

Financy

DECEMBER QUARTER 2025 REPORT

Facing
the Fallout

Women's Index™

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

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December Quarter 2025 Full Year Report – released March 6th, 2026

Highlights:

- **A year in reverse:** Financial gender equality in Australia suffered a significant setback in 2025, to wipe out the year's initial gains.
- **The Financy Women's Index (FWX) fell by 0.24 points year-on-year to 77.76 points out of 100 in the December quarter (down from a revised 78 points in December 2024).**
- **Quarterly Slowdown:** Momentum stalled sharply in the back half of the year, with the December 2025 quarter finishing 1.42 points weaker than the September period (77.76 points vs. 79.18 points).
- **The Key Drag:** The most significant driver of this decline was a widening gender gap in Underemployment, alongside stalled progress in the Gender Pay Gap, Unpaid Work and Employment capacity.
- **Despite recent setbacks, years of steady progress have pulled the projected wait for equality down to 21.1 years (from 21.9).**

Main Factors Affecting Financial Gender Equality Progress in 2025

Progress toward achieving economic equality went backwards in 2025, dragging the FWX to its lowest point since December 2023.

The FWX headline score fell by 0.24 points (-0.3%) to 77.76 points in the December quarter, down from a revised 78 points in December 2024. This represents a sharp 1.42 point drop from the September quarter's revised high of 79.18 points.

This reversal of gains achieved in 2024 has been fundamentally driven by a more challenging macroeconomic environment affecting paid employment and wages.

Throughout 2025, the Australian economy demonstrated surprising resilience, with GDP growth picking up to 0.8% in the December quarter to reach 2.6% year-on-year. However, this momentum remained in a delicate balance with persistent inflationary pressures.

Despite early hopes for relief, headline inflation rebounded to 3.8% in the second half of the year, driven largely by the unwinding of federal and state government energy bill rebates.

Following three rate cuts earlier in 2025, a moderate increase in both growth and inflation culminated in the Reserve Bank of Australia (RBA) raising the cash rate to 3.85% in early 2026, with another hike likely in the coming months.

With a labour market that the RBA considers "tight" leading to some pick up in real wages over 2024-25, women have found it harder to secure their desired level of Employment –contributing to a deterioration in women's Underemployment in particular.

Additionally, 2025 was a more difficult for women to obtain ASX 200 Board roles or benefit from any further closing of the Gender Pay Gap.

As FWX Advisory Committee member Bruce Hockman notes, Australian women have once again acted as a "pressure valve" during periods of economic weakness.

Employers are engaging in "labour hoarding"—choosing to reduce hours for marginal or part-time workers rather than laying them off entirely.

For households, cost-of-living pressures are every day and almost everywhere, but most notably in housing affordability as house prices and rents both continued to rise faster than wages in 2025.

Within the home, the domestic juggle—seen through a stubborn Unpaid Work gender gap—proved to be a significant barrier to womens' progress in 2025.

The number of women occupying top leadership positions also shrank in 2025 with the ASX 200 Board female board positions falling to 37.6% in the December quarter, the lowest it's been in a year.

The only bright spots for 2025 were Superannuation, with the gender wealth gap narrowing, and Education, which recorded a notable shift due with female enrolment growth outpacing that of male in many courses that align with higher career earnings.

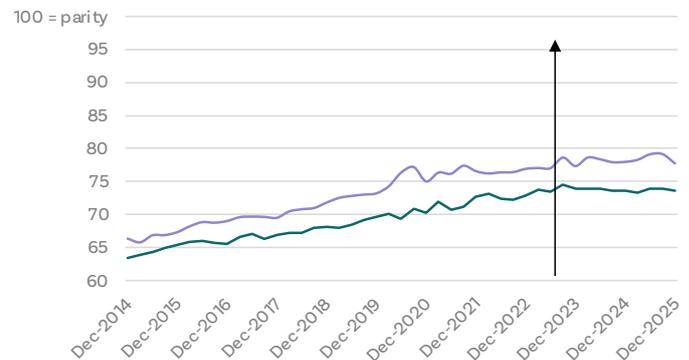
Overall, the 2025 setback in progress stands in stark contrast to the relative optimism reported in the media. Australia celebrated its highest-ever ranking (13th) on the World Economic Forum's Global Gender Gap Index in 2025.

As a raft of regulatory changes also happened were announced—including superannuation on Paid Parental Leave And stricter corporate compliance on gender equality with large employers expected to set and commit to targets starting this year.

However, the 2025 results remind us that reporting a gap to WGEA does not automatically improve the financial security of women if they are simultaneously squeezed by underemployment and a surge in unpaid domestic labour.

The question now is whether international accolades truly reflect the progressive lived reality for many Australian working women.

Progress for the FWX and Female Employment has slowed since 2023



Teal = Female Employment Growth v Purple = FWX Annual Progress
Source: ABS & Financy Dec 2025

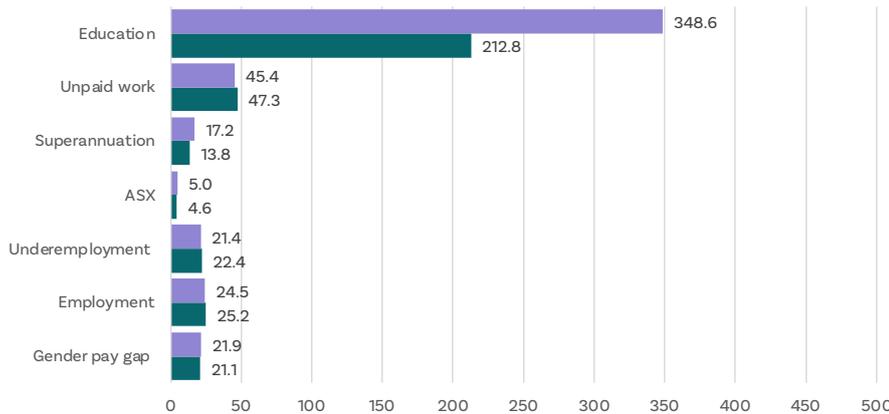
Timeframes to Equality in Australia in 2025 v 2024

Australia saw a mix of improvements and setbacks in the projected timeframes to achieve financial gender equality across the seven pillars:

- **ASX 200 Boards: 4.6 years (down from 5).** Remains the most achievable target. While we could see 50/50 equality in 2030 we caution that the dip in performance seen in late 2025 threatens to dampen the high growth rate we've come to expect.
- **Superannuation: 13.8 years (down from 17.2).** The standout performer of the year. The timeframe dropping to 13.8 years down from 17.2 years, helped by long-term growth in the contributions of women outpacing that of men.
- **Underemployment: 22.4 years (up from 21.4).** Unlike the other pillars, Underemployment suffered a sharp widening in the underlying gender gap to outweigh its historical momentum.
- **Gender Pay Gap: 21.1 years (down from 21.9).** Because the average rate of progress over the last decade remains steady, the forecast has shaved months off the wait.
- **Employment: 25.2 years (up from 24.5).** With little movement in the employment gender gap, in terms of monthly hours worked, the wait for equality in this area has increased.
- **Unpaid Work: 47.3 years (up from 45.4).** Progress in the home remains stubbornly slow. Stalled momentum in sharing domestic labour has stretched the wait for equality out by nearly two additional years.
- **Education: 212.8 years (down from 348.6).** While the wait remains multi-generational, Education years to equality dropped significantly reflecting a shift in long-term study patterns that are slowly diversifying beyond gender norms.

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Years to Economic Equality in Australia by Sub-Index Areas



Teal = Dec qtr 25 v Purple = Dec qtr 24
Source: Financy Dec 2025



Understanding The FWX Results

The workforce strain is real

The Underemployment sub-index delivered the sharpest decline in the 2025 Index, which dropped 2.4 points from 68.6 points in December 2024 to 66.2 in December 2025.

Momentum in the Underemployment sub-index decelerated significantly in the back half of the year, with quarterly growth falling from 1.9% in September 2025 to just 0.9% by the December quarter.

While the job market always gets a bit bumpy at the end of the year due to Black Friday Sales and the Christmas hiring rush, comparing our year-end numbers proves this isn't just a seasonal blip.

This drop reflects a distinct widening of the underlying gender gap as women are not getting the additional hours of work compared to men. At the end of 2024, the female underemployment rate sat at 7.32% compared to 5.02% for men (a gap of 2.30 percentage points).

Over the course of 2025, the female underemployment rate fell to 7.02% in December, while the male rate fell slightly faster to 4.65%. Consequently, the gender gap in this area stretched out to 2.37 percentage points. This widening disparity indicates that as hiring cooled in 2025, women were disproportionately left unable to secure the working hours they desired compared to men.

Early indicators for 2026 show underemployment pressures rising once again, with the recently released January 2026 data showing the female underemployment rate ticking back up to 7.21% versus 4.91% for men.

The Employment sub-index—which measures the gender gap in monthly hours worked relative to the available working-age population—was unchanged year-on-year at 73.6 points as male hours worked outpaced female hours during the December quarter.

This marks a significant departure from the momentum seen in the first half of the year, when female monthly hours worked were growing at a faster rate than that of males.

While the June quarter saw a 0.8% jump in female monthly hours worked, the gap failed to close further by year-end as male employment capacity also increased. In the final quarter of 2025, men's hours worked rose by 0.9%, while female growth was limited to 0.4%.

Female employment capacity, reflecting hours worked relative to the population, remained anchored at 62% compared to 83% for men, preventing any meaningful improvement in the sub-index score.

Progress in balancing domestic duties has stalled

The Unpaid Work sub-index incrementally worsened year-on-year at 68.6 points compared to 69 points as the underlying gender gap widened with women spending roughly 2 hours more on domestic duties per week, compared to men, who did about 15 minutes more per week more than the year prior. (Note: Due to the standard reporting lag in the Household, Income and Labour Dynamics in Australia (HILDA) Survey, the 2025 index carries forward the latest available data, which reflects the 2024 period).

The total volume of unpaid work has increased across the board, pushing the average weekly unpaid hours up to 36 hours for all coupled women (from 34 in 2023) and 23.3 hours for men (up from 23).

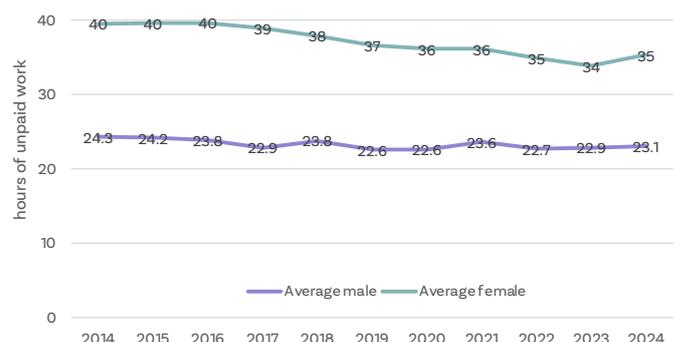
This has been driven heavily by the 35–44 age cohort—the peak child-rearing demographic.

While men in this bracket increased their unpaid work to 28.1 hours a week (up from 27.4), women absorbed the vast majority of the pressure, surging to a staggering 47 hours a week (a massive jump from 43 hours in 2023). This means women in this core working and parenting demographic are performing nearly 20 more hours of unpaid work per week than their male partners.

The increase isn't limited to just one demographic. Younger women (under 35) saw their unpaid workload increase from 31 to 33 hours, and women aged 45–54 jumped from 32 to 34 hours.

This widespread increase across female cohorts suggests that as cost-of-living pressures increase, and people struggle to secure their desired hours of work, outsourced help for childcare and cleaning, is falling back on couples with women bearing the brunt of the domestic fallout.

Unpaid Work Hours By Gender



Source: HILDA Survey 2025

Years to Economic Equality

ASX 200 Board Leadership: Progress Hits a Real Barrier

Despite earlier momentum, the standout area of Leadership, as measured by gender diversity on ASX 200 Boards faced a significant hurdle in 2025.

Women occupying ASX 200 Board positions fell to 37.6% in the December quarter, a decline from the 38.4% in March 2025, according to data provided by Watermark Search International.

This small but concerning backward step suggests that as the 40% target nears, progress is not only stalling but the narrative that near enough is good enough, is a real risk.

Some experts suggest that without quotas, organisations may never push past the voluntary target of 40% women, despite reports of high interest among women obtaining board director qualifications through the Australian Institute of Company Directors (AICD).

In a more challenging global environment, and one that has felt the influence of the US Government's efforts to pressure multinational companies to pull back from Diversity, Equity and Inclusion (DEI) initiatives, it's possible that this sentiment might also be having an influence in the boardrooms of Australia's largest companies.

Despite some levelling off in the appointment rate over the past year, as of the end of January 2026, the AICD said that the number of women directors on the ASX 300 stood at 37.6% and the ASX 200 had improved to 38%.

The ASX 20 remains ahead of the broader market at 43.8% which is marginally stronger than last quarter.

Gender Pay Gap: Stalled Progress in 2025

The Gender Pay Gap sub-index finished 2025 unchanged at 88.5% as the underlying pay gap, remained at a stubborn 11.5% for the year, showing no annual improvement. This is despite a slight uptick in the raw gap to 11.9% in late 2024.

The disparity in average weekly ordinary time earnings for full-time adults remains significant, with men's earnings rising to \$2,147.80 compared to \$1,900.60 for women—a gap of \$247.20 per week.

While these national figures suggest a standstill, data from the Workplace Gender Equality Agency (WGEA) presents a more optimistic view of corporate Australia.

WGEA reported that the "mid-point" for average employer gender pay gaps improved to 11.2% in 2024-25, down from 12.1% the previous year.

For clarity on what the mid-point means, FWX Economic Advisory Member Dr Leonora Risse notes that based on the 7000 organisations that provided their numbers to WGEA, the average gender pay gap sits at 12.7% as of 2024-25 compared to 13.1% in 2023-2024.

The challenge when we look at this data together with the broader underlying data for the Women's Index, is that while big companies are meeting reporting targets, many Australian women who are not employed by these firms are missing out on the benefits.

The FWX serves as the critical barometer for this reality; it reminds us that a narrowing pay rate in a corporate world, doesn't equal financial security for all if women cannot secure the working hours they need or get relief from unpaid labour needed, to achieve true economic equality.

The Bright Spots: Starting with Super

The gender gap in Superannuation (Wealth) showed positive underlying momentum in 2025.

Median lifetime balances grew by 4% for both genders, reaching \$68,600 for men and \$54,300 for women, according to Australian Tax Office figures.

Because the growth rates were identical, the female share of super balances held steady at 79% (a 21% gap). However, consistent improvement in the annualised growth rate pushed the Superannuation sub-index up slightly to 79.2 points from 78.5 points.

This momentum is primarily driven by the long-term compounding effect of higher female workforce participation—particularly the record numbers of women securing full-time employment over the past few years—combined with incremental increases to wages and the mandatory Superannuation Guarantee (SG).

The final scheduled increase in SG, to 12%, also took effect on July 1, 2025, further boosting balances.

Further improvement in the Gender Pay Gap, the take up of tax-incentivised super boosters, and female employment growth particularly in full-time roles, will support the likelihood of a further narrowing of the gender gap in Superannuation.

Education: Incremental growth in the link between study and earnings

Progress in the FWX Education sub-index was incremental but positive on the back of a shift in gender-specific enrolment patterns.

The sub-index surpassed a critical barrier of 93 points for the first time on record, edging up to 93.1 points from 92.95 points previously.

We've now had two consecutive quarters of growth in the Education sub-index, which has had a significant impact on the estimated timeframe to equality in this area. While it's still early, this could suggest a shift in trajectory toward greater equality in this area.

Small changes in gender entrenched study patterns are why the sub-index is only inching forward.

There has been a positive pipeline shift in higher paying roles linked to Information Technology studies—where female enrolment growth (18%) strongly outpaced males (15%).

In the high-earning field of Engineering, female enrolment growth (8%) was also slightly stronger than male growth (7%). This was also the case in Architecture and Building with female enrolments 6% versus male at 5%.

Male enrolment growth was strongest in Management and Commerce up 27% in 2024 compared to 2023, with 2025 being the reporting period. This is more than double female enrolment growth (13%) in this area.

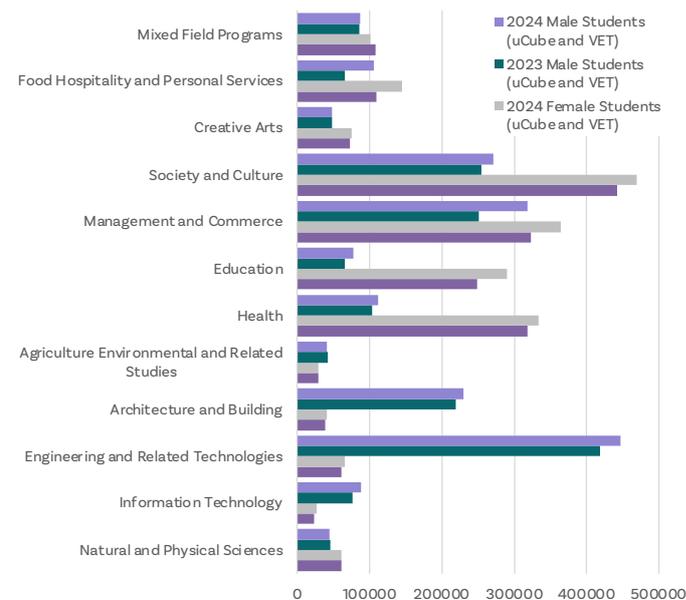
Interestingly, male enrolment growth (18%) in Education studies also outpaced female 18% versus 16% respectively.

Significant structural change that goes well beyond encouraging more women into engineering studies or finance careers, is required if we are to accelerate progress in this FWX sub-index area.

In addition to this, there is still a big job to be done in dismantling gendered career advice and unconscious bias in primary and high schools, ensuring girls are actively channelled into advanced mathematics, physics, and tech subjects at the exact same rates as boys.

A more radical suggestion might be like wiping HECS-HELP debts for women who complete degrees and remain employed in highly segregated, high-paying fields (like IT and Engineering), or offering similar incentives for men to enter female-dominated areas such as Health and Education.

Student Enrolments by Gender and Broad Field of Study



Source: uCube and VET Data, Financy 2025

Thought Leadership

On paper, corporate Australia is showing signs of success on gender equity, but ask the average woman working for a small business if she is feeling the financial benefits, and the odds are she will say no.

We are witnessing a frustrating paradox where the latest Workplace Gender Equality Agency (WGEA) data shows the large-employer gender pay gap is improving and is down 13.1% to 12.7%, according to Dr Leonora Risse Associate Professor in Economics, Queensland University of Technology. Yet, simultaneously, the Financy Women's Index (FWX) has suffered its first significant setback in years, falling to 77.76 points – the lowest it has been since December 2023.

During this time, Australia has been more vocal and policy focused on gender equality. We have legislated superannuation on paid parental leave and climbed to 13th place on the World Economic Forum's Global Gender Gap Report. But there is a growing disconnect between the accolades reported in boardrooms and the lived experiences of everyday women.

WGEA CEO Mary Wooldridge provided a reality check this week, noting that men remain nearly twice as likely as women to be in the highest-paid roles, while women still dominate the lowest-paid ones. Nationally, more than 50% of employers still have a gender pay gap larger than 11.2% in favour of men. The FWX, which analyses data on 8.5 million women of working age, many of whom for small businesses that fall outside the WGEA spotlight, tells an even harsher story.

In 2025, women effectively became the economy's pressure valve, with a widening gender gap in underemployment as employers "hoarded" labour by reducing hours rather than axing them.

Nowhere is this disconnect more glaring than in the upper echelons of ASX-listed companies.

Female board positions on the ASX 200 fell to 37.6% in the December quarter, marking the lowest level since March 2025 (38.4%).

This backward step, which we have yet to fully recover from, is a concerning signal for corporate culture, occurring despite a "reported" surge in women investing nearly \$12,000 in short courses with the Australian Institute of Company Directors to prove they are "ready."

The talent is qualified, waiting, and exhausted.

Our findings show the Education sub-index has surpassed a record 93 points, driven by a surge of women also "levelling up" in high-earning fields like Information Technology and Engineering, where female enrolment growth is outpacing male.

Yet, despite this intellectual and financial investment, progress remains glacial.

A large portion of corporate Australia is settling for a "near enough is good enough" approach to its 40% targets, treating the floor like the ceiling. The 40:40:20 vision was never meant to be a cap on the opportunities of a growing pool of highly qualified women, yet the appointments have stalled.

To help Australia overcome this paradox, a company's gender strategy must move beyond a policy tick-box mindset and if nothing else, address the "greedy jobs" and Motherhood bias that continues to disproportionately disadvantage women.

According to WGEA, discretionary payments, including bonuses and overtime, remain a primary driver of the gender pay gap. Workplace flexibility, even when it is promoted in job ads, is being penalised while long hours in the office are favoured.

It's a dynamic that leaves women—who according to HILDA Data are performing 47 hours of unpaid work per week compared to 28 hours for men, in their peak parenting years—financially stranded.

With more legislative changes happening in 2026 requiring WGEA reporting employers to set and actually meet at least three gender equality targets, the time for passive reporting must end.

We must ensure real behavioural change is the result, because a narrowing pay gap in a CBD high-rise means nothing if it doesn't translate to economic security for women on the ground.

Bianca Hartge-Hazelman:
Strategic Advisor & Lead Consultant
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"Near enough is not good enough!"

Financy Women's Index[®]

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Data source of Financy Women's Index. Tertiary Education Data source: Department of Education 2024 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. Gender Pay Gap Data source: Average weekly earnings Australian Bureau of Statistics, November 2025, published in February 2026. Women In Unpaid Work Data source: 2024 Household, Income and Labour Dynamics in Australia (HILDA) Survey, published in December 2025.

Superannuation Data Source Change: The underlying data source for the Superannuation sub-index was been updated in Sept 2025. Due to the ABS temporarily pausing the release of its superannuation data by gender in the Household Income and Wealth publication, Financy has transitioned the sub-index calculation from 2020-21 to 2022-23 to the Australian Taxation Office (ATO) superannuation data by gender, as advised by the ABS to be the closest and most reliable dataset.

For information on the data contained in the report, contact: Financy Women's Index™
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The Financy Women's Index™ (FWX) is a quarterly measurement of the economic progress of women and timeframes to gender equality in Australia. The FWX provides a snapshot on gender equality progress across seven areas: education, employment, underemployment, wages, unpaid work, ASX 200 board gender diversity and 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 the University of South Australia. It 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, Aspire Planning and HeirWealth. creative agency, We Are Why, is entrusted with bringing our data to life through creative expression.

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