Financy

JUNE QUARTER 2025 REPORT

Unleash the Productivity

Plus: A Reform Wish List

Women's Index™

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

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, Wurundjeri and Ngunnawal nations.

June Quarter Report – Released September 8

Highlights:

- **Progress towards gender equality accelerated in the June quarter, with the Financy Women's Index (FWX) up 0.9% or 0.73 points to 78.67 points, an improvement from 77.94 points in the March quarter.**
- **The national gender pay gap narrowed to 11.5% from 11.9%, its best result on record. This helped improve the timeframe to pay parity to 21.5 years – which is also the median timeframe for financial gender equality.**
- **Employment conditions for women were robust helped by increased flexible and part-time work opportunities; female monthly hours worked grew by 1.0% over the quarter, significantly outpacing male hours worked which grew by only 0.2%.**
- **The gender gap in underemployment also improved, as the female underemployment rate fell while the male rate rose.**
- **Progress on corporate boards stalled as many of the country's biggest companies hit their 40% target and appear to have paused on the idea of going for 50% gender balance.**
- **Despite the gains in Employment and Pay, many highly educated women remain underutilised and restrained in terms of their ability to realise their full potential and contribute to national economic productivity.**

Gender Financial Equality Progress Accelerates Despite Leadership Setback

Progress towards gender financial equality in Australia accelerated in the June quarter, with the Financy Women's Index (FWX) increasing to 78.67 points, a strong 0.9% gain from 77.94 in March 2025.

The headline result, which builds on the 1.5% gain for the year to date, was driven by broad-based improvements in women's employment, underemployment, and the gender pay gap. The only setback came in ASX 200 Board Leadership, as progress on gender diversity stalled among the country's largest companies.

The undervaluation of women's employment in care-related roles in terms of pay gaps and the persistent imbalance in unpaid work continue to hold back progress. This occurs at a time when national productivity could benefit from a boost of better utilising women's skills and the active spotlight on closing financial gaps.

As one member of the Financy Women's Index advisory committee put it, "Australia is yet to realise the full potential of its growing female workforce," said Bruce Hockman, former Chief Economist of the Australian Bureau of Statistics (ABS).

As it stands, we have female workforce participation at record highs, but the working patterns of men and women are vastly different and continue to function as a weight that's holding down progress to economic equality.

A large portion of working women are in part-time roles – now officially over 3 million for the first time on record. In fact, women in part-time jobs account for 21% of the entire Australian workforce. This trend is driven by a mix of factors, including personal choice, flexible work arrangements, rigid school hours, and the availability of quality, affordable childcare – an area already undergoing significant reform.

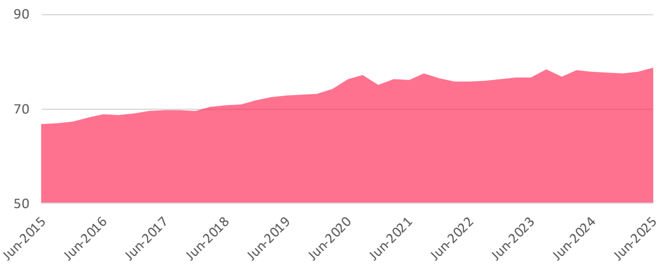
In contrast, men overwhelmingly work full-time. Men in part-time jobs make up only 10% of the total workforce. Essentially, women are far more likely to be employed part-time, particularly after having children and returning to the paid workforce.

The solution to kickstarting the economy in terms of living standards, company profits, and wages, all while keeping inflation in check, may therefore be hiding in plain sight: Pursuing gender equality as an economic strategy.

By building upon the current government's gender equality strategy and applying a more deliberate economic lens—such as reforming tax structures to incentivise female financial security and value care—Australia could unlock a significant, underutilised source of productivity growth.

To illustrate the potential of this approach, the Women's Index once again publishes a wish list and models two financial strategies that could be woven into tax reform. These models demonstrate a significant potential impact on a woman's lifetime earnings, particularly for those penalised by working in gender-segregated occupations.

Chart 1: FWX Headline progress v FWX Employment sub-index



Source: Financy June 2025

Timeframes to equality in Australia

Despite a recent setback, gender equality on ASX 200 Boards remains the most achievable goal, with the annual progress rate keeping Australia on track for equality by mid-2030.

The FWX projects gender parity on these boards in just 4.8 years. However, independent economist and FWX Advisory Committee member Nicki Hutley warns of complacency. The danger, she notes, is that as more companies approach the 40:40:20 model, the momentum could slow, making the final push to true parity even harder to achieve. Effectively, this model is being treated as a 40:60 model, in favour of men, she warns.

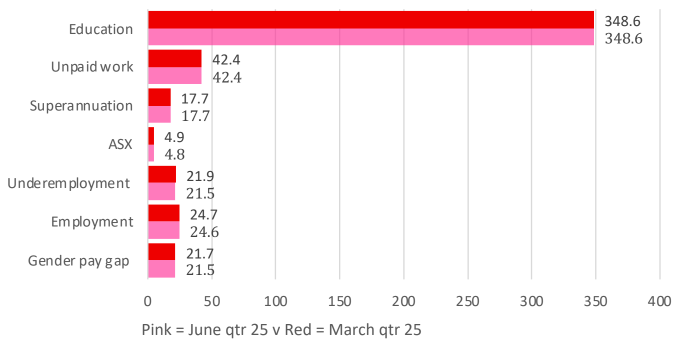
Beyond the boardroom, the journey towards broad economic equality is a medium-term prospect at best and that means another generation to wait. The median timeframe across all indicators has improved to 21.5 years, driven by gains in closing the gender pay gap and the underemployment gap. Key financial pillars like Superannuation (17.7 years) and overall Employment (24.6 years) fall within this same generational timeframe, highlighting a consistent 20-year horizon for change.

The most profound and long-term challenges, however, are rooted in deep-seated societal norms. The projection for Unpaid Work remains stubbornly high at 42.4 years, with the latest HILDA survey showing only incremental shifts as men took on slightly more domestic and care work while women did slightly less.

But the most significant barrier by far remains in Education. Based on expected career earnings and current subject enrolment trends, which include a far greater number of women than men enrolling in tertiary studies, the wait for equality in this area is a staggering 348.6 years. This reflects a structural issue where educational pathways reinforce workplace segregation and pay inequity, threatening to lock in economic disparity for generations.

It presents a critical and timely productivity policy dilemma: is it more effective to incentivise women to enter traditionally male-dominated, high-earning fields, or to fundamentally revalue and increase pay in the female-dominated sectors that are essential to our economy?

Chart 2: Timeframes to equality in Australia



Source: Financy June 2025

June Quarter Report – Released September 8

Women's Employment & Pay Gap Gains Drive Economic Momentum

The FWX Employment sub-index rose to 74.5 points from 73.9 points in March, reflecting a significant uptick in hours worked for women relative to men. Female employment, as measured by monthly hours worked, grew by a robust 1%, five times the pace of male employment growth of 0.2%. This comes after a weak March quarter where both genders saw a slight decline in hours worked, suggesting renewed momentum in women's workforce participation and capacity.
This strength was mirrored in underemployment, where the gender gap narrowed substantially as underemployment improved for women and worsened for men. The FWX Underemployment sub-index jumped to 74.1 points from 69.4 points. This was driven by a dual effect: the female underemployment rate fell to 7.07 percentage points (ppt) for the quarter from 7.7 ppt, while the male rate rose to 5.23 ppt from 5.1 ppt. This has brought the timeframe to equality in underemployment down to 21.5 years from 21.9 years.
Further bolstering the headline result was a welcome improvement in the gender pay gap, which narrowed to 11.5% from 11.9% in the prior quarter. This is the lowest national gender pay gap on record thanks to the increased spotlight on company pay transparency that's been driven by the Workplace Gender Equality Agency (WGEA). The FWX Gender Pay Gap sub-index subsequently rose to 88.5 points. The positive momentum reflects the ongoing effects of increases to the minimum wage, which disproportionately benefit female-dominated sectors. As a result, the timeframe to close the gender pay gap has improved to 21.5 years.
A recent landmark report from Jobs and Skills Australia, "New Perspectives on Old Problems: Gendered Jobs, Work, and Pay," provides new insights into the stubborn nature of the gender pay gap across different occupations. Its key findings reveal that the gender pay gap is present in most jobs and that men are paid more than women in 98% of the 688 occupations that were analysed.
The report draws a direct link between how "gendered" a job is and the size of the pay gap. It found that the "gender pay gap tends to widen and worsen as the level of gender segregation in an occupation increases." The report identifies that some of the highest gender pay gaps are in male-dominated fields like Construction and Finance. This is a result of the high number of women in part-time employment relative to full-time, and gender dominance in services-based industries such as Health Care and Education.

Industry Occupational Segregation Remains a Barrier to Progress

The gender divides within specific industries are becoming more entrenched. The most dramatic example this quarter was in Education and Training, which saw a 46% surge (611,000 to 905,000) in total full and part-time female employment alongside a respective 48% decline (368,000 down from 712,000) in male employment. The per cent figures are dramatic but are accentuated because we are talking relatively small numbers in absolute terms.
Furthermore, footholds for women in male-dominated industries are being lost, with female employment in Construction -30% (162,000 down from 232,000), Transport -28% (167,000 down from 232,000) and Mining -10% (68,000 down from 76,000). This deep-seated segregation is directly linked to the gender pay gap, which widens as industries become more "gendered".
Interestingly, in other, more gender-balanced sectors like Retail Trade, Other Services, and Accommodation and Food Services, the "intensity" of segregation is technically reducing. However, this is not happening because men are entering female-dominated roles, but because male employment is declining as female employment is growing. The challenge is no longer just about getting more women into the workforce, as female participation is at a record high, but about dismantling the invisible walls and what's been described as the spatial leashes that keep women tied to industries and geographies linked to childcare, and in turn, suppress wages and opportunity in female-dominated sectors. This trend is particularly alarming as it suggests the workforce of the future is at risk of becoming even more gendered, not less, potentially locking in pay gaps for another generation. The likely economic impact is one of increased potential for government financial security support and underutilised talent resources that could be playing a greater role in contributing to national productivity.

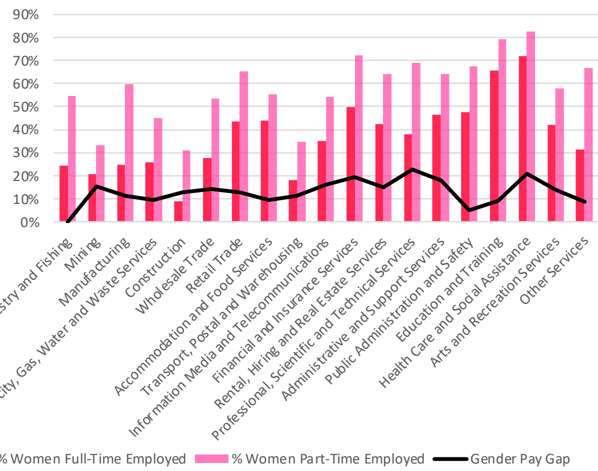
Leadership Progress Stalls

The typically reliable progress of female representation on corporate boards has experienced a minor but predictable setback. The FWX ASX 200 sub-index fell to 76.2 points as the number of women on ASX 200 boards dipped to 38.1% in the June quarter, down from a high of 38.4% in March.
It comes as the Australian Institute of Company Directors (AICD) has noted that there has been a "plateauing of progress" in gender diversity among the ASX 50 and ASX 20, which have both achieved a 40:40:20 model of gender diversity on Boards – a target the AICD has long argued organisations should embrace. As of June, this year, women comprised 41% of ASX 50 Boards compared with 42% in June 2024, whilst for ASX 20 Boards, women accounted for 42% versus 43.9% a year earlier.
This plateau at the board level is a red flag and suggests that many companies are feeling as though the pressure is off them after having reached the "best practice" target of 40:40:20. This of course exposes those companies who are yet to do much of the heavy lifting, to do better.
The setback also means less opportunity for ambitious women in middle management and the increasing number who are upskilling through the AICD's own board directors' course. Indeed, it signals that the path to the top is narrowing, potentially shrinking the future talent pool for corporate leadership.
If Australia is to realise its potential in seeing gender equality on ASX 200 Boards by 2030, the pressure is now on those companies outside of the top 50 to continue the momentum towards 40% female representation.
While the setback in the ASX 200 marks the first negative quarterly result for this indicator since June 2024, it serves as a reminder that progress is not guaranteed. Despite this, the long-term trend remains positive, and the projected time to achieve a 50% share of board seats has marginally improved to 4.8 years, remaining the most achievable target within the Index.

Leadership Progress Stalls

Whilst the FWX June quarter result is good news, the plateau in women's representation on ASX 200 boards and the deepening gender segregation of the workforce serve as a reminder that progress is not guaranteed.
To unlock the next wave of productivity growth, policymakers and corporate leaders must look to integrate a gender lens into all economics—from tax reform to infrastructure planning—is not just a matter of fairness; it is a critical strategy for a more prosperous and productive Australia.
Looking ahead to the next quarter, several key questions emerge. Will the dip in board representation prove to be a temporary blip or the start of a worrying trend? And can the momentum in closing the underemployment gap, which tends to be our most volatile measure, be sustained if economic conditions tighten? Continued monitoring of these areas will be critical to understanding the true trajectory of gender financial equality in Australia.

Chart 3: Industry Proportion of Females Employed & Gender Pay Gaps



Source: ABS and Financy June 2025

Financy: A Wish List for Economic Reform & Productivity

Universal Childcare and Modernise School Hours:

A primary recommendation is to invest in high-quality, accessible, and universal childcare. Additionally, extending school hours to better align with modern work schedules would remove a significant barrier for working parents. These reforms would empower women to pursue roles that best match their skills and interests potentially beyond geography (spatial leash) or gender stereotypes - helping to boost both household earnings and national productivity.

Make Gender-Balanced Flexible Work the Standard:

Promote and incentivise gender-balanced flexible work arrangements through established frameworks like the Family Inclusive Workplace Certification. When flexibility is standard practice for everyone, it helps dismantle the social norms that anchor women to the home and supports a more equitable distribution of unpaid care. This unlocks the full potential of a highly skilled segment of the workforce, which the report identifies as a direct drag on national productivity when underutilised.

Gender Lens to All Economic Policy:

A systemic solution requires integrating a gender perspective into all economic discussions, from productivity to tax reform. The challenge is no longer just about increasing female workforce participation, which is already at a record high, but about utilising women's educational attainment and skills more effectively. By treating gender equality as a critical strategy for a more prosperous Australia, policymakers can unlock significant productivity gains

Reform Tax and Superannuation to Reward Care:

Targeted reforms to tax and superannuation can help close lifetime gender financial equality earnings gap, particularly for women who take time out of the workforce for caregiving or work in highly feminised sectors.

Key proposals include:

- **Targeted Superannuation Boosts:** Provide a tax credit to anyone—regardless of gender—working in a female-dominated industry who contributes an additional 3-5% above the superannuation guarantee to their fund.
- **Incentivise Spousal Contributions:** Offer tax incentives for partners who make spousal contributions to the superannuation of a spouse working part-time or not at all while acting as a primary caregiver.

The accumulated lifetime financial gender equality gap:

The Jobs and Skills Australia report introduces a new perspective by looking at the long-term impact of financial gender equality. When measured over a decade, the "accumulated gender pay gap is 30.7%, which is higher than the annual point-in-time gap of 25.7%." This highlights that the financial penalty for women accumulates at a higher rate over their careers.

In light of this, we have worked with NGS Super NGS Super Financial Planner Cheryl Haines and Aspire Financial Planning's Tim Henry to model how the benefits of increased contributions and spousal contributions and the impact this could have in helping to close the financial inequality gap for a woman on a lower starting salary than a man.

Thought Leadership

Two strategies that can help women close the life-time superannuation gender gap.

Meet Chloe and Chris. The table below tracks their superannuation balances at key life stages across three scenarios and shows the use of adding an extra 5% to Chloe's super in the 11 years prior to having children, and then the impact of super splitting with a spouse for five years when Chloe takes time out of the workforce and eventually returns part-time.

Key Assumptions:
- 2% annual pay rise.
- Chloe starting salary $70,000 and Chris starting salary $80,000.

Key Actions & Events	Scenario 1: Baseline Model	Scenario 2: Early Savings	Scenario 3: Combined Benefit
	Standard contributions only	Chloe adds extra 5% to super for first 11 years	Early savings + Chris splits 85% of his super contributions to Chloe for 5 years
Age 24 STARTING POINT:			
Chris's Super	$10,000	$10,000	$10,000
Chloe's Super	$8,750	$12,250	$12,250
Age 34 END OF CHLOE'S EARLY SAVINGS. SHE TAKES 2 YEARS OFF WORK TO CARE FOR KIDS AND RETURNS PART TIME. SUPER SPLITING STARTS WITH CHRIS.			
Chris's Super	$172,352	$172,352	$172,352
Chloe's Super	$162,238	$211,085	$211,085
Age 39 CHLOE IS PART-TIME; SUPER SPLITTING ENDS.			
Chris's Super	$315,999	$315,999	$252,298
Chloe's Super	$262,233	$330,463	$361,929
Age 54 CHLOE GOES BACK TO FULL-TIME WORK.			
Chris's Super	$1,249,217	$1,249,217	$1,100,193
Chloe's Super	$1,062,643	$1,234,704	$1,309,826
Age 65 RETIREMENT.			
Chris's Super	$3,016,910	$3,016,910	$2,778,134
Chloe's Super	$2,660,025	$3,012,584	$3,143,015
Final Super Gap	**$356,885**	**$4,326**	**-$364,881**

Thought Leadership

Strategy 1:

Topping Up Your Contributions

NGS Super Financial Planner Cheryl Haines - Case study on teacher case

I first recognised the tremendous impact of making additional super contributions over the long-term when I was advising the staff of a Brisbane based healthcare service. The majority of my clients were from nursing and I was always so pleasantly surprised to see the impact of making personal contributions to super, along with a higher than standard employer contribution at the time, had on their super balance at every stage but most significantly in the lead-up to, and at retirement.

Additional contributions can make a big difference

If you start from day one of your working life by making extra personal contributions to your super balance, say 5% p.a., along with the current, super guarantee contribution rate of 12% p.a., a total super contribution of 17% p.a. will result in a fantastic uptick in your retirement savings.
I made sure to suggest this strategy to my niece when she was 21 years old and was about to start her first full-time teaching position straight out of university. She opted for a 5% personal contribution when at the time the standard super guarantee rate was 9.5% however given the industry she worked in and as a result of strong union bargaining, her employer contributed a higher than standard super contribution rate of 12.75% p.a. to encourage staff to make personal super contributions of their own.
Despite having two career breaks along the way, my niece has not only accumulated a tidy balance in her super account, but she has been sure to mention this strategy to her two younger siblings when they embarked on their own careers (which I'm pleased to say they have undertaken).
The adage, you cannot miss what you do not have rings true here.
My niece, has often commented on the strategy, even explaining to her younger siblings that she never missed that portion of her salary and was so pleased she started contributing personally to super on day one.

Never too late to start

You don't have to be a 21-year-old university graduate to benefit from this strategy. Regardless of when your additional contributions start, the important aspect is to simply start. Make a conscious effort to understand your super and finances and consider making a small additional voluntary contribution to super. Small steps now, can lead to much stronger outcomes for your future and assist to close the gender super gap.

Authorised representative #1006485 of Guideway Financial Services Pty Ltd AFSL #420367

Cheryl Haines
Financial Planner
NGS Super

Strategy 2:

Superannuation Splitting and putting a value on unpaid work

Aspire Financial Planning CEO Tim Henry

When young couples initially come to see me, it is normally motivated by a purchase of their first home or the intention to start a family. Quite often the incomes and the Super balances are similar at this stage of their lives. When older clients initially come seeking advice, it is motivated by a desire to prepare for retirement.

By this stage of life, it is extremely common for the Super balance of the male to be far larger than the female client. The reasons for this are obvious. Generally women take time away from work to start their family and even once their children start school, commonly choose to work part time in order to balance their unpaid work demands with their paid work hours.

In this situation, income from paid work is compromised for sometimes 10-15 years and their super balance is impacted exponentially.

One way that the family unit can at least try to remedy this imbalance is with a strategy called Contribution Splitting. Contribution Splitting enables a super fund member to split up to 85% of their concessional contributions (CCs) in a financial year with their spouse. There are a number of potential advantages:

- Increasing the combined amount transferred into tax-free retirement pensions
- the amount of taxable superannuation earnings that may be subject to the proposed Division 296 tax
- fund insurance premiums for a spouse who, for example, is not earning an income or is on extended leave

Additionally I have always felt that Contribution Splitting does something quite important for the member of the couple who is undertaking the majority of the unpaid work. It places value on that unpaid work!
And it is the couple themselves who are choosing to place a value. This strategy is going to become even more important for women. Since 2022 the government has demanded that product providers deliver "comprehensive income products for retirement". We will see the products from many providers 'hitting the shelves' over the next 12-24 months.

The products are primarily designed to allow some form of guaranteed income in your retirement years and for the individual, this will mean rolling a portion of your Super balance (say 20%) into such a product.
All of this means that having a healthy Super balance when you hit your 60's has never been more important.
Women (due to their Super balances) will generally be at a disadvantage to optimise these products.

The Women's Index shows us how long many of these imbalances will take to reach parity. Contributing Splitting is a lever that a couple can use to at least take some control of this imbalance.

Tim Henry
CEO
Aspire Financial Planning

Financy Women's Index©

Data source of Financy Women's Index. Tertiary Education Data source: Department of Education 2023 uCube service and Census 2021 data. Employment & Underemployment Data source: ABS Detailed Labour Force (quarterly) and ABS Labour Force (monthly) seasonally adjusted figures. Industry data uses original figures. Women On Boards Data source: Australian Institute of Company Directors (AICD) and 2025 Board Diversity Index by Watermark Search International 2025 Board Diversity Index · Watermark Search. Gender Pay Gap Data source: Average weekly earnings Australian Bureau of Statistics, May 2024, published in August 2024. Women In Unpaid Work Data source: 2023 Household, Income and Labour Dynamics in Australia (HILDA) Survey, published in December 2024. Superannuation Gap Data source: the ABS 6523.0 - Household Income and Wealth, Australia, 2019-20, data cube 12 superannuation by persons.

For information on the data contained in the report, contact Financy: Financy Women's Index™
Mobile: **0403 656 399** Email: **biancahh@financy.com.au**

Bianca Hartge-Hazelman:
CEO of Financy

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 progress across seven areas being education, employment, underemployment, wages, unpaid work, ASX 200 board gender diversity and wealth (superannuation.) The Index measures scores across the seven areas on a 0 to 100 scale. The scores are expressed as a percentage and reflect the portion of the gender gap that has been closed). The index headline score is the average of the seven areas that have been converted to respective indexed series to track measurements of performance over a five-year period. Each of the key areas of the Index are not weighted. Seasonally adjusted data is used where it is available. This Financy Women's Index is written by Financy founder Bianca Hartge-Hazelman with data assistance provided by Xin Deng at the University of South Australia's Centre for Workplace Excellence (CWeX) and is peer reviewed by Advisory Committee members, Dr Shane Oliver, Simone Cheung, Roger Wilkins, Dr Leonora Risse, Bruce Hockman, Nicki Hutley and Rhiannon Yetsenga. The Index is proudly sponsored by NGS Super, the Ecstra Foundation, Seven Consulting, Aspire Planning and HeirWealth. Creative Agency, We Are Why is entrusted with bringing our data to life through creative expression.

FWX Advisory Committee:

Dr Shane Oliver:
Chief Economist at AMP

Simone Cheung:
Economist & Advisor at Purpose Lab

Professor Roger Wilkins:
Deputy Director of the Melbourne Institute of Applied Economic & Social Research at the University of Melbourne

Dr Leonora Risse:
Associate Professor in Economics at the University of Canberra

Bruce Hockman:
Former Chief Economist, Statistical Services Group, Australian Bureau of Statistics

Rhiannon Yetsengsa:
Associate Director at Deloitte Access Economics

Nicki Hutley:
Economist & Social Impact Consultant

Fearlessly supported by:

ngs Super | HeirWealth | Seven Consulting | PritchittBland Communications | ASPIRE

In partnership with:

University of South Australia

Designed by:

Brand & Creative Agency: **We Are Why Pty Ltd**

we are why **wearewhy.com.au**

Fearless about Empowering Equality? *Sponsor Us!*

With a media reach of 8,000,000* in 2024 and growing, your business can benefit from this exposure

Sponsor the Women's Index to support this independent report alive & to get access to IMPACTER and CULTURE COMMS Services.
Contact us for our sponsorship packages:

Bianca Hartge-Hazelman: **0403 656 399 | Biancahh@financy.com**

* Results from Streem Media Monitors audit 2024