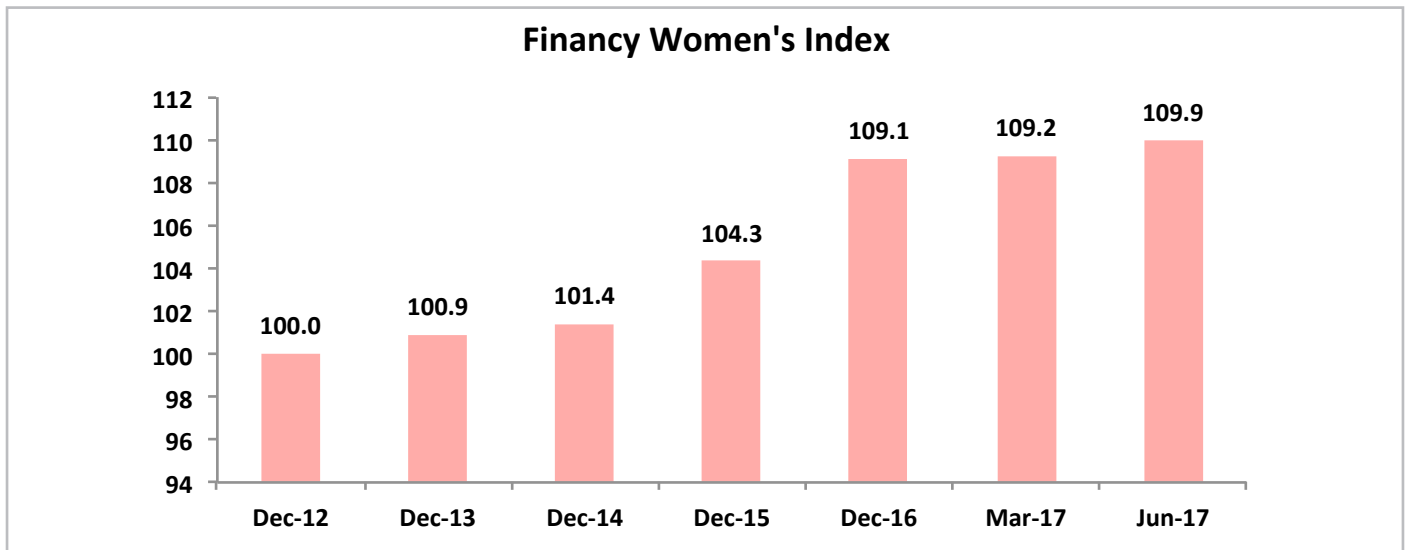
Some of Australia's biggest listed companies, the Commonwealth Bank of Australia, Telstra and Wesfarmers continue to meet or exceed gender diversity targets set by the Australian Institute of Company Directors.

The average superannuation balance of women, as measured across all life stages, continues to lag that of men and represents 70% of the average male balance.

The number of women undertaking tertiary education remains elevated and continues to outpace men.

Women are also choosing to study courses that lead to careers in higher paying and trending sectors at a faster pace than men.

KEY RESULTS



Source: Financy, June 2017

The Financy Women's Index tracks progress of economic indicators affecting women on a quarterly basis from 2017. Previously, yearly targets have been used.

Note: Board representation jumped from 2015 to 2016 hence the big lift in Dec. 2016.

	Dec-12	Dec-13	Dec-14	Dec-15	Dec-16	Mar-17	Jun-17
Financy Women's Index	100.0	100.9	101.4	104.3	109.1	109.2	109.9
Female and male average salary disparity	100.0	100.3	98.9	100.4	101.8	101.8	102.8
Employment - full-time work	100.0	99.9	99.2	104.5	104.2	105.4	106.7
Employment - participation rate	100.0	99.6	99.3	101.8	100.9	101.3	101.9
Education - tertiary index*	100.0	104.0	108.4	111.1	n/a	n/a	n/a
ASX Top 20 board representation index	100.0	101.6	105.4	103.8	129.4	128.4	128.4
Superannuation	100.0	100.0	97.2	n/a	n/a	n/a	n/a

Note:

* Tertiary education statistics observes the most recent data available which according to education.gov.au is Dec. 2015.

The next update is due in time for the September Index.

** The Australian Bureau of Statistics provide average superannuation balances by gender every two years, including for the most recent reporting period of 2013/14.

TOP-END FEMALE BOARD POSITIONS

Top-end female board positions hold steady

Australia's biggest listed companies have yet to build on the momentum seen in 2016 for appointing more women to top board positions.

The current level of females represented in top 20 ASX boards remains unchanged at 31% in the June quarter, with women occupying 61 board positions out of 197.

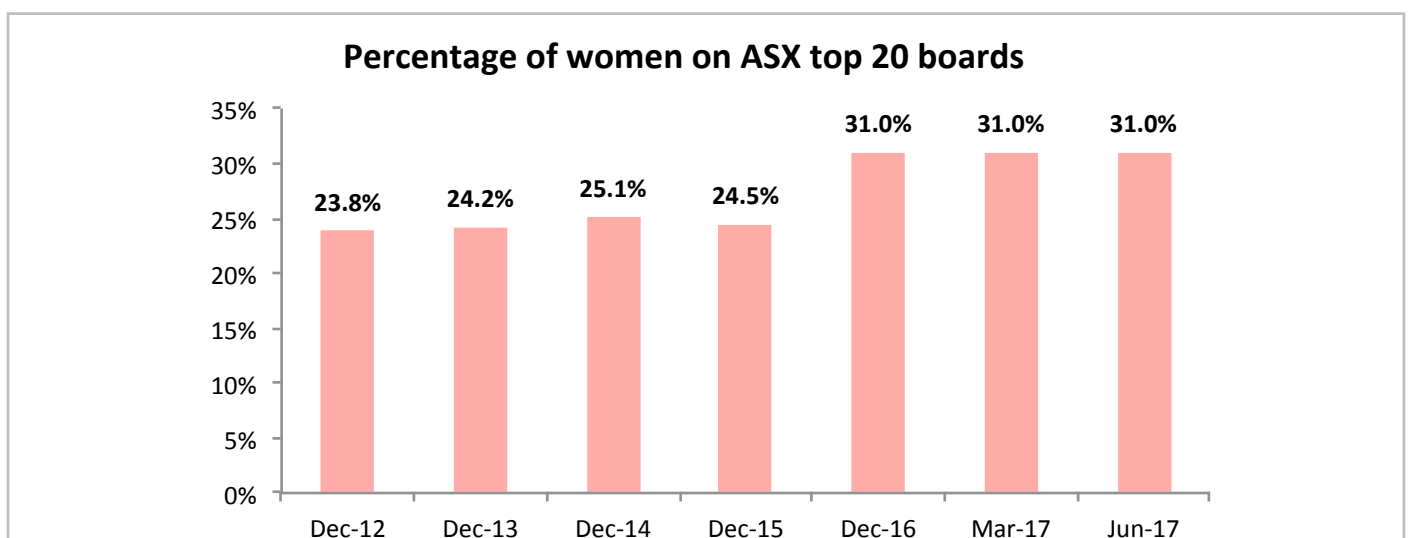
The stabilization suggests that the 2015-2016 period may have been a watershed year for women represented on boards, after the number of females within ASX top 20 companies rose from 24.5% in 2015 to 31% in 2016.

Whilst board appointments are activities that are not typically high churn, it is promising at least that the top 20 companies have already met the 30% target for 2018 set by the Australian Institute of Company Directors before the goal date.

The country's top 20 listed companies continue to lead the charge on corporate diversity and are outperforming the ASX top 50, ASX top 100 and ASX top 200 in meeting the key 30% target.

Two of Australia's biggest banks remain high on the list of top performers that are embracing gender diversity. This includes Commonwealth Bank of Australia with 4 women and 6 men on its board, and Australia and New Zealand Banking Group with 3 women and 5 men.

Outside of the top 20 board positions, chief executive officer (CEO) and senior management representation for women remains challenging with the numbers still comparatively low next to their male counterparts.



Source: Company data, Financy and Data Digger, June 2017

THE JOBS PICTURE

Women are leading the charge in full-time jobs growth

Improvement in the number of women joining the ranks of full-time workers has been the key development in 2017 that underpins gains in the Financy Women's Index.

More than three million women now work full-time in Australia whilst the number of males in full-time work has flatlined at 5.2 million.

At the end of June the female participation rate on a seasonally adjusted basis was 59.7%, a record.

The number of men participating in full-time work increased slightly to 70.5% in the June quarter from 70.3% in December 2016. However the level of male participation has actually fallen over the past five years and was at 72% in December 2012.

While an increasingly casualised and part-time workforce continues to affect the level of full-time employment in Australia, there are arguably many other factors at play.

Growth in the number of women working full time and the decline in men working full time are both likely to reflect changing attitudes towards work and shared parenting among modern Australian families.

The gradual retirement of male baby boomers is also likely to be at play, as well as the financial necessity to work given rising household costs, property prices and increased focus on women to do more to bridge pay and superannuation gaps.

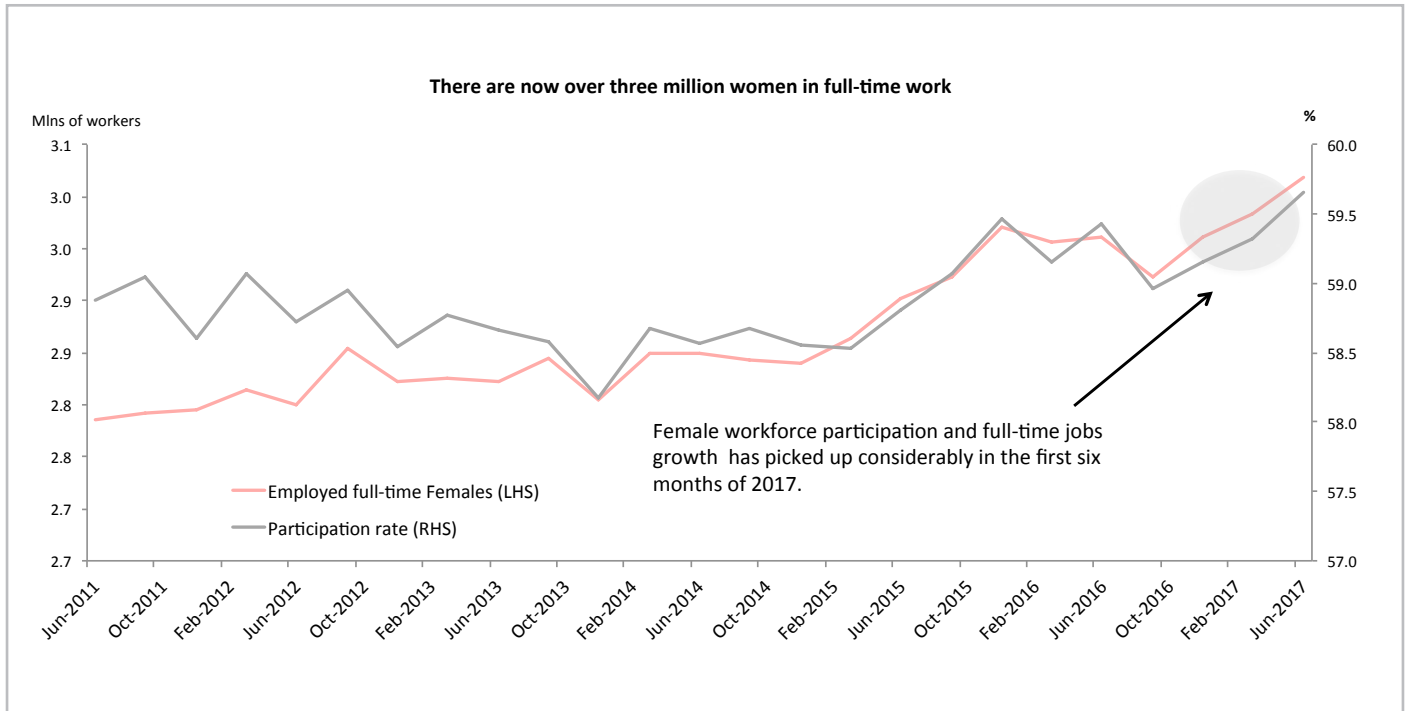
The timing of the pick up in female full-time work participation comes as Australia's economic growth prospects remain soft. Talk has also shifted as to when, rather than if, the Reserve Bank of Australia will start to raise the official cash rate from a record low of 1.5 per cent in 2018.

According to various researchers and economists, if more women were encouraged into full-time work, this would provide a meaningful boost to economic growth akin to a mining-like boom.

AMP Capital chief economist Dr Shane Oliver said it was possible that a 10% lift in female full-time work participation rates in line with male participation rates, could lift Gross Domestic Product (GDP) by as much as 8%. This equates to around a \$147 billion boost to the economy.

THE JOBS PICTURE

The jobs picture is brighter,
now over three million women
in full-time work



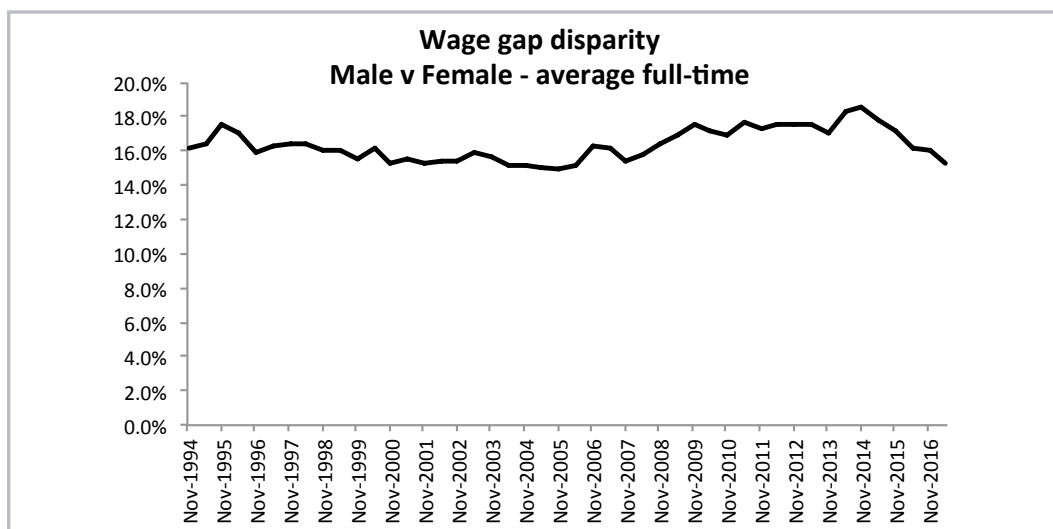
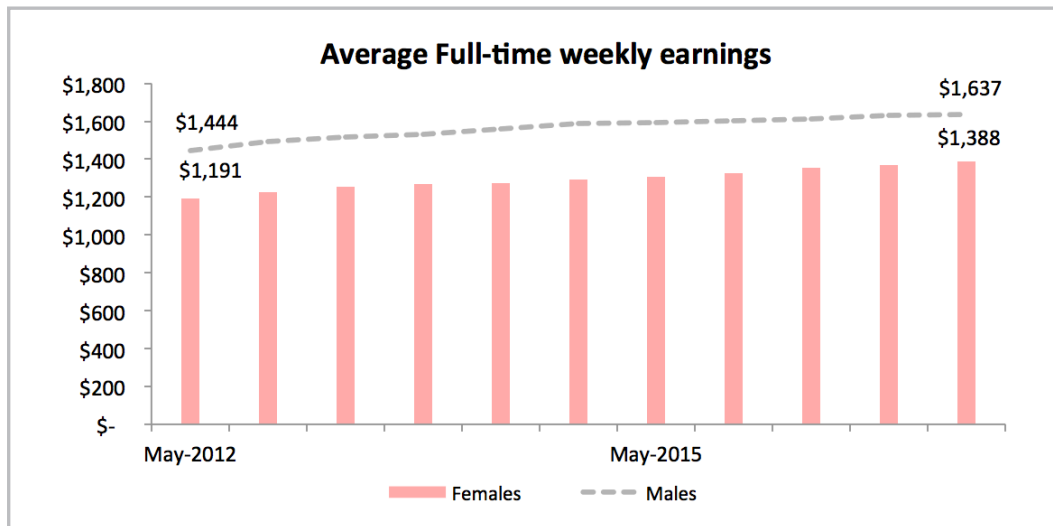
Source: ABS, Financy, Data Digger, June 2017

THE GENDER WAGE DISPARITY

The gender wage gap falls to lowest level in 11 years

The national gender pay gap has improved over the past five years and now stands at 15.3%. This is the lowest it's been since 2006 where the disparity of average full-time wages between men and women was 15.2%.

The result reflects a recalibration in the average wages report by the ABS (as it reports every six months as opposed to every quarter) and improving job outcomes.



Source: ABS, Financy, Data Digger, June 2017

Note: Data for the Index observes seasonally adjusted data.

For the graphs listed above original data is used from the ABS (cat. 6302 - tables 10a and 10d)

THE GENDER WAGE DISPARITY

The highest paying industries tend to have the biggest wage gaps between men and women.

Gender pay gaps still exist in the lower paying sectors, where more women tend to work and more men occupy chief executive officer (CEO) and management roles.

The pay gap in the health care and social assistance sector, which employs the most women, is one of the widest at 23.5% or \$255 on average. Despite this sector having more female managers, men still dominate CEO positions, according to the Workplace Gender Equality Agency (WGEA).

This disparity is even wider than mining, where the difference between what women and men earn stands at 19% or \$470 on average.

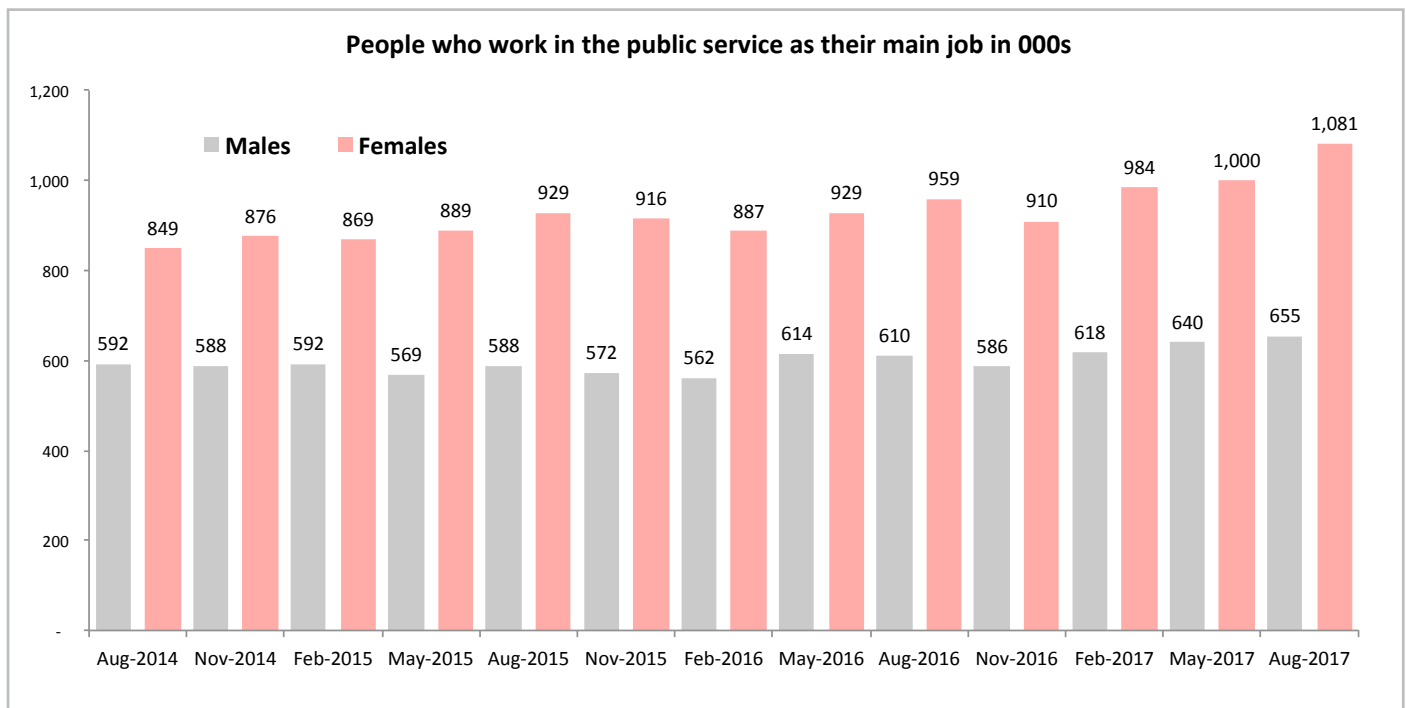
Mining is still the best paid industry for both men and women. Over the past 20 years the number of women working in mining has quadrupled.

Education and training is the second biggest employer of women, and has one of the smallest pay gaps at 11.7% or \$12 on average.

The smallest level of wage disparity remains in public administration at 6% after narrowing previously from 7.1%.

The public sector under state, federal and council government has been one of the biggest employers of women, with 1.1 million females working for the public service versus 655,000 males. The number of females in the public service grows on average at 2% per quarter versus 1% for men.

The gender pay gap is influenced by there being more men in full-time work and many other contributing factors including discrimination, industry, career breaks to care for loved ones and a lack of workplace flexibility in senior roles which tend to see more women occupy lower paying positions, according to the WGEA.



Source: ABS, Financy, Data Digger, August 2017

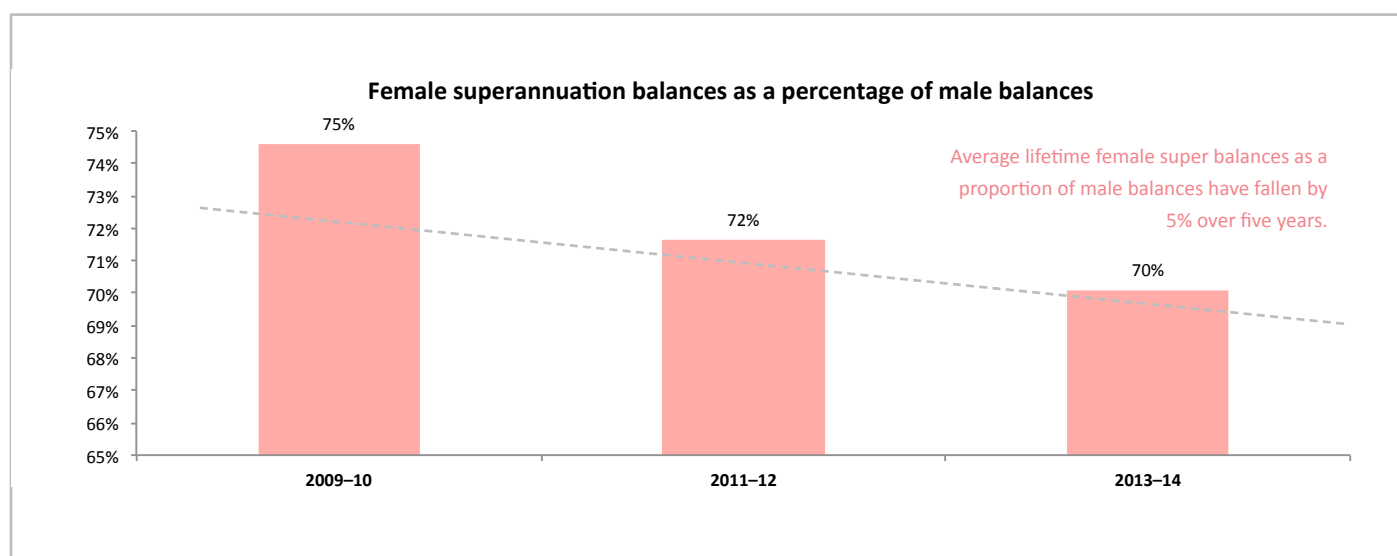
THE GENDER WAGE DISPARITY

	Male			Female			Wage disparity
	Avg Wkly Earnings	Full-time (000s)	Part-time (000s)	Avg Wkly Earnings	Full-time (000s)	Part-time (000s)	
All Industries	\$1,637	5,300	1,231	\$ 1,387	3,004	2,680	15.3%
Mining	\$ 2,604	194	2	\$ 2,172	25	5	16.6%
Agriculture, Forestry & Fishing	n/a	175	41	n/a	42	46	n/a
Electricity, Gas, Water and Waste Services	\$ 1,820	91	3	\$ 1,645	22	7	9.6%
Information Media and Telecommunications	\$ 1,967	109	18	\$ 1,614	59	29	18.0%
Education and Training	\$ 1,808	213	85	\$ 1,611	369	320	10.9%
Public Administration and Safety	\$ 1,632	348	43	\$ 1,535	274	126	5.9%
Financial and Insurance Services	\$ 2,128	202	19	\$ 1,499	153	56	29.6%
Professional, Scientific and Technical Services	\$ 1,982	515	83	\$ 1,500	277	163	24.3%
Health Care and Social Assistance	\$ 1,781	264 404	104	\$ 1,390	619	611	21.9%
Transport, Postal and Warehousing	\$ 1,614	241	85	\$ 1,323	86	50	18.0%
Wholesale Trade	\$ 1,557		24	\$ 1,317	95	41	15.4%
Arts and Recreation Services	\$ 1,604	70 605	41	\$ 1,249	40	70	22.1%
Manufacturing	\$ 1,361	872	48	\$ 1,214	166	86	10.8%
Construction	\$ 1,597		111	\$ 1,225	66	63	23.3%
Administrative and Support Services	\$ 1,444	130	68	\$ 1,234	102	107	14.6%
Rental, Hiring and Real Estate Services	\$ 1,578	88	17	\$ 1,213	71	39	23.1%
Other Services	\$ 1,244	233	49	\$ 1,136	104	114	8.7%
Retail Trade	\$ 1,167	350	187	\$ 1,063	273	413	9.0%
Accommodation and Food Services	\$ 1,159	195	200	\$ 1,022	164	334	11.8%

Source: ABS, Financy, Data Digger, June 2017

THE SUPERANNUATION IMBALANCE

Women still lagging men in life-time superannuation savings



Source: ABS, Financy, Data Digger, March 2017

The superannuation gap in the lifetime balances of men and women appears to be improving.

The most recent ABS data, which is reported every two years, shows that in the 2013/14 financial year, the average female balance was equal to just 70% of the average male superannuation balance. Said another way, this means women retire with 30% less than men.

This is 5% points less than in the 2009/10 financial year when the average lifetime female super balance was 75% of that of the average male.

Anecdotal evidence suggests the decline in the lifetime superannuation balances of women may have been affected by falling investment returns, and the cashing in of superannuation savings among

retiring baby boomers.

In the absence of a more current snapshot of superannuation, figures from the Australian Tax Office (ATO) show that women retire with 86% of the average male balance.

This data however is likely to inflate the balances of both men and women because it takes into account higher balances from self-managed super funds.

It's possible that with the gender wage gap narrowing, we could see improvement in the superannuation balances of women in the next ABS data release due later this year.

THE SUPERANNUATION IMBALANCE

Gender imbalance inflated by self-managed superannuation funds

Financial Years	2013–14		2014–15		
Gender	Males	Females	Males	Females	
Weighted average	\$269,860	\$231,878	\$280,643	\$242,369	
Female super as % of males	86%		86%		
Age	Male	Female	Male	Female	Female super as % of Male super
under 18	\$6,815	\$4,761	\$10,449	\$7,458	71%
18-24	\$7,528	\$6,004	\$7,904	\$6,403	81%
25-29	\$22,064	\$18,804	\$23,592	\$19,967	85%
30-34	\$41,873	\$33,726	\$43,785	\$36,250	83%
35-39	\$63,791	\$49,534	\$68,262	\$53,333	78%
40-44	\$92,279	\$66,508	\$98,108	\$71,431	73%
45-49	\$123,265	\$85,091	\$131,102	\$91,740	70%
50-54	\$168,010	\$111,587	\$174,626	\$119,019	68%
55-59	\$234,123	\$160,946	\$243,694	\$170,180	70%
60-64	\$298,955	\$234,711	\$310,240	\$246,632	79%
65-69	\$351,163	\$306,377	\$365,919	\$323,540	88%
70-74	\$375,144	\$325,820	\$393,899	\$340,196	86%
75 or more	\$330,591	\$299,387	\$343,345	\$312,772	91%
unknown	\$19,838	\$17,856	\$21,555	\$19,575	91%

Source: ATO, Financy, Data Digger, March 2017

ENROLLMENTS IN TERTIARY EDUCATION

Female graduates are changing futures

Women are enrolling in tertiary education at record numbers and pursuing better paying and more diverse careers.

The number of women enrolling in tertiary education continues to outpace growth in the number of men enrolling in courses.

The most recent 2015 data from the Department of Education shows there were over 800,000 female tertiary enrollments.

Overall this represents 52% of students being women, compared to 48% men and suggests that an increasing number of females are undertaking some form of study beyond high school.

Among the fastest growth areas for women enrolling in tertiary studies is information technology, which has recorded 11.7% average annual growth over the past five years, compared to 12.5% growth for men over the same period.

Since 2011, the number of women enrolling in management and commerce rose 12.5%, while the number of men studying the same field also increased by 11.8%.

Despite this trend, the most popular study areas for women are not the highest paying.

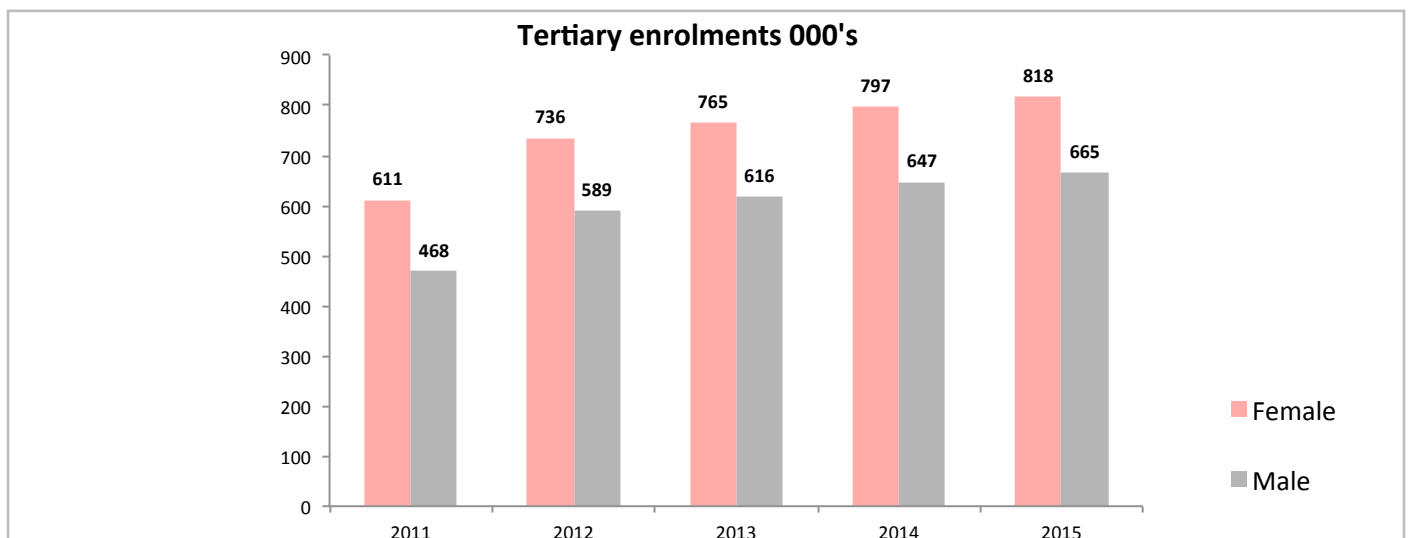
Almost 70% are enrolled in courses that lead to their participation in industries which are female dominated.

These include education and health, where despite the latter being considered a growth industry because of the aging population, women tend to occupy less management roles than men in both sectors.

The gender pay disparity for the health sector stands at 23.5%, which is among the highest in the Australian workforce.

Women remain under-represented in traditionally male dominated sectors, such as mining, engineering, commerce and information technology.

Due to limitations in the availability of data, the next update of these results is expected in time for the September quarter of the Financy Women's Index.



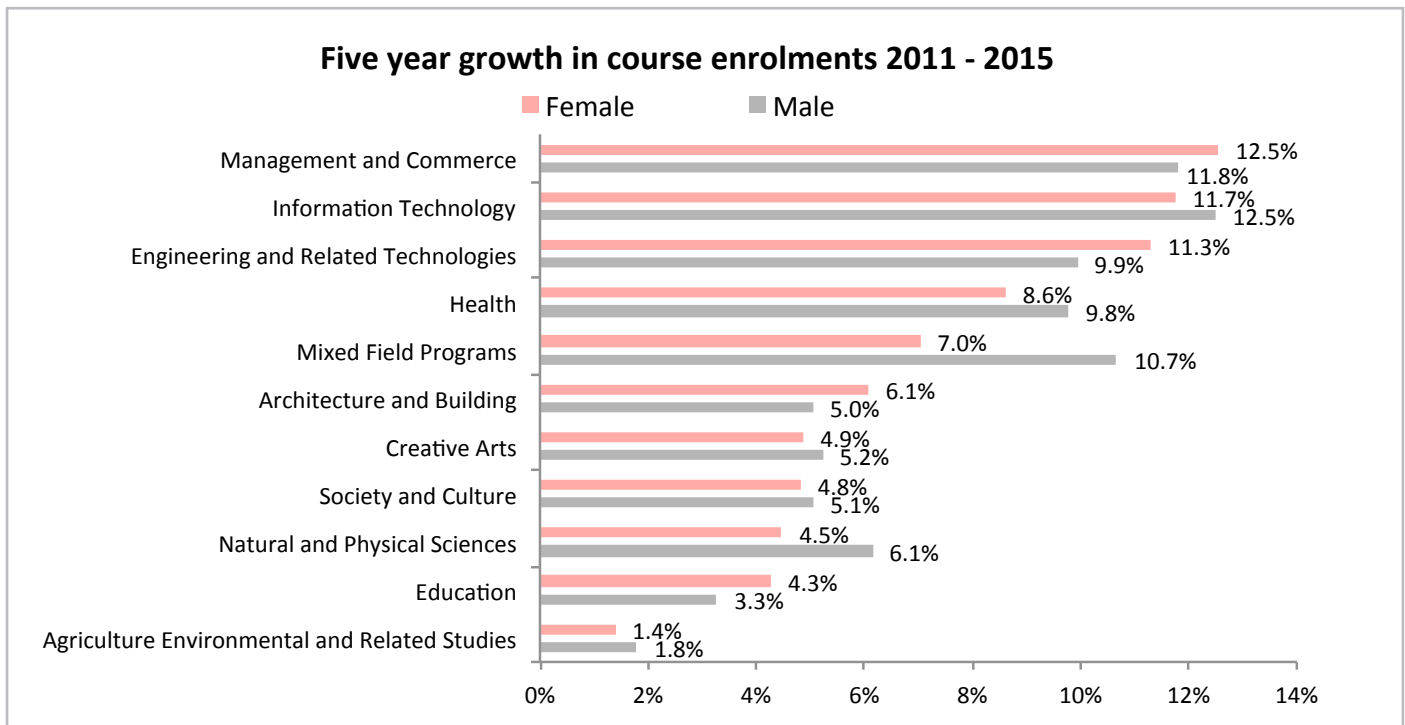
Source: Dept. of Education, Financy, Data Digger, March 2017

ENROLLMENTS IN TERTIARY EDUCATION

Course	Female	Male	Female	Male
Total	817,903	664,978	51%	49%
Society and Culture	196,861	110,669	64%	36%
Management and Commerce	180,302	189,631	49%	51%
Health	159,297	61,949	72%	28%
Education	98,633	31,834	76%	24%
Natural and Physical Sciences	56,952	57,687	50%	50%
Creative Arts	55,363	35,217	61%	39%
Engineering and Related Technologies	17,844	88,437	17%	83%
Architecture and Building	12,772	18,447	41%	59%
Non-Award course	11,658	8,215	59%	41%
Information Technology	11,506	49,259	19%	81%
Agriculture Environmental and Related Studies	9,650	8,950	52%	48%
Mixed Field Programs	6,813	4,308	61%	39%
Food Hospitality and Personal Services	252	375	40%	60%

Source: Dept of Education, Financy and Data Digger, March 2017

Trends are changing as younger women embrace technology, management and commerce.



Source: Dept of Education, Ucube, Financy and Data Digger, March 2017

METHODOLOGY

The Financy Women's Index powered by Data Digger is designed to provide an accurate and up-to-date quarterly measure of the economic progress of women in Australia.

The Index focuses on six key areas including tertiary education, full-time work, workplace participation, wage disparity, board representation of Australia's largest companies and superannuation balances of women compared to men.

Points to note:

Chart 1 and table 1 - The headline Financy Women's Index is the average of six key indicators that have been converted to respective indexed series so as to track measurements of performance over a five year period.

Chart 2 - The percentage of women on boards was an analysis undertaken to aggregate data over female representation on Australia's top 20 ASX listed companies. Considerable care has been taken to provide an accurate reflection of the makeup of various boards accounting for new appointments and retiring directors. The analysis was undertaken by Data Digger.

Chart 3, 4 and 5 - Average weekly earnings charts are based upon table one of the Australian Bureau of Statistics series 6302.0 citing table one and using trend data. Tables 10c and 10f of the same series have been used to extrapolate data for earnings by industry. The report is released twice a year.

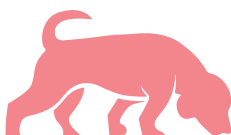
Table 2 - The public versus private sector table drawn from the ABS detailed quarterly jobs report, cat. 6291.0.55.003, table 26 breaks out workers who identify as working for the public service or within the private sector as their main job.

Table 3 - The detailed jobs by industry table is an aggregation of data used in the ABS detailed quarterly labour report series, 6291.0.55.001 and the aforementioned average weekly earnings data.

Chart 6 - Superannuation data with reference to the average lifetime super balance utilises an weighted index methodology in referencing an average superannuation balance for age groups that span 15-24 years to 70 years plus. The data source is the ABS category 4125 table 1, sub table 25. The data available is released once every two years.

Table 4 - The Australian Taxation Office provides average superannuation balances for each life stage of individuals broken down by gender.

Chart 7, 8 and Table 3 - Tertiary studying trends are the product of analysis conducted by Data Digger using the Department of Education Ucube service. Enrollment growth and percentages are calculated citing annual year on year percentages.



ABOUT FINANCY AND DATA DIGGER

Financy®
is a women's money publication and home to
the Financy Women's Index®

Financy was founded by financial journalist
Bianca Hartge-Hazelman in 2016.

Bianca created Financy after coming to the
conclusion that more needed to be done to support
women in becoming financially independent and in
building wealth.

Financy has a growing list of weekly contributors
who range from finance professionals, journalists and
women's money bloggers.

On a personal note, Bianca's passion for helping
women with money matters has come about
not just because of her love of finance, but as a
granddaughter to a woman who still can't use
an ATM, a daughter to a mother who has often
struggled financially while raising four kids, and now
as a mother of three beautiful daughters herself.

Data Digger®
is a business that specialises
in all things Australian economic data.

Data Digger was founded by former Bloomberg
economic data editor, Dan Petrie and is aimed
specifically at demystifying the statistics that
surround our wider economy. Data Digger offers
bespoke reporting and specialises in finding trends
in large data sets.

Dan is soon to release the beta version of
datadigger.com.au which will house all of
Australia's major economic data points and
allows users to customise their own spreadsheets
utilising Dan's skills.



DISCLAIMER

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The Financy and DataDigger Women's Index presents the findings of analysis of over 1100 annual reports issued by companies listed on the Australian Stock Exchange (ASX) together with the professional analysis and insights of Financy and DataDigger.

These analysis and insights do not necessarily coincide with those of Financy and DataDigger.

For information on the data contained in the report contact Financy or DataDigger on the numbers provided below.



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