

Financy

DECEMBER QUARTER 2021

FULL REPORT

*HAVE WE TURNED A
CORNER TOWARDS
ECONOMIC EQUALITY?*

Women's Index™

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Fearlessly Supporting the Economic Progress of Women

OCTOBER – DECEMBER 2021

A United Nations Women's Empowerment Principles Signatory and aligned gender equality initiative:
Measuring and reporting on women's financial progress and economic equality in Australia.

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The Financy Women's Index (FWX) provides a comprehensive picture of gender equality and women's financial progress across the Australian economy each quarter.

The Index aggregates the latest available data from seven key areas to deliver a reliable score and measurement of the progress being made to reduce the barriers to achieving gender equality.

The seven areas examined involve looking at the differences between men and women across unpaid work, fields of education and earnings outcomes, employment, underemployment, the gender pay gap, leadership board diversity and the superannuation gender gap.

Each Index report strives to highlight the overarching changes that are taking place, and shine a spotlight on the opportunities and actions to support positive change.

The FWX report is peer reviewed by the FWX Advisory Board consisting of Nicki Hutley, Shane Oliver, Bruce Hockman, Roger Wilkins, Joanne Masters, Danielle Wood and Simone Cheung. Data has been maintained with the support of Deloitte Access Economics.

We would like to thank our sponsors InvestSMART, Deloitte Australia, Ecstra Foundation and Tech For Good Group as well as equality believer Connie McKeage for supporting this independent initiative of Financy.

The report is authored by Financy founder Bianca Hartge-Hazelman.

Fearless

Acknowledgment of Country

Financy acknowledges Aboriginal and Torres Strait Islander people as the first peoples of Australia and Traditional Custodians of this land its waters. We pay our respects to Elders, knowledge holders and leaders both past and present. We respectfully acknowledge Traditional Owners whose country Financy's office and key collaborators are located including Bundjalung, Gadigal, Darkinjung and Wurundjeri nations. We respect Traditional Owners' relationship, connection and association to "country" and that it is an integral part of their identity and cultural expression. We understand and respect that Country is sacred, and we will work diligently and culturally responsively in partnership to build a strong future for the People and Country.



EDITOR'S NOTE: Underpaid, undervalued and over it

This Financy Women's Index has shown me that when a woman says it's been difficult to get ahead financially during the Coronavirus pandemic, she means it's been an absolute nightmare.

The past two years has been like entering a blackhole and forgetting your way out. We've juggled home-schooling schedules, childcare restrictions, sanitation routines, remote work, facemasks - on or off, video calls, covid-relief payments, food shortages and the unavoidable pessimism of covid small talk.

In fact, if ever there was a time in recent Australian history where many women were being overworked, underpaid and undervalued it's been during this Coronavirus pandemic.

The good news is that for all this change, the pressure valve in unpaid work appears to be easing. The gap in time spent on unpaid work activities between men and women has narrowed during the pandemic despite expectations that it could worsen, according to data published in the Household, Income and Labour Dynamics in Australia (HILDA) Survey and by the Australian Bureau of Statistics. This narrowing has improved this quarter's score for the Women's Index.

But things look less rosy on the earnings front with women slipping further behind men during 2021. Indeed this year's worsening of the gender pay gap, as measured by the Australian Bureau of Statistics (ABS) average weekly wages data, is but one example of how existing inequalities can be further exacerbated in terms of crisis.

The pandemic has driven an increase in demand for health-related services and childcare workers and yet we, as a society, continue to undervalue the face-to-face services of these predominantly female workforces, many of whom are on the front line of the COVID-19 crisis.

As the country's largest services industry, Healthcare and Social Assistance is dominated by a female workforce of 1.4 million compared to 460,000 men.¹

Yet the health sector has one of the highest gender pay gaps (20.7%) as men tend to occupy higher paying management and medical roles, and about half of all women work part-time in non-managerial jobs. To put that gap into perspective, the average woman in this sector earn 79 cents for every \$1 earned by a man.

By contrast, other sectors such as utilities, and construction – which received considerable government stimulus during the pandemic, are male dominated and have higher average earnings.

This is a real problem for economic equality, the financial security of women and it's a huge challenge for industries in trying to introduce greater diversity and fairness in pay.

Women working in undervalued occupations are at growing risk of burnout and the industries they work in face issues with staff shortages. How can we attract the future care workers we will need?

The answer is to start paying women and men in these fields better, and by that I don't mean simply encouraging them to become higher paid dentists and anaesthetists rather than aged care workers, nurses, or childcare teachers.

Rather we need to examine how we value the women-dominated care services that are increasingly critical to driving economic growth and in doing so agree on remuneration structures that recognise the real value of the work performed.

¹ <https://www.pc.gov.au/research/ongoing/productivity-insights/services/productivity-insights-2021-services.pdf>

Bianca Hartge-Hazelman
Founder of the Financy
Women's Index™



THOUGHT LEADERSHIP: Unpaid work mystery explained

This quarter, the Financy Women's Index (FWX) sheds some light on one of the greatest mysteries to have emerged during COVID-19 – who bore the brunt of the unpaid work?

COVID-19 lockdowns created a range of challenges for the average household. But, for many families dealing with working from home and bouts of home schooling, the challenge of balancing work and home responsibilities certainly ranks highly.

Most of what we've heard to date indicates that women have taken on the lion's share of unpaid work during the pandemic.

A study released by UN Women covering 16 countries found that the average woman increased time spent on childcare by 5.2 hours each week during COVID-19, compared to 3.5 hours for men. Close to a third (32%) of women said they spent more time cooking and serving meals, compared to less than a fifth of men (18%).

It is perhaps this context that makes the results of this latest FWX so surprising. Not only has the unpaid work sub-index improved – climbing from a score of 65.1 points out of 100, to 67.2 points – but the underlying data also suggests that the average woman in a couple is spending less time on unpaid work overall.

In fact, in late 2020 women in relationships spent 42 minutes less on housework and childcare than in 2019, while men spent 30 minutes less on average.

The data for this analysis is drawn from the HILDA Survey, which is an annual dataset with a lag time of a year, meaning data for 2020 has only recently been released. It also gives us our first glimpse at the division of unpaid work during the earlier stages of the pandemic.

The unpaid work sub-index has consistently revealed itself as the worst performing indicator in the FWX. And despite gains in this quarter's results, this report predicts it will take women 59 years to reach gender parity on this front.

There are no surprises why. For all the progress women have made in terms of workforce participation (climbing from 52% in the 1990s, to 62% today), the burden of unpaid work continues to fall on their shoulders.

In fact, where there has been progress over the past 50 years at home, this has been primarily driven by improvements in productivity – think improved labour savers like dishwashers, washing machines and vacuum cleaners. These technologies have increased the efficiency with which domestic tasks can be performed, but do nothing to address the underlying inequity in the distribution of tasks.

We can draw similar parallels to this latest data. In some ways, working from home during COVID-19 has made doing household chores a little easier. For example, putting a load of washing on or emptying the dishwasher in between meetings or on a lunch break.

Yet, if we simply look at the distribution of household chores and childcare between men and women, it's clear that little has changed. In fact, for every hour a woman spent on unpaid work during COVID-19, a man spent 37 minutes on average. In contrast, men tend to do more of the paid work (1.4 hours, for every hour spent by a woman).

The unpaid work sub-index continues to be one the most important indicators of women's progress; perhaps because the division of domestic tasks is so closely tied to gender norms. Yet the modest improvements seen during COVID-19 are not reflective of underlying structural or cultural change required to enable real and long-lasting progress.

For governments, tackling gendered norms around the role that men and women play may be difficult to address directly. Yet, at minimum, policymakers need to be paying close attention to emerging wage gaps – in particular for those occupations or sectors where women are overrepresented – and the implicit message this sends about the role women play in, and their value to, society.

Rhiannon Yetsenga

Economist

Deloitte Access Economics



THOUGHT LEADERSHIP: Time to close the gap

It's surprising to learn that despite living in a wealthy, well-educated society in the 21st century –the Financy Women's Index estimates it will take nearly 22 years to close the gender pay gap. This is just not on.

Women are highly capable, remarkably resilient and extremely giving of their time and energy. But it is nonsense that women continue to earn less than men. We have to solve this issue.

Right now, Australia is facing a skills shortage, and there may never be a better time for women to exercise their workplace clout to be paid what they are worth. But it calls for a front foot approach.

Research repeatedly shows men are more assertive than women when it comes to negotiating their pay.

However, there are a number of steps women can, and should, take to overcome this.

Narrowing the gender pay gap means having important workplace conversations. Women shouldn't see discussions about pay as confrontational. It's about acknowledging the value you bring to a workplace. And we all need to feel equally valued at work – both men and women.

I encourage women to research the market wage or salary for your role, industry, location and depth of experience. Plenty of recruitment firms produce salary guides that can be useful here. Indeed this very report includes a table that you can view for comparison.

Then, spell out to the boss the value you bring to an organisation. It's not about conflict. It's a conversation around being fairly rewarded. Listing your achievements provides evidence of your worth, and having hard data helps to remove the emotion from negotiations.

Holding a mock pay interview with a friend or family member before you sit down with an employer is a great way to prepare your responses.

What's interesting is that research on gender differences in negotiation outcomes published by the American Psychological Association, shows women tend to be much more assertive when they are negotiating on behalf of other people rather than for themselves.¹

So take heart knowing that your efforts aren't just closing your personal gender pay gap. You are also acting as an agent for change, contributing to a groundswell movement for all Australian women to be paid equally and fairly.

As the Financy Women's Index confirms, women face many challenges in their lives. Being part of a workplace where there's a gender pay bias shouldn't have to be one of them. And employers need to come to the party as well.

¹ A Meta-Analysis on Gender Differences in Negotiation Outcomes and Their Moderators, *Psychological Bulletin* © 2014 American Psychological Association 2015, Vol. 141, No. 1, 85–104

<https://www.apa.org/pubs/journals/releases/bul-a0038184.pdf>

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HIGHLIGHTS

December Report 2021 – Released February 11th, 2022

- **The Financy Women's Index (FWX) finished 2021 up 1.6% to 72.3 points with women's financial progress and timeframes to economic equality better than expected.**
- **The key drivers of the FWX in 2021 included the closing of the gender gaps in unpaid work, employment and improved gender diversity in ASX 200 board positions.**
- **However there was a 2.2% fall during the December quarter, weighed down by a worsening of the gender pay gap in 2021.**
- **The timeframe to economic equality now stands at 59 years, down from a revised 76 years, based on the worst performing area of inequality - unpaid work.**

Are things getting financially better for women?

2021 produced a welcomed improvement to gender equality in Australia despite expectations that the Coronavirus pandemic would completely derail women's financial progress. What we have observed is an easing of some of the critical barriers to women's paid workforce participation, such as increased flexible work opportunities and reduced unpaid work. The Financy Women's Index (FWX) finished the calendar year at 72.3 points, up 1.6%. This was despite a disappointing December quarter which fell by 2.2% which is similar to the quarterly decline in December 2020. The key driver of women's financial progress was an improvement in unpaid work hours as men's share of housework and childcare as a percentage of total work (paid and unpaid) increased whereas for women it declined. The outcome was a closing of the gender gap in unpaid work which has significantly reduced the timeframe to total economic equality when we look at the worst performing area. This finding has come as a surprise to us in preparing this quarter's FWX report given that smaller sample surveys suggested that women were doing significantly more unpaid work than men compared to before the pandemic began in 2019. Possible explanations for this are that as more people worked from home, we became more efficient in juggling paid and unpaid work or

perhaps we just prioritised the paid work more out of increased financial pressure. It is also possible that technology has once again made the multi-tasking juggle of work and home dynamics easier thus increasing productivity. The FWX suggests there is good reason to be optimistic about a structural shift occurring in gender equality. That said, only time will tell if these changes are temporary or long-lasting. Indeed the FWX 2021 result could have been better had it not been for an obvious area of weakness - the gender pay gap. For instance, the FWX finished 3% higher in December 2020 when we also saw the gender pay gap narrow. But in 2021, female wages growth was outpaced by male wages growth, creating a slightly bigger gender pay gap across average weekly wages. The FWX result was also affected by a correction in the underemployment rate gender gap, which widened by 14% over the December quarter. However, this setback was not enough to derail a year-on-year improvement in the female underemployment rate, as less women identified themselves as being underemployed. Still 2021 has been an encouraging year for women and shows that a combination of increased paid work, perhaps driven by skills shortages from borders being closed and reduced unpaid work have had a positive impact on women's financial progress and timeframes to economic equality. The big watch out now is whether progress will be sustained.

KEY MESSAGES

What key components contributed to the result?

A positive shift in the gender balance of unpaid work among partnered adults with or without children was the biggest contributor to the Financy Women's Index in 2021. According to the latest Household, Income and Labour Dynamics in Australia (HILDA) Survey, which reflects data collected between August to October of 2020 and released in December 2021, men spent 41% of their time in unpaid work, up from 40% in 2019, whereas women spent 61%, down from 62% over the same period. The change led to a 6.1% narrowing in the FWX Unpaid Work sub-index over the course of 2021 – the best improvement on record. The result was largely not what the FWX Advisory Board was expecting given that much of the smaller sample data and commentary to date has been about how women have taken on more unpaid work than men due to home-schooling and balancing working from home. The other notable driver of the FWX this year has been in the Underemployment sub-index, which finished 2.8% higher despite a setback in the December quarter. The gender gap in underemployment is now the smallest it has ever been, reflecting that strong labour market conditions (the lowest unemployment rate in two decades), combined with greater work flexibility during the pandemic, has improved employment opportunities for Australian women. There was also a 6% recovery in the number of monthly hours worked by women versus a 5% gain for men in the December quarter. The result helped the gender gap in the Employment sub-index to increase by 2.8% in 2021 to finish at 71.8 points. The Gender Pay Gap sub-index was the only pillar which didn't improve in 2021 with a decline of 0.9% as the underlying gender pay gap worsened. The remaining sub-indices of the Women's Index such as Superannuation and Education were carried forward in the quarter based on the latest available data and will be updated when new data is released in the March quarter of 2022.

What is the Index signalling for economic equality?

The latest Financy Women's Index shows that by reducing some of the key barriers to women's workforce participation, that this can have a profound impact on the financial progress of women and timeframes to achieving gender equality in Australia. The December quarter FWX report shows that it will now take 59 years of sustained progress to achieve gender financial equality in Australia based on the worst performing area which remains unpaid work. If we calculate the average timeframe to equality across each of the FWX areas, excluding education because it's the only area where progress has gone backwards, it's estimated to take 28 years to equality. But we are cautious about using the average because until every last piece of the puzzle is in place, we won't reach the most desired outcome - hence the focus on the worst performing area. The years to equality for the Unpaid Work sub-index was previously being estimated based on a line of best fit using a quarterly data series.

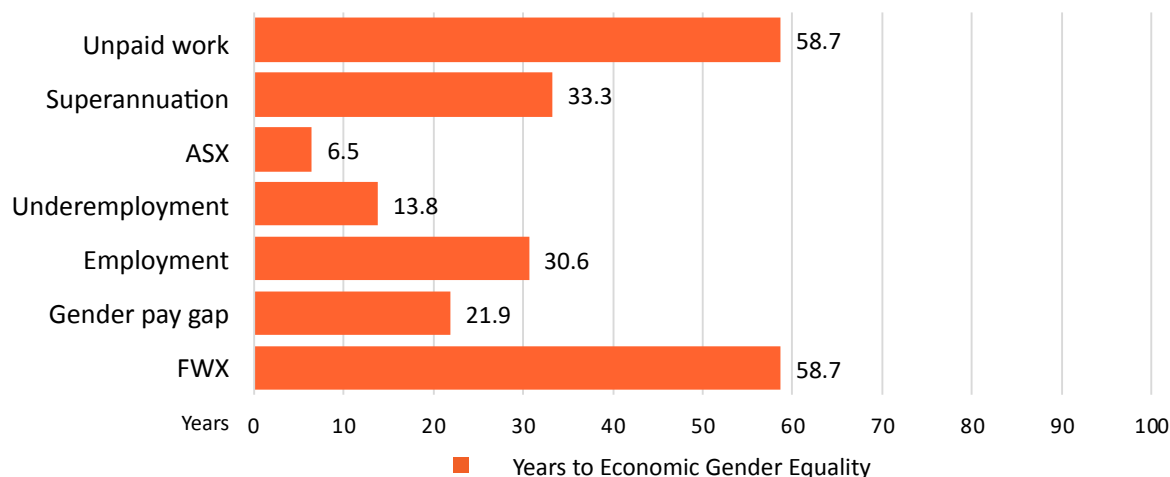
Because the unpaid work index is released annually, this involved holding the annual data point constant over four quarters and tracking the line of best fit using the imputed data. This year, the line of best fit has been applied to the annual data series only, reducing the potential for noise to be impacting calculations and better reflecting the underlying data. Aside from the headline number, progress has also been made on closing the timeframes to equality in employment and it will now take 30.6 years for equality in this area, compared to 33.1 years in December 2020. It will also take an estimated 13.8 years for parity in the Underemployment rate, down from 17.5 years in 2020. Progress continues to be made towards achieving gender diversity in corporate Australia. This area has the shortest timeframe to equality at 6.5 years, compared to 7.3 years in 2020. If progress is sustained, we should see equality on ASX 200 boards by 2030. The gender pay gap was the biggest disappointment over the course of 2021 and the timeframe to equality in this area increased to 21.9 years from 20.7 years in 2020 as the disparity in average wages expanded at the start of last year.

Which industries are faring better or worse for women?

Women have fared better than men when it comes to employment growth over 2021 but earnings aren't keeping pace with that progress. Services-driven sectors which were hit the hardest by the initial impact of COVID-19 have rebounded strongly. This may have been due to several factors including closed state borders resulting in less international backpackers and a skills shortage for some occupations, and that many services sectors already have a higher proportion of women working in more flexible roles such as part-time and casual employment. The latest ABS Detailed Labour Force data released in December shows that across the 19 key industries total male employment is down across every sector in 2021 whereas for women it's down across only five industries. By far the most significant change in employment trends for men occurred in part-time work with every sector, except Health Care and Social Assistance (4%) experiencing a fall in male employees over 2021. Female part-time employment numbers increased in all but 4 sectors over 2021. Male full-time employment numbers were down in 9 sectors compared to falls in only 5 sectors for female full-time employment. In terms of total female employment growth, the worst performing sector in 2021 was Construction with a 22% drop compared to an 8% fall for men over the year. Transport, Postal and Warehousing saw a 19% fall in female total employment numbers versus a 10% decline for men. Female employment growth in Education and Training rose by 52% compared to a 51% decline for male employment which was the worst performing for men of any sector. Women have also seen a significant pick up in Retail Trade, up by 43% over the year, compared to a 43% drop among men over 2021 – again part-time employment has played a starring role here among female employees. In the female dominated Health Care and Social Assistance sector, there was a 4% drop in the female workforce over the year, compared to a 43% fall in the male workforce.

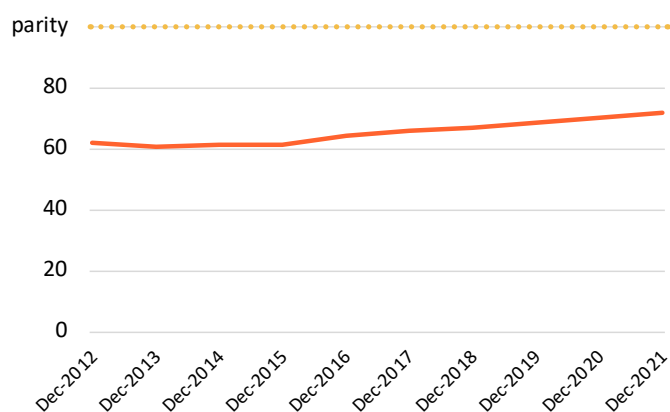
KEY MESSAGES

CHART 1: Timeframe to Economic Gender Equality



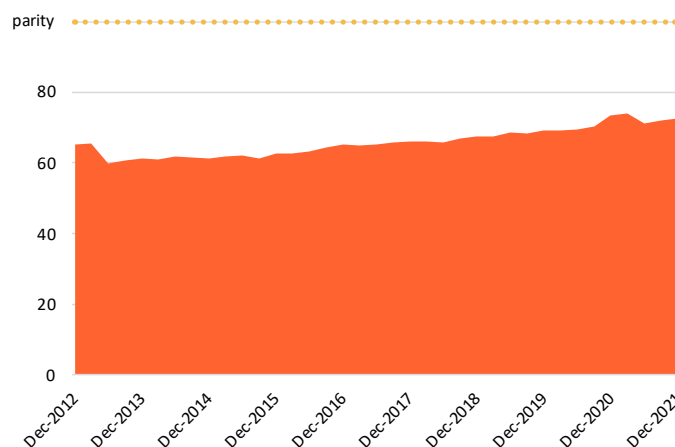
Years to complete Gender Equality based on worst performing area: 59 years.

CHART 2: The Financy Women's Index by Quarter



FWX fell 2.2% in the December quarter, worst performance in a year.

CHART 3: The Financy Women's Index by Year



FWX y-o-y result up 1.6% in 2021

Chart 1,2 & 3 Source: Financy, December 2021.

Notes: Economic modelling for the Financy Women's Index is produced with Deloitte Access Economics, drawing on a range of publicly available data sources, including the Australian Bureau of Statistics. The Financy Women's Index calculates women's financial progress by looking at the performance of women relative to men across seven areas: education, employment, underemployment, wages, unpaid work, ASX 200 board numbers and superannuation. The Years to Target methodology uses a line of best fit to calculate years to economic gender equality and extrapolates this line to predict how long it will take for each sub-index to reach the target value of 100. The years to equality for the unpaid work index was previously being estimated based on a line of best fit using a quarterly data series. Because the unpaid work index is released annually, this involved holding the annual data point constant over four quarters and tracking the line of best fit using the imputed data. This year, the line of best fit has been applied to the annual data series only, reducing the potential for noise to be impacting calculations and better reflecting the underlying data. Revisions to the Financy Women's Index are made in each quarter based on the availability of official data revisions and corporate board actions that underpin the report. Yearly data enhancements may also lead to revisions of the Women's Index. The Index uses seasonally adjusted data where available.

DECEMBER QUARTER TALKING POINTS

2021 is showing tentative signs of promise in our progress towards achieving gender equality in Australia but we are still a long way from getting there.

For the past two decades women have been driving change in the workforce composition with participation rates steadily increasing, particularly in full-time employment, despite the fact that unpaid workloads have declined only very slowly.

Unfortunately, the juggling act between unpaid and paid work remains reasonably constant with women still doing the bulk of domestic tasks even when their paid work hours increase.

Data shows that working women have been gradually breaking from stereotypical gender roles in the workforce, education and at home by increasing their paid work participation whilst slowly decreasing the amount of time they spend performing unpaid childcare and housework.

The net result however is that when paid and unpaid work are combined, women in heterosexual relationships are spending about 6 hours more per week working than men. But this is not necessarily being met with improved financial outcomes in terms of wages growth and financial security.

Men on the other hand appear to be making more subtle changes that affect their gender stereotypical roles. However what is not clear is how much these changes reflect genuine choice or disruptions from the pandemic.

What we are cautiously optimistic about is that as male workplace participation rates slowly decline, flexible work such as part-time employment is growing, and unpaid work (housework and childcare) is starting to make up a slightly bigger proportion of the total time spent across paid and unpaid work.

How we get to economic equality matters and it may be that parity across employment, wages, unpaid work, superannuation, education and leadership is not achieved by women striving to be more like men, rather it could well work out to be something in between.

EMPLOYMENT

Employment opportunities improved for Australian women in 2021 as disruptions caused by the pandemic to the way we typically live, and work appeared to favour women to a greater extent than men.

The gender gap in employment, as measured by calculating the number of monthly hours and allowing for population growth, rose by 2.8% in the 2021 calendar year to finish at 71.8 points – the highest on record.

We saw a 6% acceleration in the number of monthly hours worked by women during the December quarter versus a 4.9% increase among men. The result is a correction on the September quarter which experienced a decline in hours worked among both men and women. Seasonal factors are likely to have played a role here. In the lead up to and after the Christmas holiday period we tend to see a pickup in casual and part-time employment, areas that tend to be dominated by women and younger workers. We also saw female-heavy sectors such as Accommodation and Food Services and Retail Trades, all affected by covid disruptions, experience a pick up in business activity.

The combination of this helped support more women in the workforce. We saw a pick up in female employment capacity to 59% in December 2021 from 56% in December 2020. Note that when we describe capacity, we are looking at the number of monthly hours worked by gender as a proportion of the respective working age population.

By contrast, male employment capacity also rose to 83%, from 81% a year earlier.

Since March 2000, women's employment capacity has steadily increased from 49% but men's has fallen from 86%.

The number of women in full-time work rose by 5% over 2021 to 3.5 million in December compared to a 3% gain for men in full-time employment to 5.6 million.

There's been a significant improvement in the full-time employment of younger women in the December quarter (23%) and in the 12 months to November (12%), as reported in December 2021.

DECEMBER QUARTER TALKING POINTS

Despite this growth, which is likely to have been driven by the seasonal boost in face-to-face service delivery roles in Retail and Hospitality, women in this age group are still the only demographic yet to see a full employment recovery (-0.5%) since November 2019.

The strongest employment growth over the year to November 2021 has been among women 65 years and over (7.4%) and 44-54 years (4.5%).

Full time employment has also increased by 3.6% for women aged in the peak period for becoming a first time Mother at between 25-34. It's also up by 3.2% for women aged 35-44 years.

The number of women and men in part-time work rose by 0.5% to 2.8 million and 1.3 million respectively in the 12 months to December 2021.

Female part-time employment jumped by 6.4% in the December quarter compared to a 6.7% increase in male part-time employment.

Female part-time employment is about 0.5% above where it stood in December 2019, prior to the pandemic whereas for men it is up 0.2%.

The sectors which added the most female employees across both full and part-time work included Other Services, Education and Training (52%) and Retail Trade (43%). This has been a consistent employment trend for women over 2021.

Of all of the 19 key industries included in the Australian Bureau of Statistics (ABS) labour force figures for industries for August, none increased their total male workforce. However, 14 industries increased their female workforce.

The biggest job losses for women came in male-dominated sectors, Transport, Postal and Warehousing (-19%) and Construction (-22%).

UNDEREMPLOYMENT

The FWX Underemployment sub-index finished the year 2.8% stronger at 71.8 points, suggesting that 2021 was a better year for women in finding suitably available work.

The improvement came despite a rather disappointing setback in the December quarter with the gender gap in the underemployment rate gender gap widening by 14%.

The female underemployment rate fell to a 13 year low of 7.85% in December versus a drop to 5.57% for the male underemployment rate, a 7 year low.

The underemployment rate has been very volatile over the past two years with data often shifting from improvement to decline between quarters.

The December quarter was no different with the female underemployment rate shaking off a disappointing 11% gain in the September quarter to fall by 24% to its current position.

It was a similar story for the male underemployment rate which fell by 34% during the quarter, reversing the 22% gain seen in September.

The underemployment rate describes the proportion of the population aged 15 and over who are either employed part time who want to and are available to work more hours. It also reflects those who are employed full time but worked fewer than 35 hours during the survey reference week for economic reasons (including being stood down or insufficient work being available).

The underemployment rate helps us to understand the extent to which a person can work to their full potential due to limitations on the availability of work, rather than so called “choice” around family or other personal decisions.

Historically the female underemployment rate has always been higher than male because there have been more women in part-time work and therefore likely to have greater capacity and willingness to want to work more hours.

DECEMBER QUARTER TALKING POINTS

The female participation rate rose to 61.51% in December, up 3 percentage points (ppt) on the September quarter and slightly higher overall for the year (0.3ppt gain). By contrast the male participation rate increased by 2ppt to 70.85% in December compared to the previous quarter but slipped backwards year-on-year (-0.2 ppt).

The gender gap in workplace participation has been gradually declining over the decades as female employment growth outpaces that of male.

WOMEN ON BOARDS

2021 was a strong year for female director appointments to ASX 200 boards but there is still plenty of work to be done to improve the number of women in key leadership positions.

The number of female ASX 200 directors increased by 6% over 2021 to start the new year at a fresh high of 34.5% as of January 31, according to the latest gender diversity statistics published by the Australian Institute of Company Directors (AICD).

By the start of December women accounted for 41.8% of all 2021 appointments to ASX 200 boards, compared to 42.6% in 2020 and 45.4% in 2018 – which remains the most progressive year yet for action towards improving corporate board diversity.

It was in August of 2021 that we finally saw all of the ASX 200 companies report that they had at least one woman on their board.

But outside of the ASX 200, things haven't been as progressive.

The percentage of women on ASX 300 boards stands at 32.6% as of December 2021, with 8 boards yet to have a single female board member.

The latest percentage of women on ASX All Ordinaries stands at 28.7% with 67 boards without women.

The latest Workplace Gender Equality (WGEA) Scorecard, released in February 2022 found that of the companies required to report annually to WGEA, women account for less than 20% of CEOs.

The issue with having so few women in key leadership positions is that there is less influence when it comes to promoting gender diversity change at an organisational level, according to researchers at the University of Otago and Purdue University reported in Human Resource Management (published by Wiley).

Rather the study found that two or more female directors, or accounting for 20% or more board seats, appears to be more effective in reducing gender segregation because it sends a stronger signal that an organization is making a deliberate strategic choice.

The improvement in board gender diversity has largely come in response to social, corporate and investor pressure for more women in leadership positions.

“Women working in undervalued occupations are at growing risk of burnout”



DECEMBER QUARTER TALKING POINTS

The AICD began reporting on gender diversity in boards in 2015, there were 287 all-male boards. At that time, the Institute set a voluntary target for 30% of board seats to be filled by women by the end of 2018. While that target was not met on time, it was accomplished soon after.

WAGES

The Gender Pay Gap sub-index was the biggest disappointment of the FWX in 2021 and fell by 0.9% over the year as average weekly wages growth for males outpaced that of females.

The gender pay gap, as calculated by Average Weekly Earnings data published by the ABS, shows the disparity between men and women widened to 14.2% in May from 13.4% in November 2021.

Average full-time weekly wages for females rose by \$13.50 to \$1,575.50 in the six months to May of this year, nearly a third of the increase recorded among males who earned \$32.80 per week more to \$1,837 over the same period.

In dollar terms, the average gender difference of \$261.50 per week, is the most it has been since November 2016.

Interestingly when we look at larger companies, the average gender pay gap is even more significant in dollar terms. According to the latest gender pay gap data released by WGEA¹, which reflects companies with 100 employees or more, women earned about \$25,000 less than men on average during the 2021 financial year. This cohort also contributed to a narrowing of the gender pay gap to 22.8%, down by 0.5ppt over the same period.

Of the 19 key sectors of the economy, 6 managed to close their gender pay gaps and among those the majority were either female dominated, or reasonably gender balanced except for Electricity, Gas, Water and Waste Services, which improved its gender pay gap with a fall of 2.3% to 7.6% in May compared to November of last year.

¹ Workplace Gender Equality Agency's 2020-21 employer census

The gender pay gap of Accommodation and Food Services fell by 0.9% to 10.5% and in Rental, Hiring and Real Estate Services it declined by 0.7% to 19.1%.

Health Care and Social Assistance reduced its gender pay gap by 0.5% to 20.7% and Education and Training by -0.3% to 11.4%.

The highest gender pay gap by industry is Professional, Scientific and Technical Services, which increased its gap by 0.9% to 25.3% in May, as reported in August.

UNPAID WORK

Over the past twenty years, Australian women in heterosexual relationships have been gradually doing less and less unpaid work whilst increasing paid employment.

We see the impact of this in the FWX Unpaid Work sub-index which shows the gender gap narrowed to 68% in the December quarter, from 64% a year earlier. The result reflects a 1.5% increase in men's share of unpaid work and a 1.3% decline in that among women.

Whilst the gender gap has improved, women are still overwhelmingly doing the bulk of unpaid work such as housework and childcare on a weekly basis. HILDA survey data shows that women in relationships with a male partner and with children under 18 years were spending 61% of their time doing unpaid work, versus 62% the year before. Men on the other hand were spending 41% of their time on unpaid work compared to 40% in 2020.

In terms of time, both men and women in relationships, regardless of whether they have children, experienced a 2% drop in the number of hours spent on unpaid work in 2020. Whilst this might sound confusing, it's important to note that when we look at the gender gap in unpaid work, we are measuring the share of unpaid work relative to the total time in both paid and unpaid work.

Whilst the long-term trend dating back to 2002 suggests that we are seeing slow but steady progress towards gender balance in heterosexual relationships, much of the historical change appears driven by the changes that women are making in reducing their time in unpaid work, rather than men actually increasing theirs.

DECEMBER QUARTER TALKING POINTS

The 2020 shift in unpaid workloads is likely to have been helped by the onset of the pandemic which has given rise to an increased acceptance of flexible work arrangements and increased visibility of the unpaid workload in households.

When we look at same sex-couples regardless of whether they have dependent children, the gender gap in unpaid work is about half of that of heterosexual couples.

HILDA data shows that the average couple of the opposite sex is spending 22.3 hours per week in unpaid work, compared to 10.4 hours for the average same-sex couple.

FIELDS OF EDUCATION

The gender pay gap in graduate salaries is an area that needs significant attention if we are to achieve economic equality.

Progress in the FWX Education sub-index has been slowly going backwards since 2015 and reflects how women tend to earn less than men based on their chosen field of study.

The trend has been one of a marginal widening of the sub-index to 92.37% in 2019, from 92.42% in 2018 and from 92.54% in 2015. The next data update is in the March quarter 2022.

Because of the lack of progress in this area we are unable to calculate the average annual growth rate used in determining the timeframe for economic equality.

For the gender gap to improve in favour of women in a financial sense, we would need to see an increase in female enrolments in degrees that have higher expected future earnings or see an increase in incomes for degrees that are female dominated.

As it stands the graduate salaries pay gap worsens for women the longer they continue with their careers, new data has shown.

According to the 2021 Graduate Outcomes Survey – Longitudinal, the gender gap in graduate median salaries was \$3,000 or 4.7% in 2018 but by 2021, that gap for the same cohort of graduates had widened to 6.1% or \$4,900 in median salaries.

The median salary for female undergraduates in 2021 was \$75,100 while for males it was \$80,000.

The gender gap in salaries is more pronounced at the postgraduate coursework level than for undergraduates. Female postgraduates received a median salary of \$95,000 compared to \$110,000 for males.

In 2018, four to six months after completion of their studies, the median salary of male postgraduate coursework graduates was \$12,000 or 13% higher than females. This gap has increased to \$15,000 or 13.6% three years after course completion in 2021.

Unlike the gender gap for undergraduates, the gap is a persistent issue across all but one postgraduate course area, which is nursing, where females earned \$103,000, more than men, \$99,000.

The gender gap in graduates' salaries is attributed to a range of factors including subject choice, occupation, level, age, experience, personal factors and inequalities within workplaces.

Of five most popular fields of study for women, only two are also in the top five for having the highest earnings. By contrast of the five most popular study areas for men, there are three in the top five as being the highest earning.

Overall, of the 12 main fields of education we looked at for this report, women earned less than men with weekly mean earnings of \$1,495 versus \$1,600 in 2019 respectively.

The most popular field of study for women remains Society and Culture, which attracted 5% more female students in 2019 to 462,024. However, the mean weekly wage for women of all ages is \$1,390 – among the five lowest paying sectors.

DECEMBER QUARTER TALKING POINTS

SUPERANNUATION

If the gender gap in superannuation savings is largely a reflection of the gender pay gap, then we could see the disparity get worse before it gets better.

As it stands, the most recent superannuation account balance data from the ABS for 2017-18 shows that the average woman retires with \$45,000 or 31% less in their superannuation than the \$65,000 for the average man.

This data will be updated early in 2022.

This is well short of the amount that the Association of Superannuation Funds of Australia (ASFA) says is needed to live comfortably in retirement.

The ASFA Retirement Standard September quarter 2021 figures indicate that couples aged around 65 living a comfortable retirement need to spend \$63,799 per year and singles \$45,239, up by 0.9% and 1% respectively on the June quarter due to rising living costs.

“Gender pay gap widened in 2021”



“Will the gap in superannuation worsen too?”

The gender pay gap has widened this year as average weekly earnings for men outpaced that of women.

Whilst this could flow through to superannuation balances, it won't be captured in the next round of data which will reflect the 2019-20 financial year and a period where the gender pay gap narrowed.

On this basis, we could see the gender disparity in super get better before it gets worse, depending of course on whether that widening in the gender pay gap continues.

What might cushion the blow in future superannuation savings is the new rule changes to allow for the removal of the \$450-a-month threshold before an employee's salary or wages count towards the Superannuation Guarantee (SG).

Currently employees who earn less than \$450 a month from a single employer, tend to be women as well as young, lower-income, part-time workers. This proposed rule change will benefit around 300,000 people, of whom approximately 63% are female.

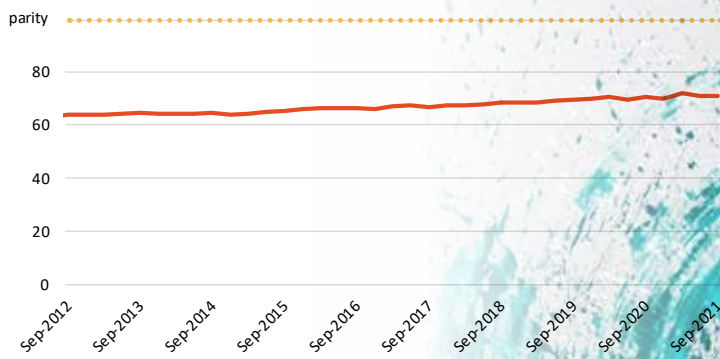
The other factor which may affect the gender gap in superannuation savings is the government's early access scheme, which allowed individuals to withdraw up to \$20,000 because of COVID financial hardship.

More men than women took advantage of the withdrawals with 2.6 million male applicants approved versus 2 million female applicants, according to Australian Tax Office.



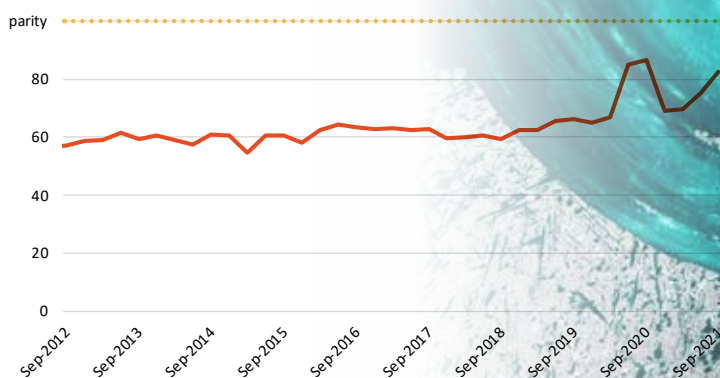
WOMEN IN THE WORKFORCE

CHART 4: Progress to gender equality in employment, measuring hours worked, available by population numbers



Slow and steady progress in closing employment gap.

CHART 5: Progress to equality, measuring female to male underemployment



The gender gap improved in the underemployment rate over 2021 despite a Dec qtr correction.

Chart 4 & 5 Source: ABS and Financy, December 2021.

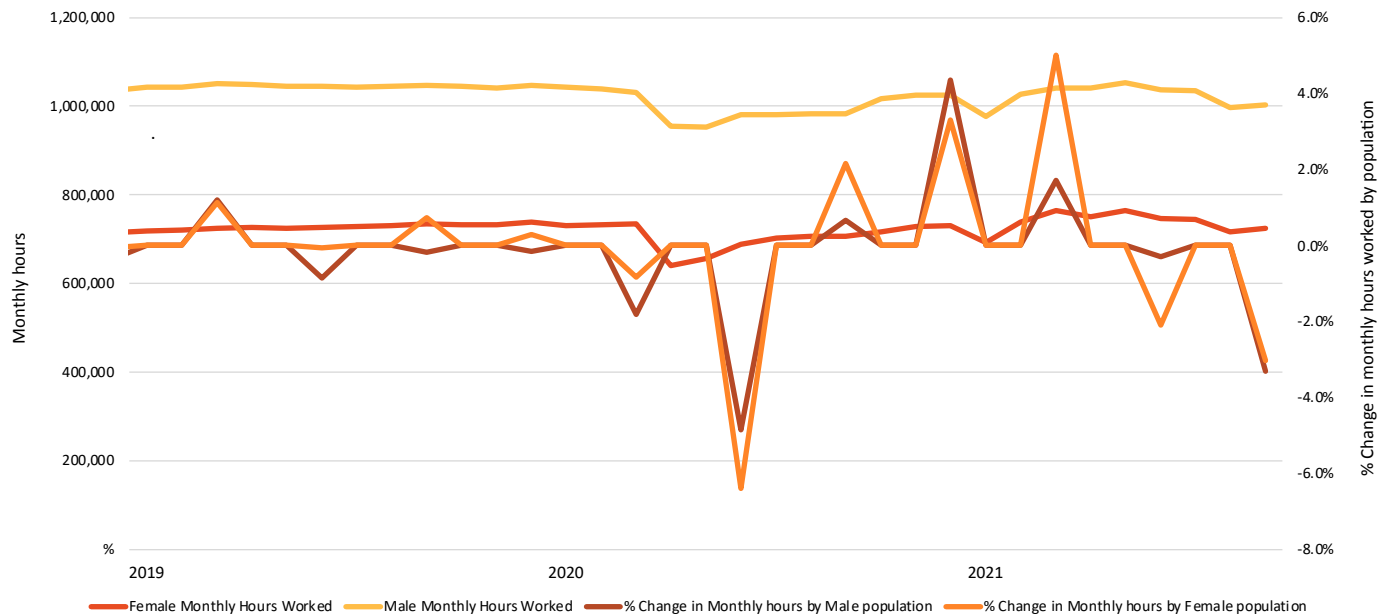
FWX

“2021 was a year of surprise improvements to gender equality in Australia as some critical barriers to progress eased because of the pandemic”

WOMEN IN THE WORKFORCE



CHART 6: Employed persons by gender and full time / part time (Index, 100 = Jan-2000)



Female full-time employment growth outpaced male full-time employment in 2021.

Chart 6 Source: ABS and Financy, December 2021.

TABLE 1: Employment by type, industry and gender

INDUSTRIES	Employed full-time (Males)	Employed full-time (Females)	Employed part-time (Males)	Employed part-time (Females)	Total Y-O-Y change (Females)	Total Y-O-Y change (Males)
Agriculture, Forestry and Fishing	177	60	33	48	-1%	-26%
Mining	216	44	5	7	20%	-2%
Manufacturing	543	165	65	86	12%	-9%
Electricity, Gas, Water and Waste Services	96	31	4	5	3%	-21%
Construction	874	94	114	64	-22%	-8%
Wholesale Trade	205	87	27	37	-1%	-16%
Retail Trade	359	280	224	434	43%	-43%
Accommodation and Food Services	185	148	200	320	37%	-44%
Transport, Postal and Warehousing	410	98	96	54	-19%	-10%
Information Media and Telecommunications	91	56	16	27	24%	-22%
Financial and Insurance Services	255	185	22	66	26%	-10%
Rental, Hiring and Real Estate Services	100	76	24	32	32%	-12%
Professional, Scientific and Technical Services	588	366	86	182	34%	-22%
Administrative and Support Services	152	119	65	108	35%	-38%
Public Administration and Safety	452	327	39	103	21%	-11%
Education and Training	245	458	85	347	52%	-51%
Health Care and Social Assistance	326	727	131	713	-4%	-43%
Arts and Recreation Services	78	48	46	58	11%	-32%
Other Services	253	107	50	130	82%	-19%

Table 1 Source: ABS & Financy, December 2021.

WOMEN IN THE WORKFORCE



Spotlight on industries

CHART 7: Full and Part time work by gender and Industry

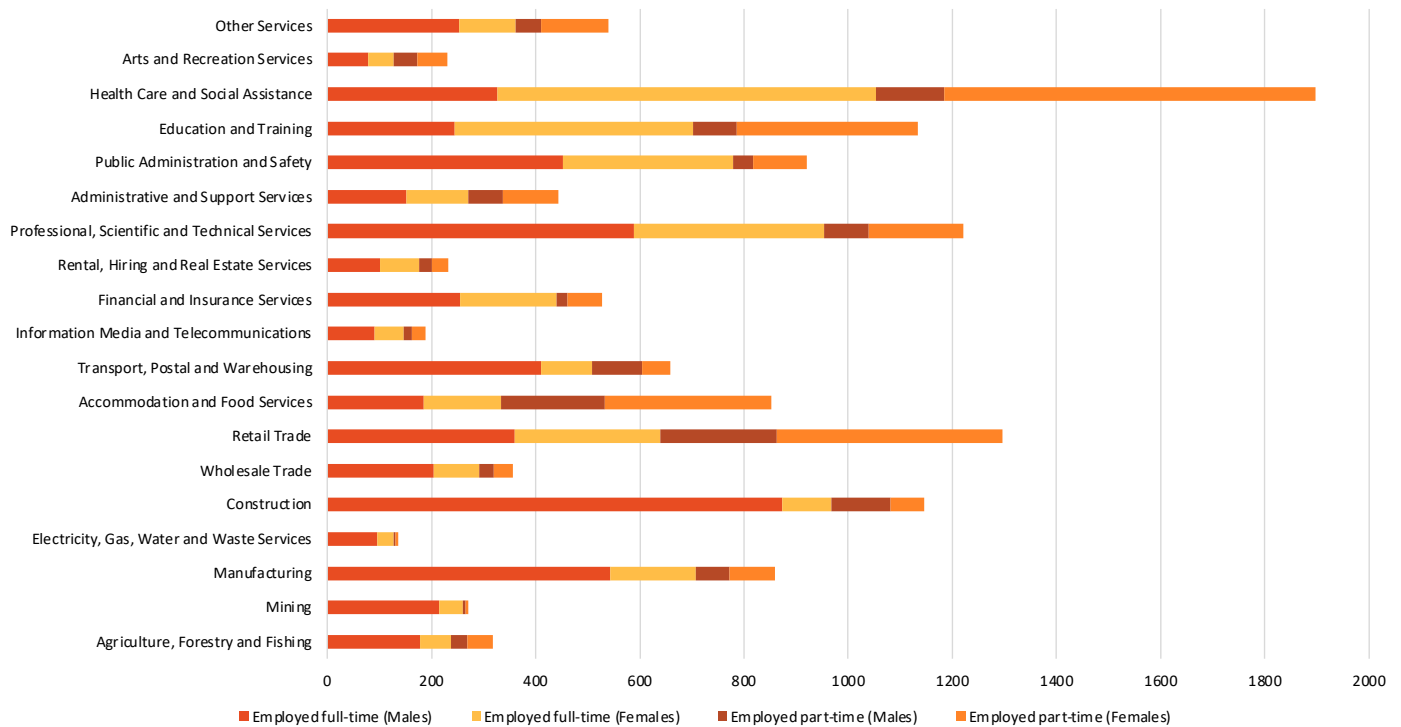


CHART 8: Female share of industries

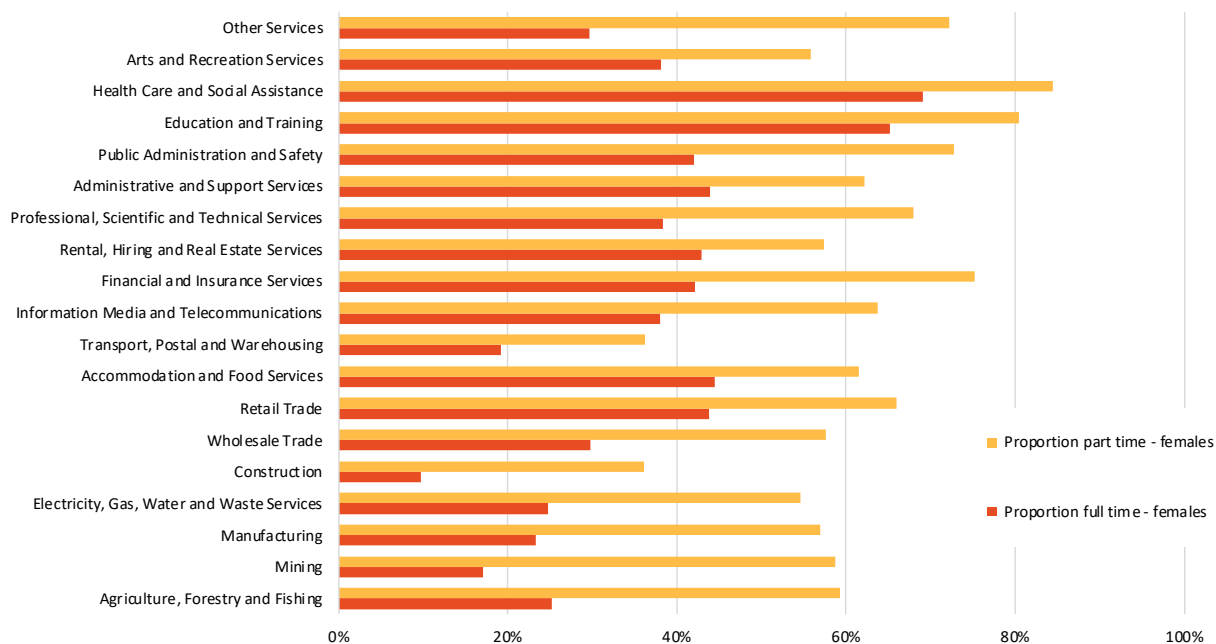
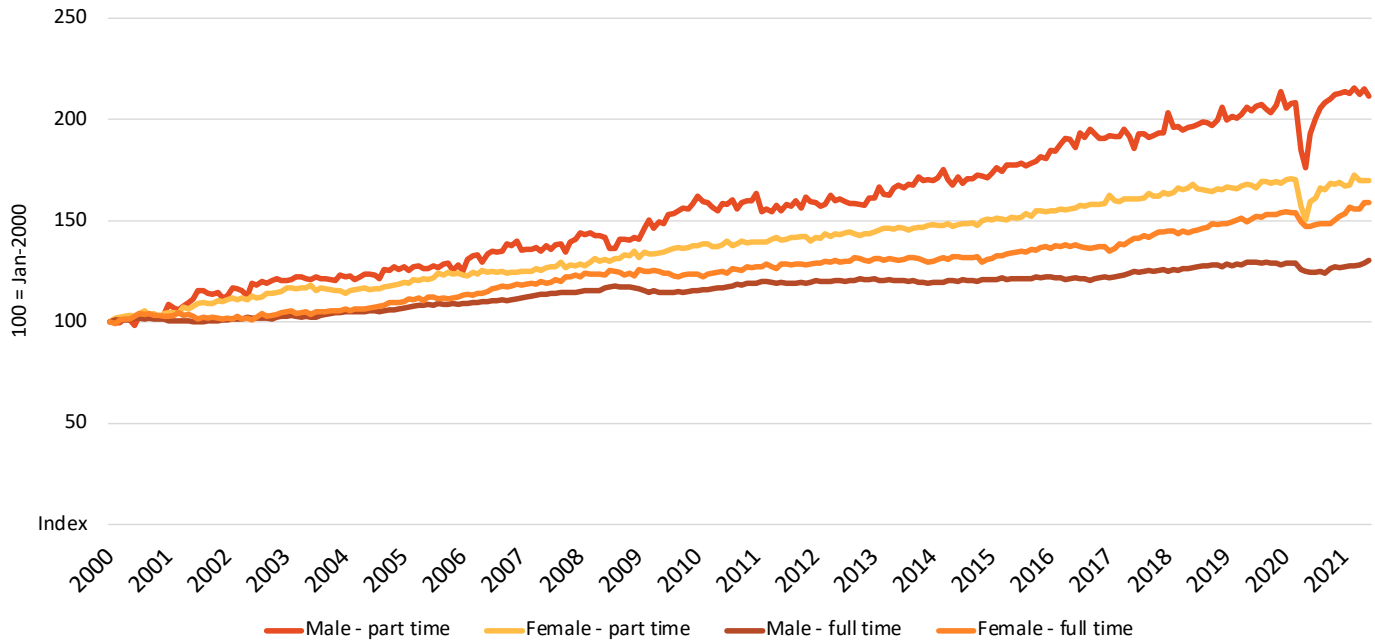


Chart 7 & 8 Source: ABS and Financy, December 2021.

WOMEN IN THE WORKFORCE

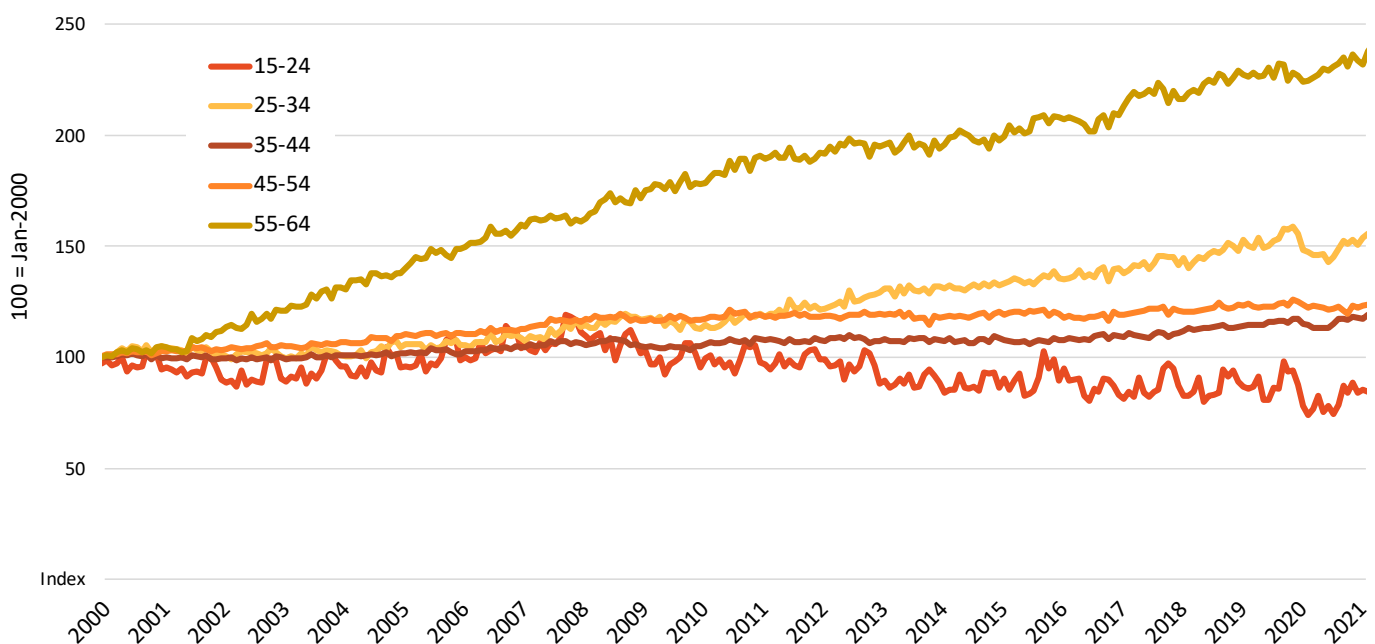


CHART 9: Employed persons by gender and full time / part time



Female full and part-time employment has recovered stronger than male from the pandemic

CHART 10: Employment by age group



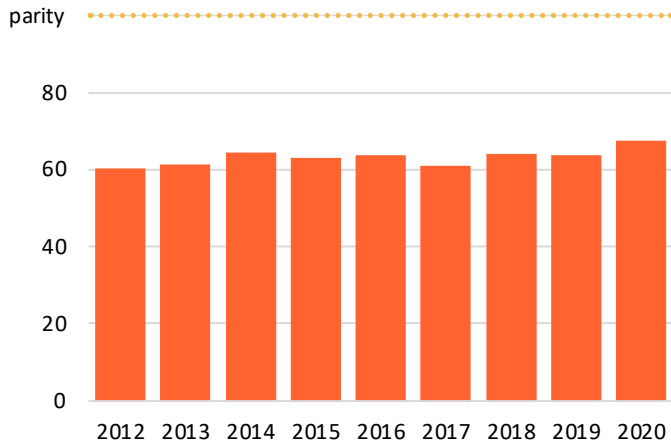
The impact of the pandemic has been worst felt among younger workers as older women make a stronger recovery

Chart 9 & 10 Source: ABS & Financy, December 2021.

WOMEN IN UNPAID WORK

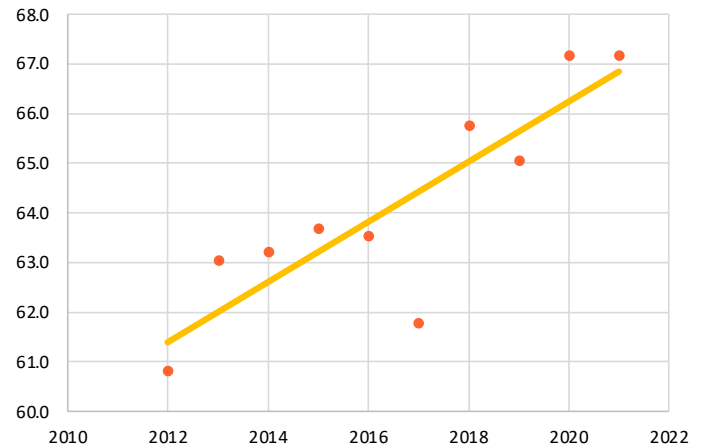


CHART 11: Progress to equality, measuring unpaid work gender difference



The gender gap in unpaid work has improved as men's share of unpaid work increased.

CHART 12: Unpaid work index (annual)



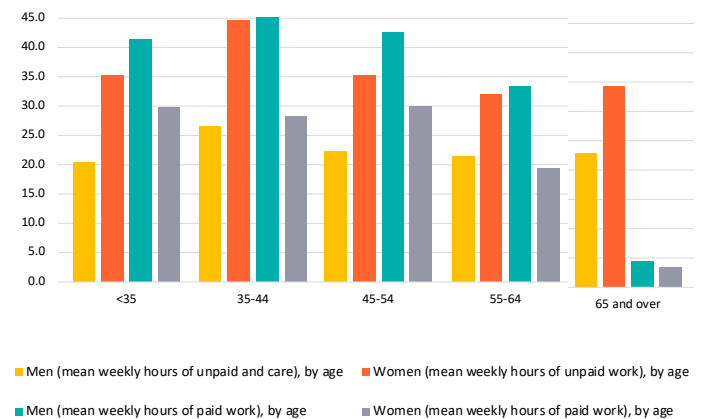
The timeframe to equality in unpaid work has been improving in recent years.

CHART 13: Unpaid work in same-sex versus opposite-sex couples



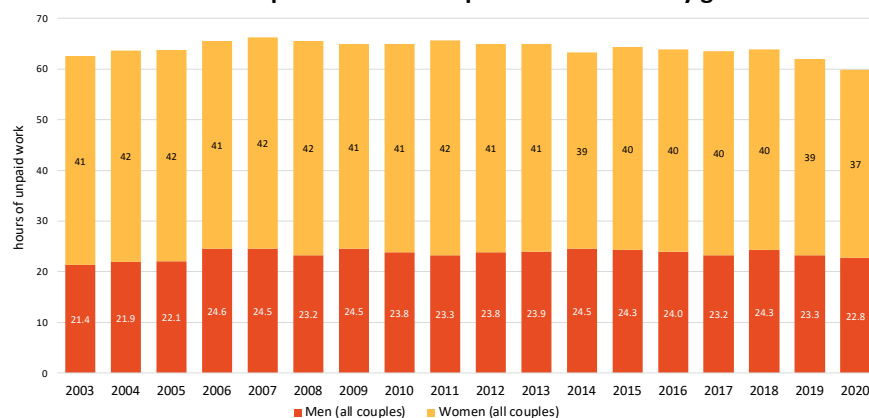
The gap in unpaid hours worked is significantly less in same-sex couples compared to opposite-sex couples

CHART 14: Unpaid v paid work hours by gender and age



Women's unpaid and paid work load is more than men's combined

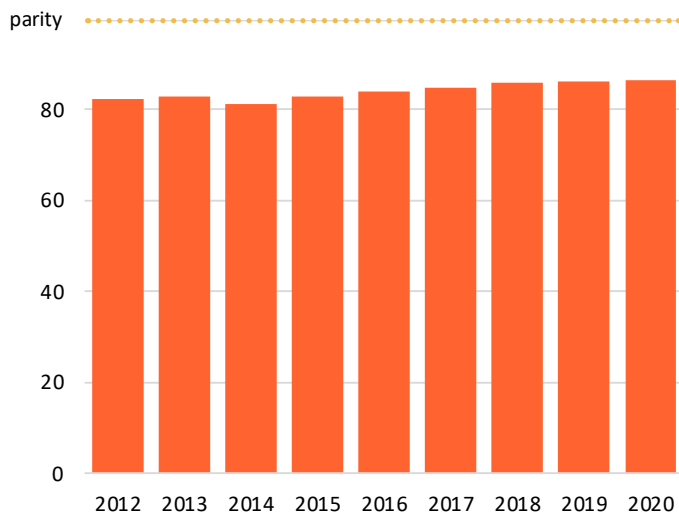
CHART 15: Unpaid work for couples with children by gender



GENDER PAY GAP



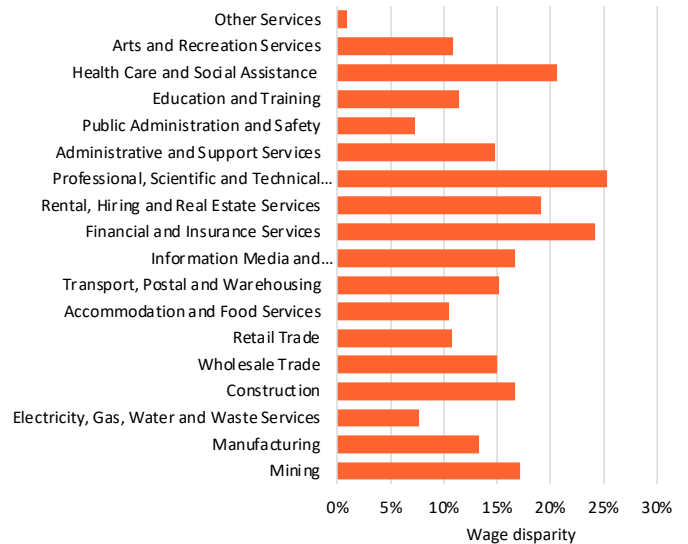
CHART 16: The gender pay gap



The gender pay gap has seen little improvement over much of the past decade.

Chart 15 Source: ABS & Financy, December 2021.

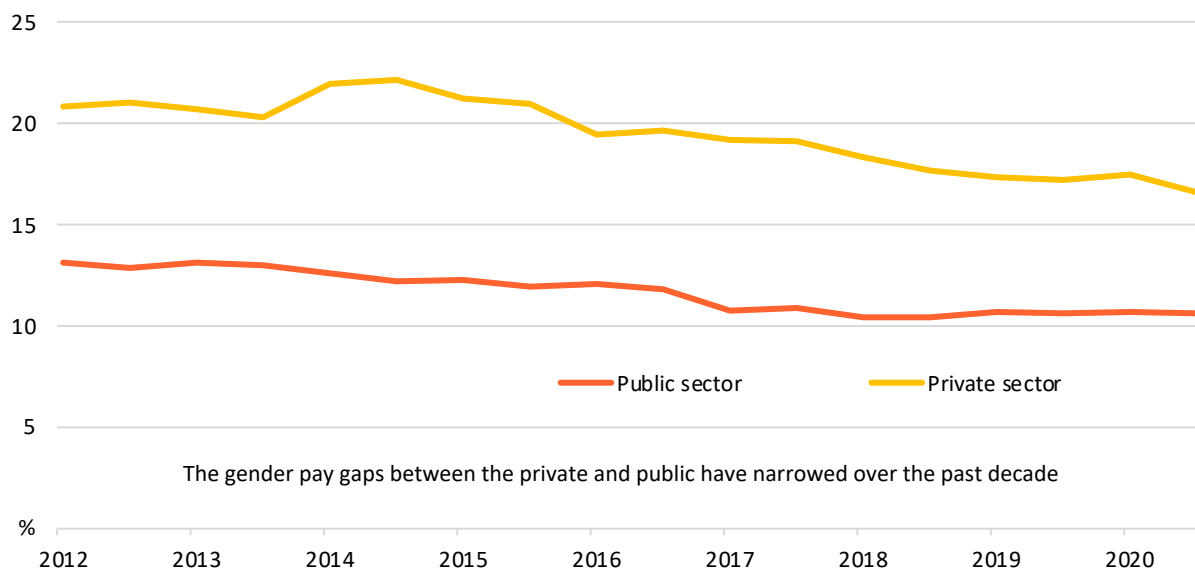
CHART 17: Gender pay gap by industry



Industries with more male managers tend to have higher gender pay gaps

Chart 16 Source: ABS, Financy, September 2021.

CHART 18: Gender gap between private and public sectors



The gender pay gaps between the private and public have narrowed over the past decade

Public sector has a smaller gender pay gap than private sector but this it appears to be narrowing.

Chart 17 Source: ABS & Financy, December 2021.

GENDER PAY GAP



TABLE 2: Gender pay gap and change by sector

Industry	Earnings; Males; Full Time; Adult; Ordinary time earnings	Earnings; Females; Full Time; Adult; Ordinary time earnings	Gender pay gap %	Change in gender pay gap; May 2021 to Nov 2020
Mining	\$ 2,748.70	\$2,276.80	17%	2%
Manufacturing	\$ 1,608.80	\$1,394.40	13%	1%
Electricity, Gas, Water and Waste Services	\$ 1,941.20	\$1,793.20	8%	-2%
Construction	\$ 1,733.70	\$1,445.10	17%	0%
Wholesale Trade	\$ 1,707.10	\$1,451.80	15%	2%
Retail Trade	\$ 1,376.20	\$1,227.90	11%	2%
Accommodation and Food Services	\$ 1,252.60	\$1,121.40	10%	-1%
Transport, Postal and Warehousing	\$ 1,754.00	\$1,487.50	15%	1%
Information Media and Telecommunications	\$ 2,231.90	\$1,860.50	17%	1%
Financial and Insurance Services	\$ 2,319.70	\$1,759.70	24%	1%
Rental, Hiring and Real Estate Services	\$ 1,737.70	\$1,406.10	19%	-1%
Professional, Scientific and Technical Services	\$ 2,255.00	\$1,684.10	25%	1%
Administrative and Support Services	\$ 1,604.50	\$1,367.50	15%	0%
Public Administration and Safety	\$ 1,904.40	\$1,765.30	7%	1%
Education and Training	\$ 2,002.70	\$1,773.50	11%	0%
Health Care and Social Assistance	\$ 1,978.00	\$1,569.50	21%	-1%
Arts and Recreation Services	\$ 1,609.20	\$1,434.80	11%	1%
Other Services	\$ 1,336.40	\$1,324.60	1%	3%
All Industries	\$ 1,837.00	\$1,575.50	14%	1%

Table 2 Source: ABS, Financy, September 2021.

Note: red highlight in final right column indicates the gender pay gap has worsened. Black is improvement.

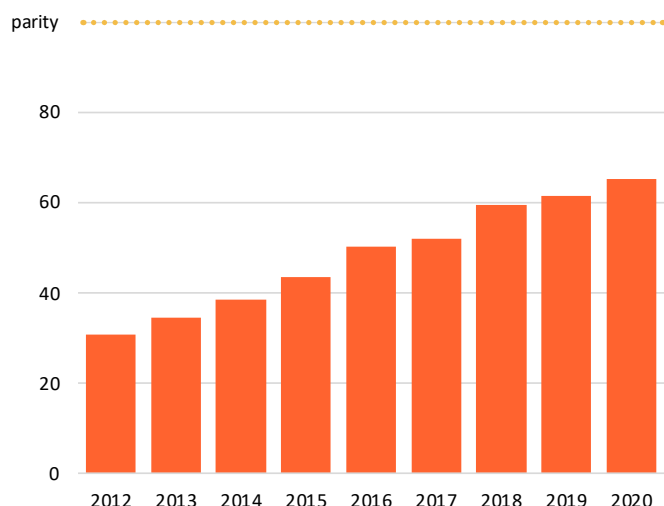
“Women are working more but slipping further behind men on earnings”



WOMEN ON BOARDS

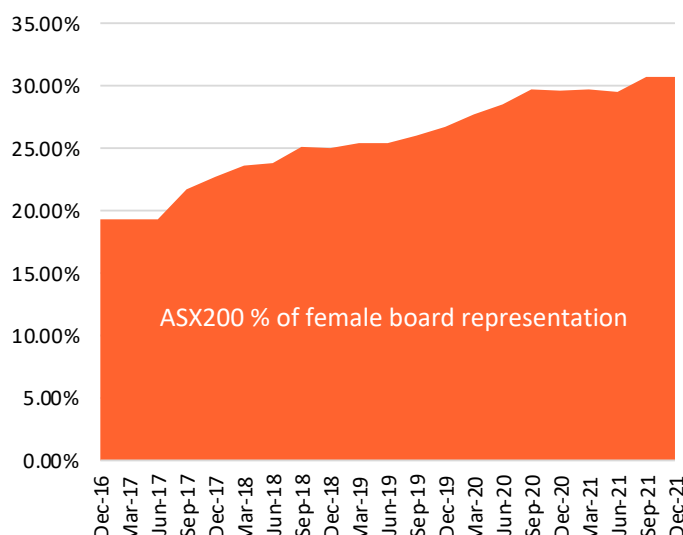


CHART 19: Progress to gender equality on ASX 200 boards



Number of women on ASX 200 boards rose to 34.5% as of January 31, 2022.

CHART 20: ASX 200 female board representation as %



Gender diversity improvement since AICD set target for 30% female board representation

Chart 18 & 19 Source: ACID & Financy, January 2022.

TABLE 3: ASX 200 companies with most female directors

COMPANY NAME
ASX 200 companies with most female directors
Company name
Crown Resorts Limited
Blackmores Limited
Auckland International Airport Limited
Deterra Royalties Limited
Spark New Zealand Limited
Woolworths Group Ltd
Macquarie Group Limited
Mirvac Limited
BlueScope Steel Limited
The A2 Milk Company Limited
Lynas Rare Earths Limited
MetCash Limited
Bapcor Limited
Skycity Entertainment Group Limited
Abacus Property Group
ADBRI Limited
Elders Limited
Clinuvel Pharmaceuticals Limited
G.U.D. Holdings Limited
Fortescue Metals Group Ltd

TABLE 4: ASX 200 companies with least female directors

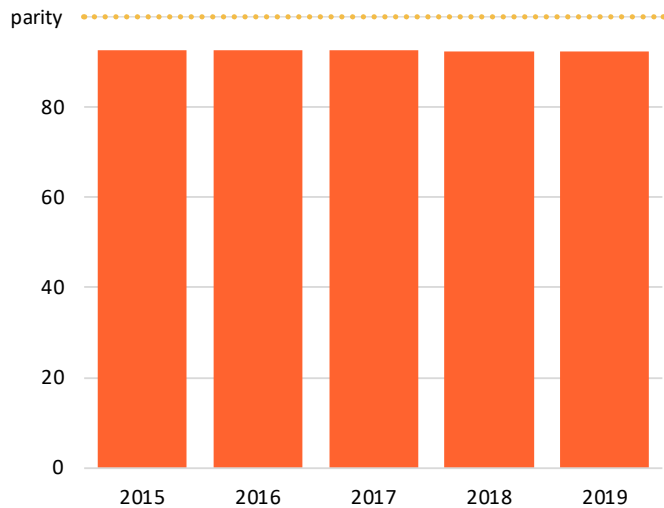
COMPANY NAME
ASX 200 companies with least female directors
Company name
Charter Hall Retail REIT
Megaport Limited
Centuria Industrial
Nuix Ltd
HUB24 Limited
Ramelius Resources Limited
GrainCorp Limited
NRW Holdings Limited
Pro Medicus Limited
National Storage REIT
Kogan.Com Ltd
Austal Limited
Tabcorp Holdings Limited
IDP Education Limited
CIMIC Group Limited
ARB Corporation Limited
Vocus Group Limited
Mesoblast Ltd
Nickel Mines
Silver Lake Resources

Table 3 & 4 Source: ACID & Financy, December 2021.



FIELDS OF EDUCATION

CHART 21: Progress to parity in fields of education



There's been no progress in the link between education earnings outcomes for women relative to men.

Chart 20 Source: Financy December 2020.

“The gender pay gap in graduate salaries worsens for women the longer they work”



TABLE 5: Higher Education fields of study by enrolments and gender

Course Area	Higher Ed 2019	Higher Ed 2019	VET 2019	VET 2019	Female growth
	Male	Female	Male	Female	%
Natural and Physical Sciences	65,675	69,005	4,089	8,286	17%
Information Technology	88,183	28,826	34,348	8,067	63%
Engineering and Related Technologies	99,037	23,078	248,079	25,598	8%
Architecture and Building	23,384	19,097	119,289	11,033	20%
Agriculture Environmental and Related Studies	8,612	10,523	27,689	9,904	5%
Health	69,153	195,415	24,651	77,451	5%
Education	32,556	94,607	41,920	112,139	-4%
Management and Commerce	203,749	195,232	207,698	273,903	-13%
Society and Culture	114,300	217,507	113,696	272,451	4%
Creative Arts	36,988	60,569	21,747	29,223	0%
Food Hospitality and Personal Services	1,451	1,036	50,265	78,071	-19%
Mixed Field Programs	4,538	8,483	8,602	18,069	-20%
	747,626	923,378	902,073	924,195	NA

Table 5 Source: Dept of Education, Census data 2016 and Financy December 2020.

FIELDS OF EDUCATION

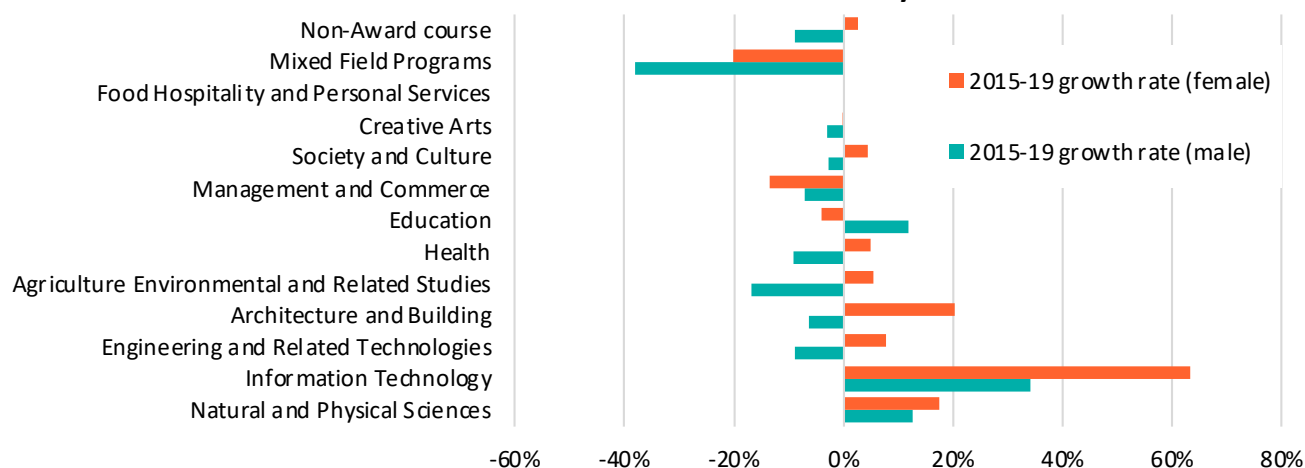
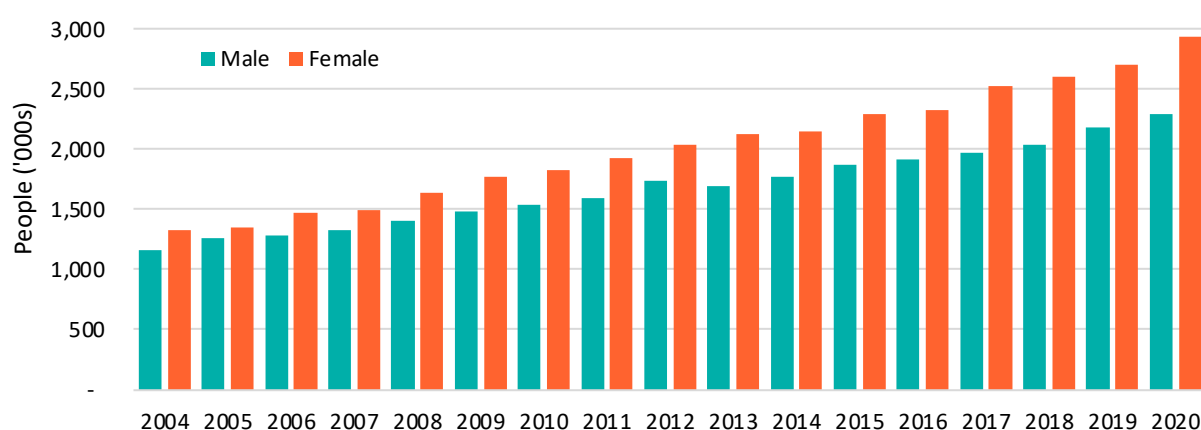

CHART 22: Growth in fields of study

CHART 23: Bachelor attainment


Chart 21 & 22 Source: Dept of Education uCube, Financy, December 2020.

TABLE 6: Breakdown of broad fields of study and mean weekly income by age and gender

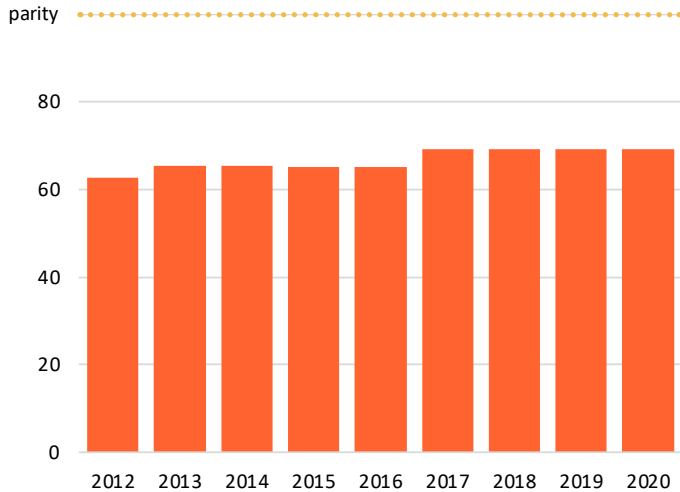
Broad field of education	Mean income: all ages		Mean income: aged 30-39	
	Male	Female	Male	Female
Natural and Physical Sciences	\$ 1,823	\$ 1,762	\$ 1,751	\$ 1,697
Information Technology	\$ 1,783	\$ 1,815	\$ 1,781	\$ 1,806
Engineering and Related Technologies	\$ 1,663	\$ 1,761	\$ 1,732	\$ 1,799
Architecture and Building	\$ 1,463	\$ 1,541	\$ 1,554	\$ 1,558
Agriculture Environmental and Related Studies	\$ 1,328	\$ 1,363	\$ 1,352	\$ 1,390
Health	\$ 1,777	\$ 1,565	\$ 1,810	\$ 1,600
Education	\$ 1,611	\$ 1,524	\$ 1,578	\$ 1,500
Management and Commerce	\$ 1,680	\$ 1,644	\$ 1,686	\$ 1,650
Society and Culture	\$ 1,547	\$ 1,390	\$ 1,571	\$ 1,399
Creative Arts	\$ 1,348	\$ 1,348	\$ 1,429	\$ 1,427
Food Hospitality and Personal Services	\$ 1,121	\$ 1,020	\$ 1,148	\$ 1,069
Mixed Field Programs	\$ 1,132	\$ 1,149	\$ 1,195	\$ 1,214

Table 6 Source: Dept of Education, Census data 2016 and Financy, December 2020.



SUPERANNUATION GAP

CHART 24: Progress to equality in superannuation savings



The gap between men and women in super had been narrowing prior to COVID-19.

Chart 23 Source:
ABS 2017-18 and Financy, December 2020.

“The superannuation gender gap could get worse before it gets better”

CHART 25: Superannuation by balances (NOTE: tint columns are forecasted)

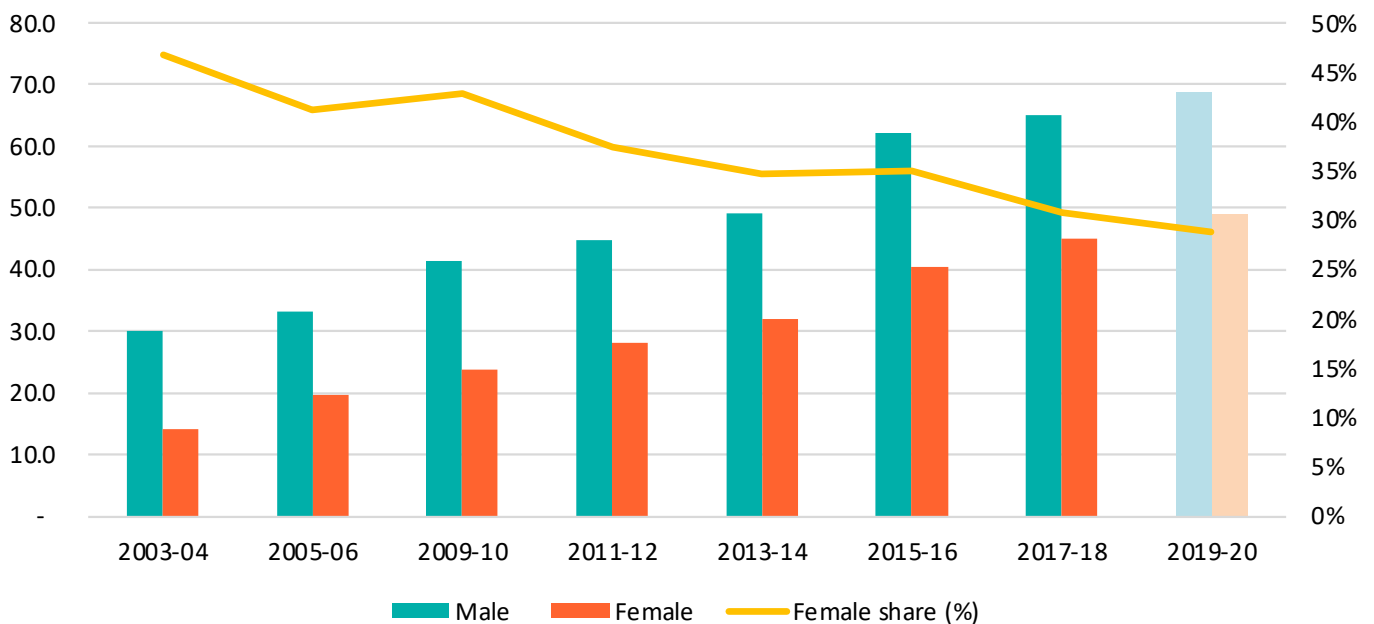


Chart 24 Source: ABS and Financy, July 2019.
Note: ABS data also includes life-time balances of self-managed super funds.

THE WAY FORWARD ...

To help women, business and government take action towards financial progress and equality, we continue to update and publish a to-do list and user guide for the Financy Women's Index.

FINANCY WOMEN'S INDEX USER GUIDE

Seven steps for Business

- 1** Understand the growing importance of gender equality/diversity/inclusion to your customer and employees.
- 2** Review your gender diversity profile in leadership teams and across your business.
- 3** Review your gender pay gap position.
- 4** Consider how your brand image is being impacted by your stance on gender equality.
- 5** Be honest about your position.
If it needs work, say it, and then state how you intend to take action.
- 6** Deliver targeted promotions of the actions and outcomes made internally and through your supply chains to improve gender diversity.
- 7** Be prepared to measure and report on your progress with pride.

*“Financy is committed
to supporting female financial capability
and making a positive social impact”*

FINANCY WOMEN'S INDEX USER GUIDE

Six steps for Women

1

Education: Consider what field of study you have selected and how well it has assisted your career. Look at the Financy Women's Index table and consider if your field of study is linked to higher potential earnings. Are you ahead of the game or behind? Consider what you might need to do to boost your earnings through education.

2

Wages: Conduct analysis of average rates of pay for your industry and job type. Map out the business case for your next pay rise discussion, and if you are knocked back, consider if this organisation is for you, or if there is a likely pathway there for you to increase your earnings.

3

Unpaid work: Consider how much time you spend doing unpaid work each week? Is it more or less than the average contained for your age group in this report?

4

Employment: Ask yourself, are you with an employer that supports financial gender equality? What are their attitudes like when it comes to gender equality? Are you able to work and function to your capacity?

5

Leadership: What are your prospects for leadership? Is it something you want? Consider how you might get there within your desired career, such as mentor programs or educational pathways.

6

Wealth – superannuation: Ask yourself, could you be increasing more to your superannuation savings? What does your retirement horizon look like and are your savings likely to be enough?

‘Are you taking action towards progress?’



THE ECONOMIC EQUALITY PACT 2030

Signatories are invited.

1

Closing the Education gender gap

- Employers work to encourage equal participation of men and women in education and mentor programs that support career development.
- Employers work to provide internship or mentoring programs to girls in years 11 and 12 and at university to support diverse career choices.

2

Closing the Employment gender gap

- Employers work to provide flexible or remote work arrangements for all staff.
- Employers have documented policy to support zero tolerance for gender discrimination or violence against women in the workplace.
- Employers work to have a diverse supply base that includes introducing or adding women-owned businesses as an additional supplier evaluation criteria.

3

Closing the Superannuation gender gap

- Employers work to provide Super Guarantee payments on parental leave regardless of gender.
- Employers provide information or incentives to help female employees contribute more to their balances to help close the gender gap.

4

Closing the Leadership gender gap

- Employers work to ensure equal representation of at least 40% women in leadership positions the workplace.
- Employers have a proactive internal policy in place to improve gender diversity in leadership.

5

Closing the Unpaid Work gender gap

- Employers offer non-gendered and equal paid parental leave to both parents.

6

Closing the Gender pay gap

- Employers have a proactive and documented policy to support reducing gender pay gaps where they exist within an organisation.

Proud Signatories to the Economic Equality Pact 2030



METHODOLOGY

The Financy Women's Index (FWX) is supported by Deloitte Access Economics, which provided the economic modelling approach and analysis to assist with the creation of the Index.

The Index focuses on seven key areas that reflect financial gender inequalities across a woman's working life cycle. These include unpaid work, fields of education, employment, underemployment, the gender pay gap, women on boards and the superannuation gender gap.

The FWX result is revised to reflect any changes in official statistics and developmental amendments aimed at improving the depth of research into the economic progress of women.

The way the FWX captures gendered differences in education (Fields of Education) changed in this December 2020 report. So too did the way we calculate the timeframe to economic equality or otherwise known as the Years to Target.

Headline Results

Chart 1, 2 & 3 - The Timeframe to Economic equality chart (Years to Target) uses a line of best fit to calculate the timeframe to equality and extrapolates this line to predict how long it will take for each sub-index to reach the target value of 100. Previously, years to target was calculated using the average annual growth rate, based on the latest available data point. This meant that there was a high degree of variability in estimates, due to fluctuations in the data quarter-on-quarter. In contrast, by relying on all previous data points (as opposed to the most recent data point), the new method for calculating years to target is expected to produce more accurate and smoother estimates over time and reduces the likelihood the estimates are capturing noise in the data.

The headline quarterly and annual Financy Women's Index (The Index) is the average of seven key indicators that have been converted to respective indexed series so as to track measurements of performance over a five-year period.

Each of the key indicators of the Index are not weighted. Seasonally adjusted data is used where it is available. Data enhancements as well as underlying data revisions have also led to revisions of the Index. One notable change includes the carry forward of unavailable data each quarter, such as superannuation which is released every two years. We have done this to ensure that all data is considered in the calculation of each Index.

Women in The Workforce

Table 1, Chart 4, 5, 6, 7, 8, 9 & 10 – ABS Detailed Labour Force (quarterly) and ABS Labour Force (monthly) figures released in December 2021 are cited here and are based on seasonally adjusted data. Where industry data is cited, original data has been used. The ABS Labour Force Survey is a weighted sample survey and asks information from 26,000 households (or 52,000) people every month.

Women In Unpaid Work

Chart 11, 12, 13, 14 & 15 – Unpaid work figures have been provided by 2020 Household, Income and Labour Dynamics in Australia (HILDA) Survey, published in December 2021. Chapter 5 – Unpaid Work, contains some of the data featured in this Report where it relates to gender and hours worked. Unpublished HILDA Survey data in relation to age groups and couples has also been analysed for this Report. The HILDA Survey comes out once a year and reflects a survey taken between August to November.

Gender Pay Gap

Table 2, Chart 16, 17 & 18 - Average weekly earnings charts are based on table 1 of the Australian Bureau of Statistics series 6302.0 citing table 1 and using trend data. Tables 10c and 10f of the same series have been used to extrapolate data for earnings by industry. The report comes out twice a year in February and August.

Table 2 - The detailed jobs by industry table is an aggregation of data used in the ABS detailed quarterly labour force report series, 6291.0.55.001, 6291.0.55.003, 6202.0 ABS Labour Force data monthly and the aforementioned average weekly earnings data. Original data is used in respect to the industry breakdown and trend data is used for average wages as well as the wage disparity.

Women On Boards

Table 3 & 4, Chart 19 & 20 - The percentage of women on ASX 200 boards is based on monthly and quarterly board diversity data that is published by the Australian Institute of Company Directors (AICD) using both November 2021 and January 2022 data in this report.

Tertiary Education

Table 5 & 6, Chart 21, 22 & 23 - This edition of the Financy Women's Index includes a revised methodology for the fields of education sub-index. Analysis of this sub-index shows that there has been virtually no change in the sub-index value since 2012. The line of best fit for the fields of education sub-index therefore has a very flat (marginally negative) slope. With a negative slope, it is not possible to extrapolate the linear trend to determine at what point it will reach the target value, as it is trending downwards.

Tertiary studying trends are the product of analysis conducted by Deloitte Access Economics and Financy using the Department of Education uCube service and Census data. Enrolment growth and percentages are calculated citing various percentage changes. The annual data is updated once a year. Tertiary Education Attendee figures are derived from ABS Labour Force data category 6202.0 Table 15. Graduate salaries data provided by the Australian Government Department of Education funded organization, Quality Indicators for Learning and Teaching (QILT), and contained in the 2021 (Longitudinal).

Superannuation Gap

Chart 24 & 25 - Superannuation with reference to the average lifetime super balance by gender looks at the median for age groups that span 15 to 70 years plus. The data source is the ABS 6523.0 - Household Income and Wealth, Australia, 2017-18, data cube 12 superannuation by persons. The data available comes out once every two years.

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ABOUT THE FINANCY WOMEN'S INDEX

The Financy Women's Index is supported by an Advisory Committee, who are helping to grow the Women's Index as a reliable data source on the economic progress of Australian women, while also ensuring the overall integrity of each report is maintained and strengthened over time.

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ABOUT US

Financy Women's Index®

The Women's Index™ is authored by Bianca Hartge-Hazelman, who is also founder and CEO of Financy, a platform which helps women and organisations be part of the solution to gender financial equality.

Bianca is a journalist specialising in women's money matters. She holds a Communications Degree, Master's Degree in Journalism and Graduate Diploma in Applied Finance.

The Financy Women's Index was first launched in March 2017 on International Women's Day and is published quarter to help expose data insights and awareness around financial inequalities.

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