

Financy

SEPTEMBER QUARTER 2022

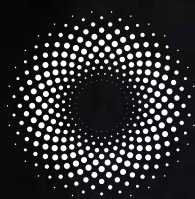
FULL REPORT

Can you wait?
140 YEARS TO
EQUALITY

Women's Index™



Fearlessly Supporting the Economic Progress of Women



Financy Women's Index®

Can you wait? 140 YEARS TO EQUALITY

JULY – SEPTEMBER 2022

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

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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.

About the Financy Women's Index

The Financy Women's Index™ (FWX) is a quarterly measurement of the economic progress of women and time frames to gender equality in Australia.

The FWX provides a snapshot on gender equality across 7 critical areas and includes both drivers and indicators of progress. The drivers are Education and Unpaid Work. The indicators are Unpaid Work (dual), Employment, Underemployment, Pay, Board Leadership and Superannuation.

The purpose of the Women's Index™ is to help drive fearless discussion and action among women, men and key decision makers in the public and private sectors.

The Index is an independent initiative of Financy Pty Ltd, which is a platform that advocates for gender equality and provides organisations with smart tech solutions to lead on diversity, equity and inclusion.

The Index is written by Financy founder Bianca Hartge-Hazelman and is supported by insights from Deloitte Access Economics, and the FWX Advisory Committee members; Dr Shane Oliver, Simone Cheung, Roger Wilkins, Joanne Masters, Bruce Hockman and Nicki Hutley.

Financy would like to thank WISR, Clime Investment Management, Deloitte Australia, the Ecstra Foundation and Tech for Good Group for their sponsorship support.

FWX Advisory Committee



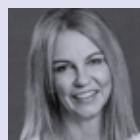
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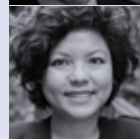
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Partner at Deloitte Access Economics

How companies can support the Women's Index

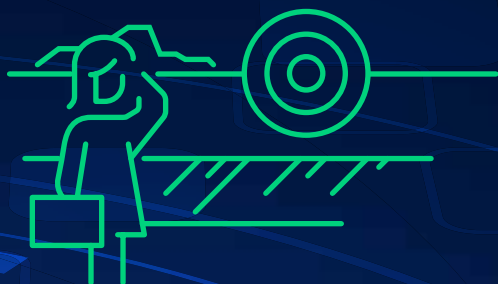
Australian companies could be doing more to support progress towards economic gender equality across many critical areas. Financy is an independent company with no vested interests or political alliances needed to keep operating. We reflect a group of employees, advocates, business, and economic advisors who are committed to keeping gender equality in the media and in the minds of organisational leaders and governments each quarter. Importantly, the Financy Women's Index is a free resource, and we intend to keep it that way to ensure that anyone can benefit from reading the latest snapshot on gender equality time frames in this country! Funding from our sponsors keeps us going and it ensures that statistics on gender equality are not buried, or pink washed by the powers that be. Contact Financy to become a sponsor and show your support for gender equality.

Fearlessly supported by



Highlights

September Quarter Report – Released November 15th, 2022



73.3

points

The FWX rose 0.4 points in the Sept qtr, signally an advance on gender equality progress helped by a narrowing of the gender gaps in Underemployment, Education and Board Leadership.

139

years to gender equality in Education

There is progress in this area but despite that it is the worst performing area on time frames to equality.



59

year wait remains for equality in Unpaid Work

No longer worst performing area. Data unchanged on last update which saw men increase hours spent in unpaid work.



26

year wait for gender equality in Employment

Little change in this area this qtr and women still face a multi decade wait for gender equality at work



23

year wait for the gender equality pay gap to close

The gender pay gap data is unchanged after worsening in June qtr.



6.1

year wait for equality in Board Leadership

There is constant progress in this area and women account for 35% of ASX 200 board directors.



17

year wait for equality in Underemployment

More Australian women are working to their desired potential.



LEGEND

BETTER

STATIC

WORSE

NEW

FWX

Update on economic gender equality

Key findings and changes

Women's financial progress appears back on track in terms of the positive momentum recorded prior to the Covid disruptions but the time frames to achieving economic gender equality remain daunting.

The Financy Women's Index (FWX) increased to 73.3 points out of 100 in the September quarter, up 0.4 points from June's 72.9 point reading. The gain was helped by improvements in the gender gaps in Underemployment (up 1.9 points), Board Leadership (up 0.8 points) and Education (up 0.5 points).

The FWX measures women's financial progress with a higher score indicating advancement. The Index also measures time frames to economic gender equality and covers 7 critical areas which include Education (also described as Education and Expected Earnings), Employment, Underemployment, the Gender Pay Gap, Unpaid Work, Board Leadership (ASX 200) and Superannuation.

The pace of improvement in overall women's financial progress is on par with that achieved in the June quarter (both 0.4 points).

The FWX is tracking stronger in 2022, up 0.2 points but in annual terms the FWX remains 1.6 points lower than the 75-points achieved in September 2021 and September 2020, which mark the highest point for the Index since 2012.

We do however caution that due to the impacts of the Coronavirus pandemic between 2020 and 2021 on employment, particularly the level of underemployment, these previous peaks could be statistical noise.

Helping the progress of women has been intervention at a company level in terms of Board leadership targets and increased opportunity for women to participate in the paid workforce, particularly during the current skills shortage.

Despite this, more work is needed to support long-standing but slow moving drivers to economic gender equality progress in Unpaid Work and Education.

We are however hopeful that the Federal Government's policy commitment to structural reform will help lift women's workforce participation and improve critical FWX indicators of economic gender equality. Financy also welcomes the government's \$4.7 billion investment to make childcare more affordable and the increased duration of paid parental leave to 26 weeks regardless of gender by 2026 – both of which will go some way to easing some of the key barriers to progress.

In addition to this, Financy would like to see the following actions take place to improve financial outcomes for women and help to achieve gender equality in Australia.

1. A time frame target needs to be set as part of the Federal Government's pledge to develop a National Strategy to Achieve Gender Equality. This time frame target would parallel the climate change approach by reducing a distant target to meaningful interim goals. FWX Target area: Gender Equality Time frames.

2. Superannuation payments to be included as part of Commonwealth Paid Parental Leave changes. FWX Target area: Superannuation.

3. Investment in schools and university-led programs that educate students on the financial implications of gender stereotypes, to ensure that women in particular, are able to make fully informed choices. FWX Target area: Employment, Education and Gender Pay Gap.

4. Ongoing investment in media campaigns that seek to educate society on the benefits of diversity in the home and breaking down the gender stereotypes around unpaid work. FWX Target area: Unpaid Work.

5. Mandatory gender-balanced targets of 40% minimum for female board directors across all listed companies by 2030 or within 2 years of list date. FWX Target area: Board Leadership and Gender Pay Gap.

6. Government incentives for organisations that have a target of 5% procurement spend with genuine and authenticated female owned and led businesses. FWX Target area: Employment.

Most notable change to the Index

The FWX report for the September quarter includes noteworthy progress for women in the area of Education and Expected Earnings.

The FWX Education sub-index rose to 93.02 points out of 100 in the quarter, up 0.45 points from June's 92.57 point reading, helped by more women switching to fields of study with higher expected earnings outcomes relative to men.

This measurement, which we regard as a driver of gender equality progress, has been slow to change because of the lag between educational choice and actual career earnings outcomes.

The Education sub-index is updated annually, and this quarter reflects the release of the most recent (2020 and 2021) higher education enrolment data and the latest Census (2021) statistics which show expected earnings linked to broad field of study.

From this we can see that in 2021, there was a small improvement with women aged 30-39 years earning (93.02% of what males earn) \$1,726.37 compared to \$1,855.83 for men of the same age group.

Update on economic gender equality

By further contrast in 2020, females with higher education credentials aged 30-39 years earned an average of \$1,486.29 per week compared to their male peers who earned at \$1,605.57.

Whilst the gender gap in actual dollar terms has increased between 2020 and 2021, in percentage terms it has decreased (improved), therefore signalling progress in narrowing the gap and allowing the FWX sub-index to increase as a result.

The very slow pace of change in the FWX Education sub-index appears to be due to two key things:

- **Self-selection: the choices women are making in respect to broad field of study and specific degrees have largely been unchanged for decades and are less linked to higher pay outcomes than they are for men.**
- **Remuneration structures. Highly popular female dominated industries, particularly largely public sector and care-focused Health and Education, pay less on average than most male dominated industries. There is also concern that the more female dominated a sector becomes, the more likely it is that female pay outcomes will drop relative to male.**

Of the 12 fields of Education, 4 have higher Education and Expected Earnings outcomes for females and they are Information Technology (\$10.05 more than men per week) Engineering and Related Technologies (\$81.13 more than men per week), Agriculture Environmental and Related Studies (\$24.09 more than men per week) and Mixed Field Programs (\$8.58 more than men per week).

All but Mixed Field Programs is male dominated.

By contrast, female dominated fields of study like Health and Education saw men earning significantly higher amounts than women with the difference being \$213.91 and \$144.94 per week respectively.

If we deep dive into explaining this, we can see that the two areas with the highest expected weekly earnings are male dominated and they include Surgery and Anesthesiology, whereas the lowest expected weekly earnings tend to be dominated by females and involve either nursing or assistant positions.

In terms of enrolments, whilst there continues to be overwhelmingly more women obtaining bachelor's degrees than men, the fields of study which have attracted the most significant growth in female students over the past 7 years have been largely male dominated.

Information Technology studies experienced 68% growth in female student enrolments since 2015 compared to 33% for men, followed by Agriculture Environmental and Related Studies (up 27% for women v -7% for men) and Architecture and Building (up 27% for women versus -7% for men).

That said, Health remains the most popular field of study for women and has achieved steady female enrolment growth of 11% compared to a drop of 8% in male student enrolments over the past five years.

Whilst there is good reason to be optimistic about having more female students studying in male-dominated course areas, their total numbers remain low and traditional stereotypes are persisting.

What else changed?

The FWX Underemployment sub-index increased by the most of all indicators and divers in the September quarter and rose to 69.7 points out of 100, up by 1.9 points from 67.8 in the June period.

The result was driven by a significant improvement in the gender gap for the underemployment rate with the female rate decreasing by 5 percentage points (ppt) to 7.07% compared to a 2 ppt drop for men at 4.93%.

The gender gap in underemployment is now the smallest it has been in a year and is at a record low for women. It is likely to reflect a tightening labour market and more women being able to work to their desired capacity in terms of hours and opportunities available.

This narrowing of the underemployment rate gender gap is the kind of progress that we want to see in the Women's Index because it has been driven by female progress, rather than a backwards step by either gender.

There is little doubt that rise of flexible work arrangements coupled with a national skills shortage, and potentially higher living costs, have influenced the desire for greater work participation among the genders.

The rise of women's work opportunities, dual income households and single parent families have also helped the female participation rate increased to a near record high of 62.3% as of September, down from 62.4% in August – compared to just 36.6% in August 1966. The male participation rate is at 71%, versus to 84.2% in August 1966.

Despite this improvement, the workforce participation of Australian women is significantly lower than countries like Denmark, Norway, Sweden, Finland, and Iceland, Canada, and the United Kingdom, according to data published by Deloitte Access Economics.

The Board Leadership sub-index also increased during the September quarter and rose to 70.2 points out of 100, up by 0.8 points from 69.4 points in the June reading.

Update on economic gender equality

The result has been driven by slow but sustained progress in the number of women appointed to ASX 200 board positions since the start of the pandemic in 2020.

Women account for 35.1% of ASX 200 board directors, which is an increase of 0.4 percentage points on the 34.7% in June this year and much higher than the 30.7% in March 2020, according to the latest quarterly gender diversity report of the Australian Institute of Company Directors (AICD).

If this rate of progress is repeated over the next two years, it is possible that the ASX 200 will reach 40% female representation by 2025 – a milestone for gender equality in top leadership positions.

Unfortunately, there are still roadblocks ahead. Whilst there are 131 ASX 200 companies which have achieved 30% female representation, 69 have not. Indeed, there now are two all-male boards on the ASX 200 and 6 in the ASX 300.

Chief Executive Women's (CEW) research, the 2022 Senior Executive Census data, shows women continue to be significantly underrepresented in executive leadership teams across the ASX300. The data highlights two very interesting findings:

1. In 2022 fewer women held CFO positions, and with CFO being the only functional role that provides a recognised pathway to CEO, this suggests there could be fewer women in the pipeline for CEOs.

2. A key means of larger companies achieving higher levels of women represented in their leadership teams has been setting gender targets for senior leadership teams. Of companies with 40%+ gender targets, 35% have achieved gender balance (+1% from 2021).

Such research adds weight to calls for mandated gender equality targets for listed companies to ensure that a 40% vision for gender equality in leadership is not only realised this decade but is sustainable.

The FWX Employment sub-index was the only area that stalled during the quarter and was relatively unchanged at 72.4 points out of 100, compared to 72.5 in the June period.

The number of monthly hours worked by both women and men remained steady during the September period.

Of the female labour market, women are working 61% of the total hours available to them. Whilst unchanged on June, the score is at least an improvement on the 60% in March and compares to 84% for men up from 82% over the same period.

There was no update to the underlying data affecting the Gender Pay Gap, which worsened in the June quarter, or to Unpaid Work data, which will be updated in December 2021 after improving 12 months prior. The Superannuation sub-index also was not updated after improvement was noted at the start of 2022. Superannuation is updated every two years based on the release of ABS Household and Income data.

Time frames to equality in Australia

The update to the Education and Expected Earnings data means that for the first time we are able to calculate a time frame to equality for this area, which stands at an alarming 139 year – the worst performing area of the FWX.

In calculating years to gender equality we use a line of best fit method based on the current rate of progress. Prior to this September quarter report we have been unable to apply this method to the Education sub-index because progress had stalled.

Unpaid Work, which is both a driver like Education, but also an indicator of gender equality progress, has a time frame of 59 years to gender equality, compared to 76 years in 2020, and is no longer the worst performer as noted in the June quarter FWX.

An increase in the number of hours spent by men on average in Unpaid Work relative to women during the start of the pandemic, is the reason for the improvement to 59 years.

Other indicators of actual gender equality progress, Employment, Underemployment, Gender Pay Gap, Board Leadership and Superannuation, have much shorter time-frames to equality ranging between 6 and 30 years.

The median of all sub-index time-frames is the Gender Pay Gap, which we estimate could take 23 years to achieve gender equality based on the current pace of annual progress.

This outcome is slightly worse than it was at the start of 2022 when the time frame was 22 years due to a worsening of the gap (to 14.1%, which is greater than the OECD (Organisation for Economic Co-operation and Development) average of 13%) in the midst of the pandemic as men's average weekly wages improved quicker than women's wages.

It's important to note that in measuring the Gender Pay Gap (23 years) we look at the differences in pay between genders for the same job, whereas when we look at Education and Expected Earnings (139 years), we look at the gender gap across total enrolments, different fields of study and the average expected earnings.

Update on economic gender equality

This huge difference in years to gender equality largely comes down to it taking longer for women to switch Education pathways linked to higher expected earnings such as Surgery and Anesthesiology, than it is for the pay gap between female and male Nurses to close.

The FWX area with the smallest time frame to gender equality is Board Leadership which improved to 6.1 years in the September quarter from 6.2 in June. The result has been driven by slow but steady gains in the number of females holding ASX 200 board director positions.

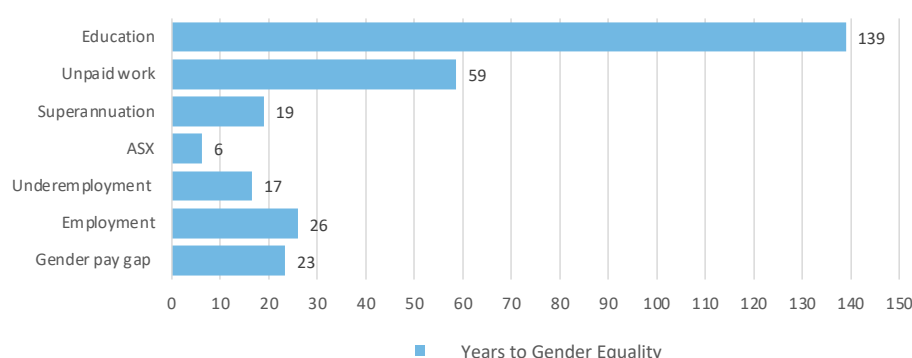
The FWX area which experienced an increase in the estimated time frame to equality was the Underemployment sub-index. This area is expected to take 17 years for equality to eventuate, up from 16.5 years in the June quarter.

Superannuation has a 19-year estimated time frame to gender equality, which is an improvement on the 33 years reported at the start of this year. The Superannuation sub-index improved after new ABS data released in April reflecting the 2020 financial year showed that the gender gap in retirement savings narrowed at the start of the pandemic.

The estimated time frame to close the years to equality in Employment stands at 26 years and has not really changed this year but compared to 27 years at the end of 2021.

Consistent growth in the number of monthly hours worked for women relative to men has been helped the Employment sub-index improve year-on-year since 2012.

CHART 1: Years to Gender Equality



Education is the worst performing area on time frames to gender equality at 139 years.

Gender Pay Gap reflects the FWX Median.

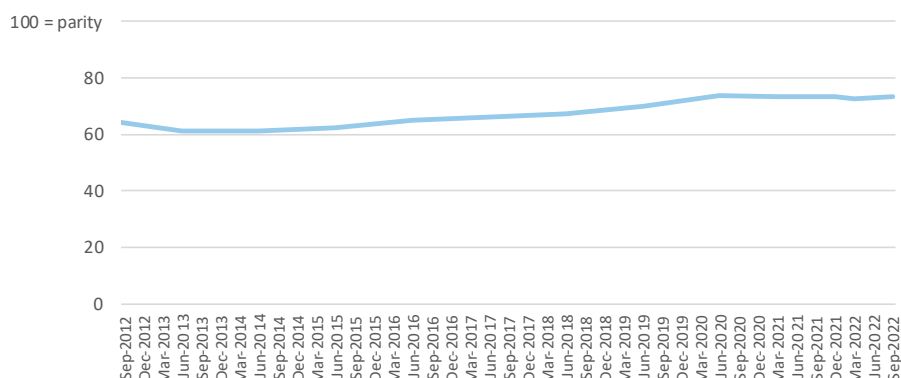
Source: Financy, September 2022.

Notes: Economic modelling on estimated time frames to equality for the Financy Women's Index is produced with Deloitte Access Economics, drawing on a range of publicly available data sources. The Years to Target methodology use 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. Manual adjustments are made to ensure that the data point reflects the actual data not the release date. For example, Unpaid Work's timeframe to equality is based on the date cited for the analysis being the end of 2020, and not the published date which was the end of 2021. 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. Data enhancements may also lead to revisions of the Women's Index. The Index uses seasonally adjusted data where available.

“The median of all sub-index time frames is the Gender Pay Gap, which we estimate could take 23 years to achieve gender equality based on the current pace of annual progress.”

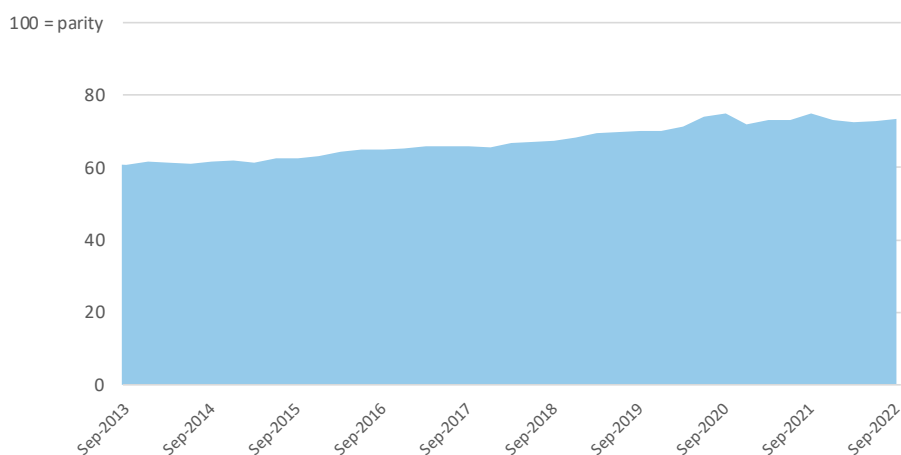
Update on economic equality

CHART 2: The Financy Women's Index by Quarter



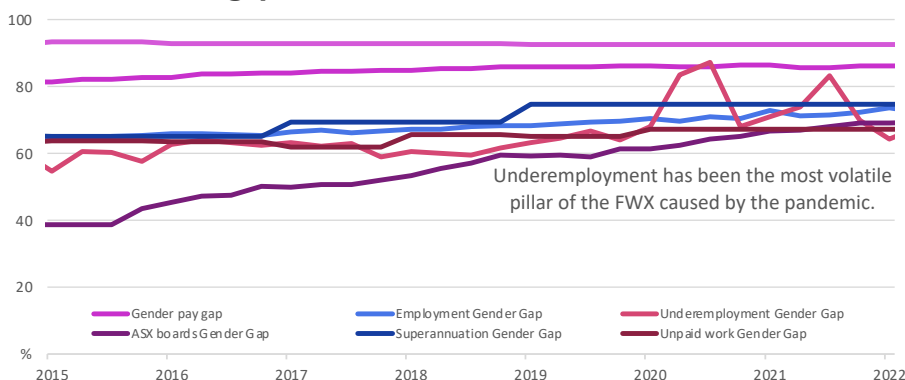
The FWX has matched the 0.4 point gain achieved in the June quarter to take the headline score to 73.3 points, reflecting improvement in women's financial progress.

CHART 3: The Financy Women's Index by Year



The FWX is 1.6 points lower than where it was in September 2021.

Chart 4: Gender gaps across the 7 FWX areas



There has been very little progress in the gender gap in Education since the FWX started in 2012.

Chart 2,3 & 4 Source: Financy, September 2022.

“Women’s financial progress tracking higher in 2022 but still lower year-on-year.”

Thought leadership on gender equality progress

About damn time.

Economic gender equality is in everyone's best interests, and if we want to achieve it in Australia, then we've got to help girls and boys, be more than what they can see.

My comment is of course an adaptation of the truly powerful statement made by American activist for the rights of children, Marian Wright Edelman.

But it's highly relevant with the Albanese Government committing to a gender equality strategy, just as this quarter's Financy Women's Index shows a 139 year wait for gender equality in Education and Expected Earnings, which is now our worst performing area.

This finding sadly puts a damper on Australia's first place ranking in the 2021 World Economic Forum's (WEF) Global Gender Gap Rankings for Educational Attainment.

The two data sets, being the WEF and FWX, whilst not comparable both show a stereotypical trend in subject selection, particularly with Health and Teaching.

Hence giving rise to the idea that girls are growing up to become what, and largely only what, they can see.

So how do we change this?

We either blame women for their own self-selection, and tell them to work harder for the next 139 years to shift Educational choices.

Or we start to change the way we talk to both girls and boys about education and the wide range of opportunities available to them, especially in a skills-thirsty economy.

We then need to make children aware of the world of possibilities, even as far as noting that Engineering and Information Technology studies are among the highest paying, but the best paying for women.

And whilst we're having this conversation, we need to ensure that the sectors which will one day accept these future students are not at risk of eventually paying women less if they themselves become female dominated.

According to a US study published in the academic journal Social Forces in 2009, the more a sector become feminized, the more that sector underperforms on pay relative to others.

This is a finding which really concerns me.

Of course, the need for diversity and inclusion is increasingly evident at the business level, but let's not forget it's also important when it comes to education.

Without change on both fronts, gender inequality remains intergenerational, which means that I might be singing that famous Lizzo song – "It's about damn time" for a lot longer yet.

Bianca Hartge-Hazelman
CEO Financy and author
of the Women's Index



Thought leadership on gender equality progress

This quarter's FWX demonstrates a positive movement for women in leadership roles, something to celebrate, though we need to progress faster overall, says Dr. Lili Sussman, Chief Strategy Officer of Wisr.

“Financy’s most recent Women’s Index (FWX) is positive for women in senior leadership roles, with the number of female ASX200 board directors at an all-time high at 35%. The timeframe to achieve equality in this space is closing, with a 6.1-year wait. That timeframe is even shorter for board-level leadership equality, and the gap in underemployment is shrinking. This is an exciting sign that more Australian women feel supported to invest in their own professional lives.

Despite many reasons to celebrate, the overall stats are still shocking as women face an astounding 26-year wait for equality in employment!

While boards might be slowly catching up, executive positions are not. Women executives often dominate people-based roles such as HR and customer service, rather than other core executive roles with P&L responsibility. A survey in HR Director’s recent APAC report found that 73% of HR professionals are female. However, according to the employment analytics site Visier, male HR Managers earn 40% more than their female counterparts.

Further exacerbating this gap, women disproportionately carry the majority of emotional labour, both at work and at home. According to McKinsey & Company’s annual Women in the Workplace report, 31% of women managers provided emotional support to their direct reports, compared to just 19% of male managers.

Despite working the same hours in the same role, while bearing the brunt of emotional labour, women are still not compensated at the same rate as men.

It’s time to flip this!

Organisations need to work with leaders across all industries to recognise the contribution of more female and non-binary employees. We will not see the gender equality gap closed until we change ourselves and challenge existing norms, processes and institutions. Working from home, adding flexibility and better leave options is just the start – but we must focus more on evolving our leadership and communication skills to deliberately develop and support women, recognising their unique challenges and contributions, and set quotas where appropriate.

Putting this into practice, at Wisr, we have no gender pay gap. We have three women on our executive team and our Board of Directors is comprised of 40% of women. Our leadership growth initiatives take into account the personal responsibilities of our female employees. We’ve made it a priority to focus on learning and emotional development at work, and have built it into our products, including our new psychology and behavioural science-based app, Wisr Today which aims to solve money stress through healthy everyday habits and psychology. We hope to see other businesses following suit, creating the infrastructure, policies and products to provide female and non-binary employees with a platform to excel. That’s what everyone needs and deserves!

Dr Lili Sussman
Chief Strategy Officer
Wisr



1. <https://www.hcamag.com/au/specialisation/diversity-inclusion/is-the-australian-hr-profession-a-pink-ghetto/146616>

2. <https://www.visier.com/blog/gender-divide-part-1/#:~:text=Although%2076%25%20of%20HR%20Managers,or%20%2427%2C404%20less%20a%20year.>

3. https://wiw-report.s3.amazonaws.com/Women_in_the_Workplace_2021.pdf

Thought leadership on gender equality progress

The Australian workforce is highly segregated by gender.

Four out of five workers in aged care, for example, are women, and nearly nine in ten construction workers are men. And the latest FWX shows that this labour market divide, which begins in our tertiary study choices, is the most significant contributor to Australia's struggle to reach gender parity any time soon.

Apart from equity reasons, why does gender segregation matter?

Wages in feminised industries are lower on average. Recent analysis showed that 20% of the gender pay gap can be attributed to industrial segregation, and another 4% to occupational segregation.

Multiple studies (see here for example) link the gender imbalance of industries and occupations to a less productive economy, because workers are not best matched to jobs that align with their individual talent, skills or capability.

And we also desperately need more workers in the care economy to manage an ageing population, with the skills shortage in aged care is projected to reached 400,000 by 2050.

Not that this issue is unique to Australia. In fact, a new range of research shows that more progressive countries actually have less balanced workforces in terms of gender than less progressive countries.

For example, a smaller percentage of women are STEM graduates in the Nordic countries of Sweden, Finland and Norway than less gender equal countries such as Albania and Algeria. And only 19% of engineering majors are held by women in the United States, compared to 40% in Jordan.

This surprising result has been dubbed the “gender-equality paradox”. Researchers argue that it is easier for fundamental gender stereotypes about professions to materialise in countries with fewer economic constraints.

In other words, with fewer concerns about finances, women in developed countries have more freedom to choose what they study based on personal factors. And then internalised gender norms about jobs creep in – evident in that people in more gender equal countries more strongly associate with the stereotype that ‘maths is not for girls’.

These findings tell us that we can't assume that as countries and generations become more progressive over time, women and men will more evenly sort into jobs.

It is a circular issue that women select into the industries that society expects of them, and then are paid less because society places lower value on feminised industries. As researchers from Cornell University found, when women enter fields in large numbers, average pay declines – even when you control for factors like education, work experience, skills, race and geography.

The key to progress is therefore the revaluing of feminised industries (particularly the care economy). Not only will this reduce the remuneration gap directly – including in Australia – but it will provide the proper incentives for men to select into traditionally feminised industries and reduce the self-selection disparity itself.

Evie Fox Koob
Deloitte Access
Economics



Thought leadership on gender equality progress

We have many women in our company, and they are all different.

They range in age, cultural background, experience, and industry experience. To affect meaningful change in anything, you must be open to other peoples' views and experiences.

I think it's a lot easier to attract talented women when there are role models. As the expression goes "you can't be what you can't see". It's much easier to "see yourself" in our company when you walk in for an interview.

Whilst I haven't tested the hypothesis, my intuition tells me the reason we are attracting women and people with diverse cultural backgrounds is because our leaders are relatable, our interview process involves many people across the business giving prospective employees an early sense of what it would be like to work here, and it has appeal.

It's the same with attracting female business owners as clients. We have strong entrepreneurial female leaders. If you're a female business owner looking for a community who will help you grow and learn in a safe and supportive environment, we're the company to partner with.

Like attracts like.

If one person can do this, others can, and this is how we create possibilities for ourselves and others. Creating an environment where all are welcome despite colour, creed or gender is not only the right thing to do, but also a smart business decision.

McKinsey's 2019 DEI study showed that top quartile companies with a greater representation of diversity outperformed by 36 percent in profitability compared to those in the bottom quartile.

The results are similar for gender diversity and performance accelerates when there's more than 30% women in executive positions.

Despite the numbers stacking up, here we are in 2022 having the same discussions about getting women, and diversity of representation into executive positions. Which leads me to believe there's still a wide gap between knowing and understanding or acceptance.

It's one thing to knowing the importance of good nutrition, it can be much harder to take the necessary action to make 'eat better' a way of life. We have a society who seem to be on a perpetual 'diet'.

Looking at this positively – it's another competitive advantage for leaders who are prepared to sit outside of the status quo and build a company whose foundation is built on the principles of DEI.

I'm very proud of the gender diversity in our company. Our Board is 40% female, our leadership team is 60% female and 41% of our employees are female. No matter the gender or cultural background, we're all proud of this.

Annick Donat
Chief Executive Officer
Clime Investment
Management



Charting progress

Chart 5: Growth in bachelor attainment by gender

The gender gap continues to expand in favour of women obtaining bachelor degrees but this alone won't create gender equality if the choices being made are the same, or undervalued.

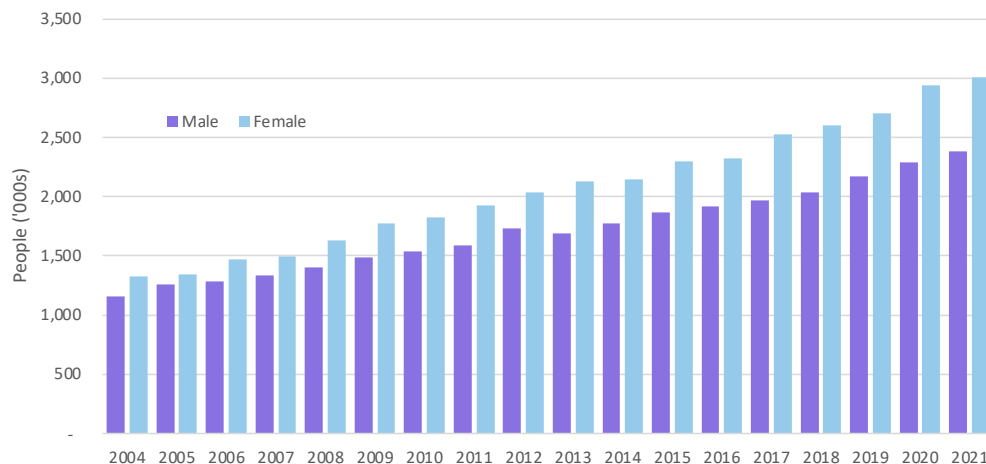


Chart 6: Growth in tertiary fields of study, by gender

Student enrolment growth over the past 7 years shows accelerated interest among women in male-dominated fields of study. We need this trend to continue more broadly so that there is greater gender balance in areas with higher expected earnings.

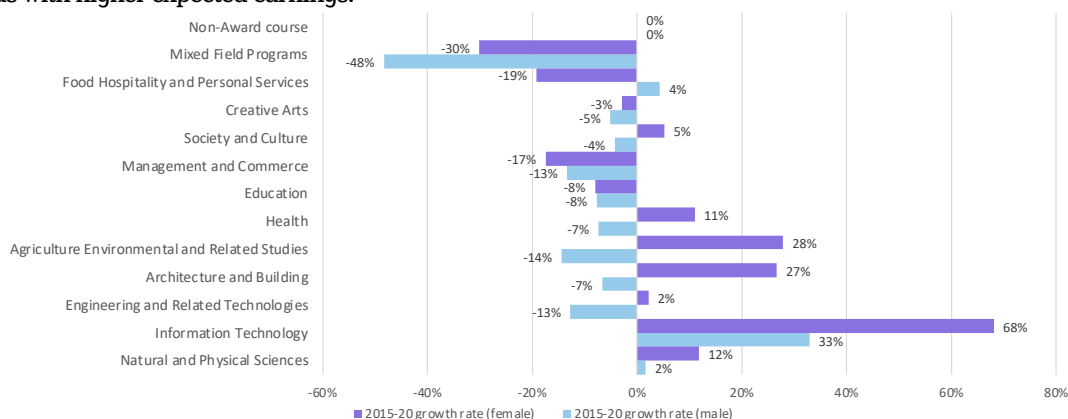


Chart 7: Employment perspective on monthly hours worked by gender

The impact of the pandemic can be seen in the recovery in monthly hours worked by women compared to men. Men have recovered at a much faster pace. Both genders are working at a greater capacity than they were before the pandemic began.

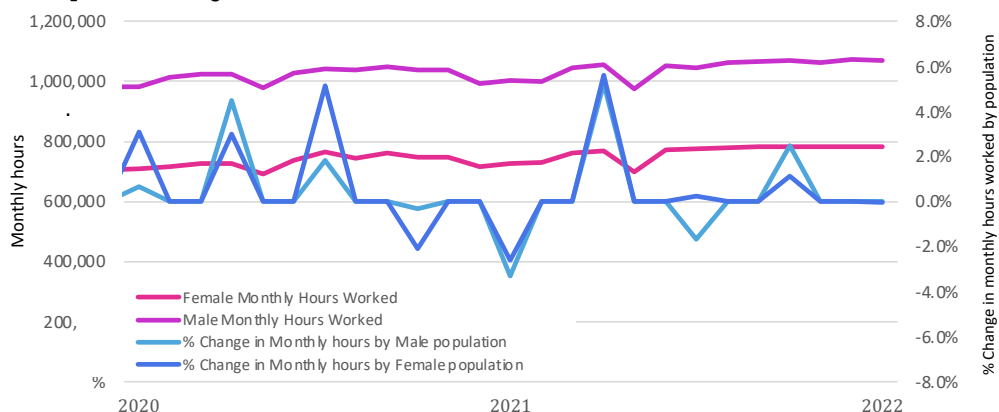


Chart 5 & 6 Source: Department of Education, Financy September 2022. Chart 7 Source: ABS & Financy, September 2022.

Charting progress

TABLE 1: Breakdown of fields of study and mean income by age and gender

There are four areas where women aged 30-39 are expected to earn slightly more than men on a weekly basis, the highest paying of which is Information Technology – the best paying for either gender.

Health ranks fifth highest in expected earnings for field of education for women but it ranks second for men.

FIELD OF EDUCATION	Mean income - aged 30-39	
	MALE	FEMALE
Natural and Physical Sciences	\$ 2,000.25	\$ 1,929.05
Information Technology	\$ 2,081.20	\$ 2,091.25
Engineering and Related Technologies	\$ 2,005.63	\$ 2,086.76
Architecture and Building	\$ 1,817.22	\$ 1,805.14
Agriculture Environmental and Related Studies	\$ 1,562.93	\$ 1,587.02
Health	\$ 2,040.20	\$ 1,826.28
Education	\$ 1,820.51	\$ 1,675.56
Management and Commerce	\$ 1,951.17	\$ 1,901.42
Society and Culture	\$ 1,834.89	\$ 1,695.67
Creative Arts	\$ 1,669.39	\$ 1,665.73
Food Hospitality and Personal Services	\$ 1,308.55	\$ 1,282.51
Mixed Field Programs	\$ 1,314.71	\$ 1,323.29

Table 1 Source: Census 2021, Financy, September 2022.

CHART 8: Employment growth full and part-time employed persons by gender

The number of women working part-time has returned to its pre-pandemic levels following short bouts of depressed participation, whereas for men it has remained largely the same over this period. In full-time work, female employment continues to record the strongest growth rate of both genders, and male employment is now above where it was at the start of the pandemic.

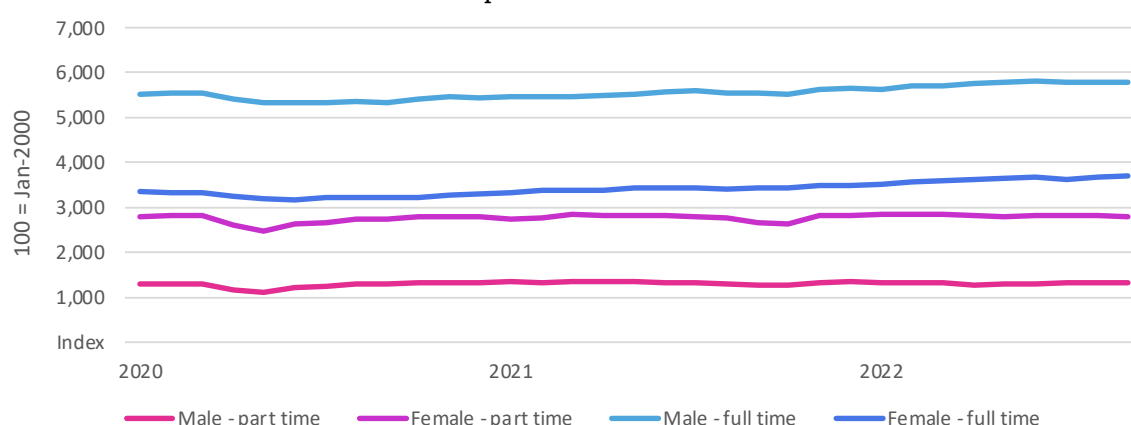


Chart 8 Source: ABS & Financy, September 2022.

Charting progress

TABLE 2: Employment by industry, type and gender

Other Services (56%), Education and Training (51%) and Retail Trade and Accommodation (46%) recorded the most female employment growth over the September quarter, whilst only Wholesale Trade (4%) and Construction (0.1%) recorded positive albeit small, employment growth for male employees.

INDUSTRIES	Employed full-time (Males)	Employed full-time (Females)	Employed part-time (Males)	Employed part-time (Females)	Proportion full time (Females)	Quarterly Growth in Female total employ	Quarterly Growth in Male total employ
Agriculture, Forestry and Fishing	159.9	41.5	42.5	39.2	21%	-10%	-19%
Mining	211.3	45.0	3.0	7.0	18%	0%	-6%
Manufacturing	540.9	168.4	46.2	79.1	24%	15%	-15%
Electricity, Gas, Water and Waste Services	115.2	25.6	8.2	8.6	18%	-22%	-10%
Construction	959.5	109.3	111.9	58.6	10%	-18%	0%
Wholesale Trade	240.8	86.4	20.1	33.4	26%	21%	4%
Retail Trade	374.6	271.7	227.9	436.2	42%	42%	-41%
Accommodation and Food Services	197.2	161.6	201.8	343.2	45%	37%	-45%
Transport, Postal and Warehousing	437.6	110.0	93.0	50.5	20%	-17%	-10%
Information Media and Telecommunications	100.3	60.9	16.8	19.7	38%	10%	-22%
Financial and Insurance Services	243.1	205.4	19.9	67.8	46%	22%	-27%
Rental, Hiring and Real Estate Services	93.9	87.4	17.3	34.9	48%	26%	-31%
Professional, Scientific and Technical Services	651.5	379.0	80.9	172.2	37%	16%	-18%
Administrative and Support Services	137.3	122.0	72.0	109.3	47%	34%	-33%
Public Administration and Safety	395.6	324.5	29.6	91.0	45%	16%	-27%
Education and Training	222.9	473.6	81.8	358.6	68%	51%	-53%
Health Care and Social Assistance	346.9	801.1	150.8	734.3	70%	-2%	-48%
Arts and Recreation Services	73.5	47.4	46.6	59.1	39%	29%	-37%
Other Services	246.5	116.9	46.8	114.1	32%	56%	-30%

Table 2 Source: ABS & Financy, September 2022.

CHART 9: Female employment story by age group

Women aged between 15-24 years have experienced a pickup in employment growth over the past year after being heavily impacted by the pandemic. This age group would have been more likely to have occupied less secure forms of employment, such as in Retail and Hospitality, particularly if studying at the same time. By contrast older women, above 55 years, have seen solid employment growth over the same period, with experience and availability to work likely to play in their favour. Conditions have been reasonably consistent for other ages albeit those 25-34 years have experienced a slightly bumpy ride.

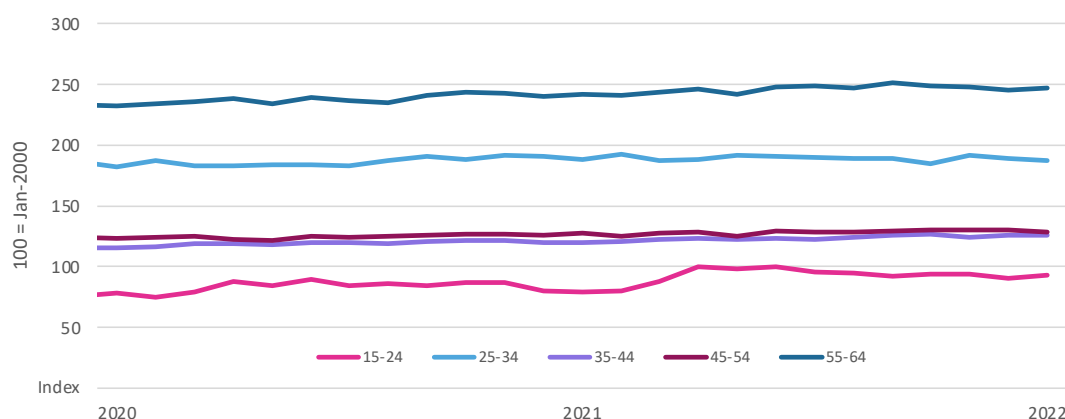


Chart 9 Source: AICD & Financy, September 2022

Charting progress

CHART 10: ASX 200 female board representation as %

Whilst the pace of improvement in the gender diversity of ASX 200 boards has slowed in recent years, progress remains solid and we are on track to seeing 40% female board representation, based on current momentum, in the coming years.

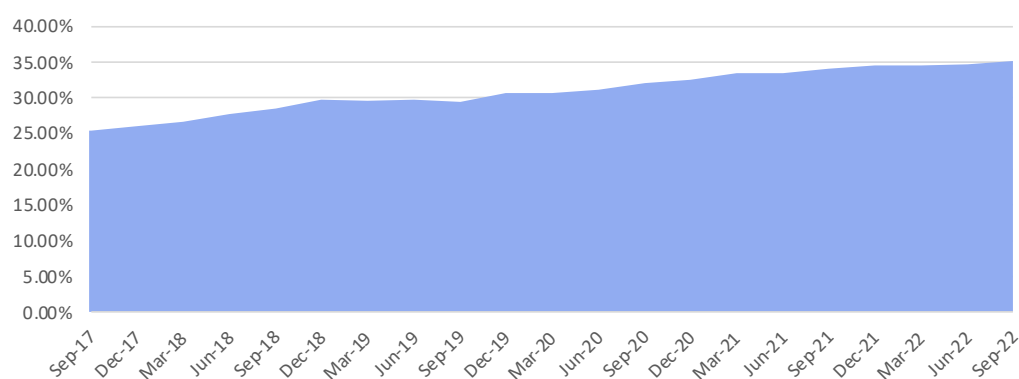


Chart 10 Source: AICD & Financy, September 2022

TABLE 3: ASX 200 companies by percentage of female directors on boards

There are 25 ASX 200 companies with 50% or more women as board directors in the September quarter. In the June quarter there were 27.

COMPANY NAME	% female directors
Blackmores Limited	66.7%
Macquarie Group	62.5%
Deterra Royalties Limited	60.0%
GPT Group	57.1%
Fortescue Metals Group Ltd	55.6%
Woolworths Group Ltd	55.6%
Bendigo and Adelaide Bank Limited	55.6%
AMP Limited	50.0%
Steadfast Group Limited	50.0%
Sims Metal Management Limited	50.0%
Inghams Group Limited	50.0%
BlueScope Steel Limited	50.0%
IGO Limited	50.0%
Bank of Queensland Limited	50.0%
Auckland International Airport Limited	50.0%
BWP Trust	50.0%
The A2 Milk Company Limited	50.0%
Pendal Group Limited	50.0%
Elders Limited	50.0%
CSR Limited	50.0%
Lynas Rare Earths Limited	50.0%
Bapcor Limited	50.0%
Lifestyle Communities Ltd	50.0%
Iluka Resources Limited	50.0%
The Lottery Corporation Limited	50.0%
Lottery Corporation	50.0%

“ASX 200 Boards could achieve 40% female board representation by 2025”

Table 3 Source: AICD & Financy, September 2022.

Charting progress

CHART 11: Gender pay gap by industry and average weekly wages

Professional, Scientific and Technical Services has the highest gender pay gap followed closely by Financial and Insurance Services and Health Care and Social Assistance.

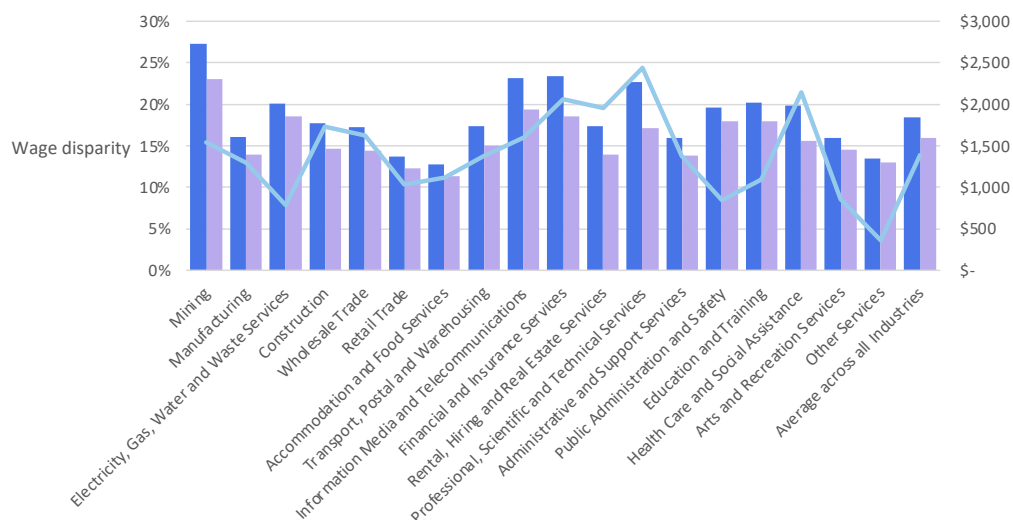


Chart 12: Female unpaid work story by age group

Women continue to do the lion's share of unpaid work however in late 2020 the amount of time spent by men in unpaid work as a percentage of their overall time, increased. This helped to narrow the gender gap in unpaid work in favour of women.

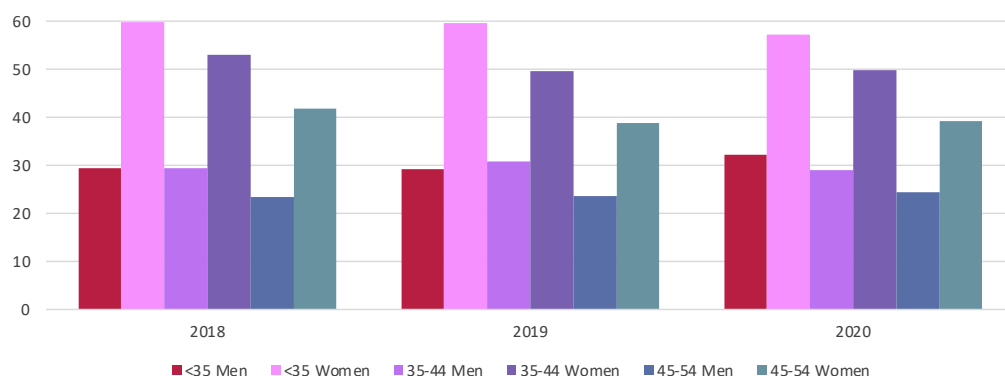


Chart 12 Source: HILDA Survey 2021 and Financy, December 2021.

Chart 13: Superannuation balances by age, gender annual comparison

The gender gap in superannuation savings has been gradually declining as female workforce participation continues to grow.

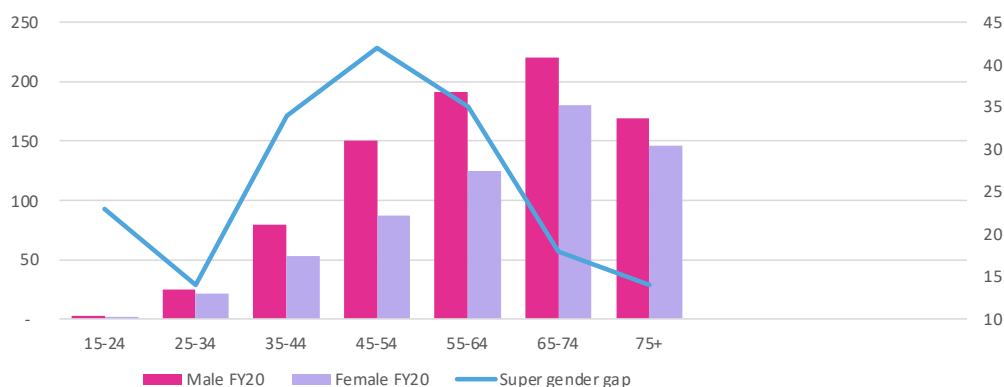


Chart 11 & 13 Source: : ABS & Financy, March 2022.

Methodology

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

The Index is also supported by an Advisory Committee which reviews the data contained in this report on a quarterly basis.

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 time frame to economic equality or otherwise known as the Years to Target.

Headline results

Chart 1, 2, 3 & 4 - The Time frame to Economic equality chart (Years to Target) uses a line of best fit to calculate the time frame to equality and extrapolates this line to predict how long it will take for each sub-index to reach the target value of 100.

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 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.

Tertiary Education

Chart 5 & 6, Table 1 - Analysis of this sub-index shows that there has been little change in the sub-index value since 2012. The line of best fit method, used for the time frame to equality, for the fields of education sub-index therefore has a very slim positive slope. Tertiary studying trends are the product of analysis conducted by Deloitte Access Economics and Financy using the Department of Education uCube service and Census 2021 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).

Women in The Workforce

Chart 7, 8, 9 & Table 2 - ABS Detailed Labour Force (quarterly) and ABS Labour Force (monthly) figures 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 On Boards

Chart 10 & Table 3 - The percentage of women on ASX200 boards is based on board diversity data that is published monthly by the Australian Institute of Company Directors (AICD). Analysis of ASX20 is provided by Financy

Gender Pay Gap

Chart 11 - Average weekly earnings chart is based on table 1 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 comes out twice a year in February and August.

Women In Unpaid Work

Chart 12 - 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.

Superannuation Gap

Chart 13 - 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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For information on the data contained in the report contact Financy.

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