

DECEMBER QUARTER 2022.

FULL YEAR IN REVIEW

Gender Equality **Progress Flatlines** in 2022









Fearlessly Supporting the Economic Progress of Women



Financy Women's Index.

Gender Equality Progress Flatlines in 2022

OCTOBER - DECEMBER 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.

FWX Advisory Committee



Bianca Hartge-Hazelman: Author of the FWX and Managing **Director of Financy**

Nicki Hutley: **Economist & Social Impact** Consultant

Dr Shane Oliver: Chief Economist & Head of Investment Strategy at AMP Capital



The Index is an independent initiative of Financy Pty Ltd, which is a data and tech company that advocates for gender equality and helps organisations improve performance on diversity, equity and inclusion.

The Index is supported by Deloitte Access Economics, and the FWX Advisory Committee; Dr Shane Oliver, Simone Cheung, Roger Wilkins, Dr Leonora Risse, Bruce Hockman and Nicki Hutley.

Financy would like to thank sponsors WISR, Clime Investment Management, NGS Super, Ecstra Foundation, Aspire Planning, PritchittBland Communications & Tech for Good Group for their support.

> Dr Leonora Risse: Senior Lecturer in Economics at RMIT University

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

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

Simone Cheung: 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 than 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. Contact Financy to become a sponsor and show your support for gender equality.

Fearlessly supported by









Highlights -----

December Quarter Report 2022 - Released March 6, 2023









years until gender equality in superannuation balances



year wait for the gender equality pay gap to close



year wait remains for equality in Unpaid Work





The FWX slipped 0.1 points in the December quarter 2022, to finish slightly below the December 2021 result.





year wait for equality

in Underemployment



Key findings

A slowing Australian economy in the December quarter has put the brakes on women's financial progress in 2022.

The Financy Women's Index (FWX) headline score slipped by 0.1 points to 76.2 points out of 100 in the December quarter, to finish 2022 just shy of 76.3 points in December 2021.

Over the course of 2022 women's financial progress struggled to gain real momentum due to a widening in the gender pay gap at the start of the year and often volatile gender gap in the underemployment rate.

As such the Index recorded an annual change of ~0.1 points, marking the first time in a decade that women's financial progress has finished a calendar year in negative territory. While the decline is marginal, even the smallest backward step on this journey is a large policy failure.

Recent weakness in the jobs market under higher interest rates appears to have weighed on the FWX Employment sub-index during the December quarter.

The Employment sub-index fell to 71.5 points compared to 71.9 points in the September quarter and 71.7 points in December 2021, as the gender gap in monthly hours worked widened on slower female employment growth (0.3%) compared to that of males (0.9%).

The FWX Underemployment sub-index also fell to 67.1 points compared to 69.2 points in September and 70.3 points in December 2021, as male underemployment improved and female underemployment worsened. Underemployment was the worst performing area of the FWX in 2022.

It's important to note that 2022 did produce a lot of good news from the long-term divers of progress, in particularly Education and Expected Earnings (up 0.5 points), and Unpaid Work (up 2.1 points).

As 2023 gets into full swing, we are at a critical juncture where the longer economic pressures persist without targeted support for women in the areas of employment, the more we are at risk of seeing women's financial progress come under stress. During times of economic uncertainly and higher costs of living, women are more likely to be adversely affected because they are often work in insecure and lower paying forms of employment, such as in sectors like hospitality and retail.

These sectors are exposed to discretionary purchases and tend to suffer more when rising inflation and interest rates trigger a slowdown in consumer spending. Women are also more likely to be the first to reduce the number of hours they work to offset the costs of childcare and are more likely to forgo spending on essential items particularly for themselves.

Whilst we welcome the Federal Government's Workplace Gender Equality Amendment (Closing the Gender Pay Gap) Bill 2023, and are hopeful that it will be effective at helping to close gender pay gaps in companies with over 100 employees, there is more work to be done to challenge long-standing gender biases that act as barriers to economic gender equality.

Financy would like to see the following actions considered in the upcoming May Federal Budget:.

1. A gender equality time frame target as part of the Federal Government's current development of a National Strategy to Achieve Gender Equality. FWX Target area: Gender Equality Time frames.

2. Superannuation payments to be included as part of Commonwealth Paid Parental Leave and unpaid leave portions. FWX Target area: Superannuation and Employment.

3. Investment in schools and university-led programs that educate students on the financial implications of gender stereotypes, and to ensure that women are exposed to more choices and the stigma against men working in care and community sectors is broken down. FWX Target area: Employment, Education & Gender Pay Gap.

 Ongoing investment in media campaigns that seek
to educate people on the benefits of breaking down gender stereotypes in unpaid work. FWX Target area: Unpaid work.
Mandatory gender-balanced targets of 40% minimum for female board directors across all listed companies by 2030 or within 2 years of list date. Plus, government incentivised programs that build the actual number of board ready women in Australia. FWX Target area: Board Leadership and Gender Pay Gap.

6. Government introduction of a procurement target on businesses to engage with genuine and authenticated female owned and led businesses. FWX Target area: Employment.

2022's notable setbacks

Whilst 2022 saw more women than ever participating in paid work, following massive fiscal and monetary economic stimulus in response to the COVID-19 pandemic, persistent gendered factors are undermining their financial progress.

The underemployment rate suggests that even when women want to take on more paid work, they are unable to do so to the same extent as men. Among the reasons for this could be higher costs of living and the tendency for women to be the primary carers of children.

We saw this play out during the pandemic, as women largely took on the bulk of home-schooling and caring of sick loved ones whilst at the same time being at greater risk of job insecurity with less full-time roles, less leadership roles, and the predominance of working in services sectors.

These gendered factors, of which there are many which applied in the December quarter of 2022, put women at increased risk as employment conditions softened. As a result, the female underemployment rate rose (worsened) by 3 percentage points (ppt) to 7.35% compared to a steady (4.93%) in the male underemployment rate in the December period.

This led to a widening of the gender gap in the FWX Underemployment sub-index, which fell 3.2 points for the 2022 calendar year.

The FWX Employment sub-index also shows that the extent to which Australia's female workforce is constrained.

The Employment sub-index finished 2022 slightly lower (0.1 points) than in 2021 and is the worst performance since 2014. The result was triggered by a relative slowdown in female monthly hours worked, which rose 0.5% versus 0.9% for men. By contrast, the number of monthly hours worked by women rose by 5.6% and 4.9% for men in December 2021.

Australia's female workforce, based on monthly hours worked by the available working age population, is now running at 61% of total capacity, which is improved on the 60% in December 2021, but growth is once again slower than that of the male workforce, which is running at 85% capacity, up from 83% over the same 12-month period.

2022's progress updates

2022 hasn't all been a backwards step for economic equality. The past 12-15 months have delivered some impressive progress in closing long-standing gender gaps in some of the country's largest companies and in Australian homes.

The longer these trends continue, the more likely it is that we will permanently shift gender norms in Australian society.

FWX Board Leadership sub-index

Board leadership has been the standout area of action towards gender equality, helped by voluntary targets set for the country's largest listed companies.

Over the 2022 calendar year the FWX Board Leadership sub-index rose by 2.4 points as the underlying gender gap narrowed with female directors on ASX 200 boards sitting at 35.7% in December 2022. This is more than double the 15% representation in 2012.

What's important about the progress in ASX 200 listed companies is that it sets the scene for what's possible on gender diversity and what is expected going forward.

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

Unfortunately, whilst there are 141 ASX 200 companies which have achieved 30% female representation, there are now 4 all-male boards on the ASX 200, which is an increase from 2 in the September quarter of 2022.

Chief Executive Women's (CEW) research, the 2022 Senior Executive Census data suggests that the pipeline of potential female CEOs could be starting to wane. This is problematic as increases the risk of the same women sitting on multiple boards.

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. For those that fail to comply, a "please explain" notice, detailing why and what is being done to address the failure, would promote transparency, accountability and change.

FWX Gender Pay Gap sub-index

The Gender pay gap disappointed in the first half of 2022 after the May reading increased to 14.1% but thankfully, it fell to a fresh low of 13.3% in the December quarter.

As of November 2022, female full-time average weekly ordinary earnings across all industries and occupations were \$1,653.60, which is about \$253 less per week than male equivalent weekly earnings at \$1,907.10.

This surprise fall is the result of improved wages growth for women (up 3%) relative to men (up 2%). The change could be in part due to changes in the types of jobs that women are moving into compared to men.

The December quarter of 2022 also saw significant progress made by the three worst performing industries. The gender pay gap in Health care and social assistance narrowed to 21.1% from 21.4%%, in Professional, Scientific and Technical Services the gap narrowed to 21.2% from 24.4% and in Financial and Insurance Services the gap fell to 19.1% from 20.6%.

Administrative and Support Services (18.5% from 13.8%), Mining (16.1% from 15.4%) and Information Media and Telecommunications (16.9% from 16%)) are among the sectors which saw their gender pay gaps worsen.

Research by Bankwest Curtin Economics Centre (BCEC) and the Workplace Gender Equality Agency shows that greater pay transparency in companies does have a positive impact on closing gender pay gaps.

Furthermore, research by the University of South Australia shows that having more women in leadership positions directly improves pay gap performance.

To further accelerate pay equity, we need mechanisms in place across a number of areas, including increased opportunity for women in leadership and that women have access to flexible work arrangements, affordable childcare and leadership opportunities.

FWX Unpaid Work sub-index

Unpaid work has seen notable progress with new data showing that men are increasingly doing more housework and childcare on a weekly basis. Men spent 42% of their time on unpaid housework and care, based on data collected in the 2021 Household, Income and Labour Dynamics in Australia Survey published in 2022. That's up from 41% in 2020, as reported in 2021.

Women continued to do the lion's share of unpaid work, spending an unchanged 61% of their time each week on housework and childcare. The amount of time women spend on unpaid work has been steady since 2019 despite expectations that the COVID-19 pandemic would add to their unpaid workload.

The shift in men's behaviour towards doing more unpaid work, particularly during the pandemic, has helped narrow the underlying gender gap and push the FWX Unpaid Work sub-index to 69.3 points, up 2.1 points in the December quarter, from 67.2 points in December 2021.

The average man in a coupled relationship now spends 23.7 hours per week doing unpaid work activities compared with 22.7 hours per week in the 12 months prior.

By contrast, the average woman in a coupled relationship spends 36 hours per week on unpaid work, which is unchanged on the previous year.

The age group for women doing the most unpaid work is 35–44-year-olds. This age group is the most likely to have young children at home, according to the Australian Bureau of Statistics (ABS) Time Use Survey.

Women of this age group were spending 45 hours per week on unpaid work compared to those 55-64 years of age, who did the least at 32 hours per week on average.

It was slightly similar for men aged 35-44 spending the most time in unpaid work at 27.6 hours per week, whereas men under 35 years did the least at 21.8 hours.

It will be interesting to see if the improvement in the unpaid work gender gap is sustained with the lifting of COVID-19 restrictions included in the next HILDA data release.

For the gap to further close, we need to see continued progress in breaking down the gender stereotypes in Australian culture around unpaid work and we also need to ensure that workplaces are equitable when it comes to providing men with as much opportunity as women on flexible work arrangements and parental leave.

FWX Superannuation sub-index

The FWX Superannuation sub-index surprised with a significant improvement in the gender gap in median lifetime balances which fell to 25% in 2022, from 31% in 2021.

The data is based on the latest superannuation figures released by the Australian Bureau of Statistics (ABS) early in 2022, which show that in the financial year to June 30, 2020, the median lifetime fund balance for women was \$50,000 compared to \$67,000 for men. During the period when the superannuation gender gap narrowed, we also saw improvements in the gender pay gap and the unpaid work gender gap.

What also appears to have had an impact has been the unprecedented COVID-19 withdrawals under the Federal Liberal government's Early Release Scheme in 2020. Figures from the Australian Tax Office show that men were more likely, and had greater financial capacity, to request withdrawal of up to \$10,000 of their savings in the period between 20 April – 31 December 2020.

If we continue to see improvement in the gender pay gap and in unpaid work, this should assist progress in closing the superannuation gap and improving retirement balances.

Policy measures such as providing super payments on government paid parental leave and unpaid leave would certainly help to accelerate equity and narrow the gap.

FWX Education (expected earnings) sub-index

The FWX Education (expected earnings) sub-index rose to 93.02 points this year, up 0.45 points from 2021, helped by more women switching to fields of study with higher expected earnings outcomes relative to men.

This measurement, which we regard as a long-term 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 in field of study selection and associated earnings expectations with females expected to earn 93.02% of males earnings. For those aged 30-39 years is potentially \$1,726.37 for women and \$1,855.83 for men.

By comparison in 2020, females with higher education credentials aged 30-39 years were expected to earn an average of \$1,486.29 per week compared to their male peers at \$1,605.57 per week.

Of the 12 fields main of study, only 4 had higher Education and Expected Earnings outcomes for females aged 30-39 years, and they were 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).

By contrast, female dominated fields of study like Health and Education have higher earnings expectations for men with the difference being \$213.91 (males) and \$144.94 (females) per week.

As it stands too many female dominated sectors and roles have inferior earnings potential relative to male dominated industries and roles. To accelerate equity in Education and expected career earnings, we need to look closer at the way society and business values women's contribution to the workplace, and address labour market conditions to ensure that remuneration is indeed appropriate.

Time frames to equality in Australia

The past twelve months has produced some significant reductions in the number of years it will take to achieving gender equality in parts of the Index, but it has also seen some notable setbacks.

In the Gender Pay Gap, which is the median of all subindex time frames to equality, we estimate this could take 24 years to achieve equal pay in Australia based on the current pace of progress. This is a slightly worse result than the 22 years in December 2021 quarter.

The time frame to equality in Underemployment also worsened in 2022, rising to 18 years in December 2022 from 15 years in December 2021.

Employment, despite the December 2022 set back, improved its estimated time frame to equality at 28 years, down from 30 years in December 2021. Consistent long-term 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.

The FWX area with the smallest time frame to gender equality is Board Leadership at 6 years as of the December quarter of 2022. By contrast, the time frame to equality stood at 6.5 years in December 2021.

Unpaid Work has a time frame to equality of 44 years in 2021, as reported in 2022, down from 59 years to gender equality in 2020. Whilst 44 years is still along time to wait for greater equality in housework and childcare, the improvement is a signal that we are increasingly seeing the breaking down of traditional gender norms at home and in society more broadly.

Superannuation was another area where the time frames to gender equality significantly improved in 2022, falling to 19 years, from 33 years based on based on the latest reportable data which captures the 2019 financial 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 helped in part by early release payments which were more predominately taken by men.

The biggest time frame for achieving gender equality is Education and Expected Earnings, which stands at an alarming 139 years. The huge time frame comes despite female enrolments in higher education being greater than male. The fact is that the fields of study selected by women are less linked to higher potential earnings and the pace of change in this area is extremely slow moving.

It's important to note that in measuring the Gender Pay Gap (24 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.

"Even the smallest backward step on this journey is a large policy failure."

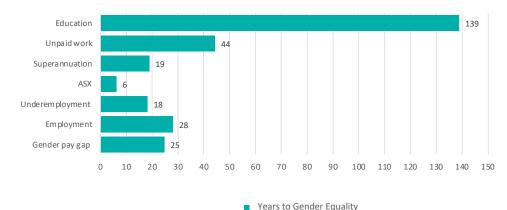


CHART 1: Years to Gender Equality

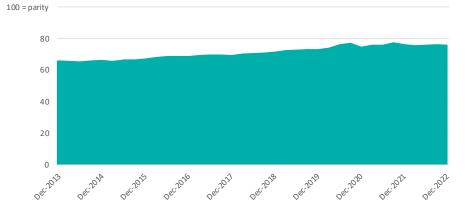
All but two areas of the FWX experienced a reduction in their respective time frames to equality. These were the gender pay gap and the underemployment rate gender gap, improved in 2022. A notable mention goes to Unpaid Work where the timeframe to equality has significantly improved.

Source: Financy, December 2022.

Notes: Economic modelling on estimated timeframes 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.

Update on economic equality

CHART 2: The Financy Women's Index by Year



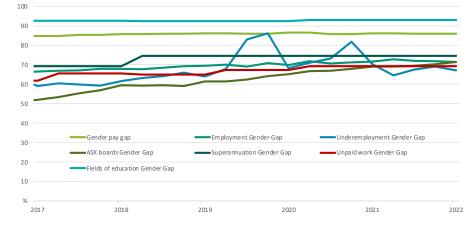
The FWX experiences its first calendar year decline in a decade.

CHART 3: The Financy Women's Index by Quarter



The FWX falls 0.2 points in the December quarter, weighed down by disappointing progress in employment and pay gender gaps.

Chart 4: Gender gaps across the 7 FWX areas



progress in closing gender gaps over the past decade has been in ASX 200 Board eadership whilst the biggest laggard has been Education and expected earnings.

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

"ASX 200 board diversity has seen the most impressive rate of progress."

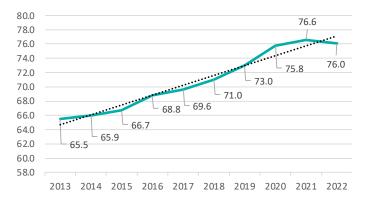
Progress hits the brakes in 2022

If 2022 was the year when women's financial progress flatlined, 2023 will hopefully be the year that it was brought back to life.

As this Financy Women's Index shows, the headline score slipped 0.1 point to finish at 76.2 in 2022, down from 76.3 in December 2021.

Whilst I can hear some of you thinking but this is just 0.1 point and it's tiny. Yes it is. But small is not always insignificant.

Analysis of the Financy Women's Index score over time implies that as a nation, we need to do more to support Australian women moving forward, in particular given the current economic climate and rising inflation.



The above chart shows a teal coloured line for the FWX average annual results and an accompanying trend line.

This chart illustrates how the latest Financy Women's Index result shows a deviation downwards from historical trends, suggesting women's financial progress is slowing. Most concerningly, if action is not taken we could see the Index continue to bottom out or even move backwards in upcoming quarters.

In short, that 0.1 point drop in 2022 could become much worse in the future.

As we look to 2023, the economic outlook is concerning, particularly for women, who as a result of earning less on average, are more likely to experience greater cost of living pressures.

Financial uncertainty also means that they are more likely to have to choose between whether they cut back on paid work hours to save money on childcare. Or if going for that management job will be at the expense of looking after the family.

These are considerations too often borne by women. I raise them not begrudgingly as a working Mother, but because they deserve different thinking to support those who want to work to their desired potential without barrier or fear.

To change the narrative, we must accept that women's employment is different to that of men. Neither is better or worse, they are just different. Indeed, each needs different resources and opportunities to reach an equal outcome.

Employment is the one area where we must place a greater value on women's wages in female dominated areas and industries. We also need to ensure that we are not asking women to choose between work and family at the expense of their own long-term financial security.

In essence, we must do whatever it takes to ensure that women's workforce participation is strong and resilent to economic pressures.

Some of this should hopefully be supported in time with the Federal Government's focus on economic equality through its dedicated taskforce. But let's not leave it too long before we put those equitable wheels in motion.

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



Why we choose to support Women's Sport

There are a number of reasons why most women's sport has trailed men's sports for centuries. I think of these as structural (organisational and corporate) and personal. While I believe that we have progressed the first two well in recent years, we still have more work to do on the latter and there is no reason why we can't all contribute in some way to changing that.

Let's look at all three factors.

Firstly Organisational. Despite large crowds, Football Associations effectively banned or strongly disencouraged women's football in many countries including Australia

Today, through various paths most countries have now propelled women's football to a similar profile, and in some cases equal pay to men's football.

Governments are finally funding better women's facilities including changing rooms. There is more to be done and faster but we are seeing progress.

Secondly Corporate. When we asked to specifically support the Matildas and become their first dedicated sponsor in 2017, we were amazed at the lack of corporate support for this world class team. We have seen such a wonderful transformation since then and today Seven's logo is one amongst many and they are now the CommBank Matildas!

We see a similar situation evolving with the Seven Consulting Opals who we only recently began to sponsor. As an organisation we knew we wanted to continue to support women's sport so in 2022 when we discovered the Opals didn't have a naming rights sponsor for a home World Cup and the legendary Lauren Jackson was returning to the world stage for it ~ the sponsorship decision was an easy one. Since then, again, there has been a steady increase in sponsor interest and we are delighted to be a supportive part of their story too. So, we have just announced a longer term commitment to the Opals and their sport as the naming rights sponsor for a minimum three year period. Once more we can see change happening and we want to help drive that change.

Finally, personal. This is where we each need to focus on getting behind women's sport and building greater momentum. Although attendance and viewing figures are rising in Australia, they are not increasing as quickly as internationally nor where they should be. A quick example. The Matildas are playing Spain (one of the world's best teams) in Sydney in 5 months in one of the world's greatest stages for a women's sporting events in Australia and the crowd is a mere 15,000 ~ the stadium not even half full. Yet when England plays Denmark in Sydney around the same time at the world cup the stadium is already sold out. Over 42,500 tickets sold and many to ex-pats who will be there to support their teams.

The Matildas are the home team. There are an increasing number of Matildas who play A league games in front of 100's of spectators. We cannot continue to just talk about supporting women, decreasing gender pay gaps, supporting women's sport without actually doing something about it.

If we want true equality in our sports, other than a few like tennis and show jumping, we need to continue to encourage support from sporting bodies, government, and corporates but we also need go to women's games, bring friends along to the games, watch them on television as equal pay can only be based on equal value to the audience. So let's go and support our women and their sports. Let's be the change we want.

Declan Boylan Founder & Executive Chairman Seven Consulting

How timely that the FWX 2022 in review is here for International Women's Day (IWD). It's time to reflect, celebrate women worldwide, and get fired up again.

We all love data that tells a story but are we surprised that the index shows a decline in the growth of monthly hours worked among women? Yet, women's unemployment and underemployment grew during COVID?

The cold, hard truth is that it's harder for a woman in the workforce to fight on both fronts, at home and work, when we still carry unconscious bias that's hard to see. Apathy and confusion about how to help are the top reasons contributing to why we don't all drive faster change.

In the largest market in the world, corporate America, Lean In and McKinsey ran a large-scale survey. They showed women are still dramatically and persistently underrepresented in leadership, with only 1 out of 4 C-Suite executives being women and only 1 out of 20 being women of colour. This isn't because women don't want to lean in. Women face unconscious bias, making it harder for them to advance at work and more likely to have higher, more unmanageable workloads.

If your company is struggling to retain the relatively few women in your leadership pipeline or team, do you know why? Workplace microaggressions is another term for unconscious bias expressed, which is well-documented yet incredibly difficult for most of us to notice.

In a study of performance reviews, for example, what % of women do you think received negative feedback on their style, such as "You can sometimes be abrasive"? And what % of men would you guess received that same type of feedback? The answer: 66% of women v. 1% of men.

Surprised? I recently learned of 6 types of common unconscious biases to watch out for, and I know I carry some of them!

1. Likeability bias - we expect men to be more assertive, so it feels natural when they lead. We expect women to be kind and communal, so we might like them less when they lead.

2. Performance bias - it's easy to overestimate men's performance and underestimate women's.

3. Maternal bias - we might assume mothers are less committed to their careers.

4. Attribution bias - we often give women less credit for accomplishments and blame them more for mistakes.

5. Affinity bias - we gravitate towards people who are similar to us and are mistrustful of less similar people.

6. Intersectionality - women can also experience biases due to race, disability, sexual orientation, or other aspects of identity.

The next time we think, this doesn't happen on my team or at my workplace, we should check ourselves. It's happening ~ even if we aren't noticing it. And it directly contributes to women's experiences and why they are leaving, are not promoted, or are not moving up at the same speed or even paid the same rate.

How do we be more courageous and challenge ourselves to acknowledge that we hold unconscious bias and that we aren't moving the status quo forward by staying silent and complicit?

Wisr has closed our gender pay gap. We're planning our activities involving everyone (not just women) for the week of IWD to keep pushing the conversation and the envelope at work, creating psychological safety for everyone to talk about it ~ well beyond into the rest of the year.

Together, let's translate data into action, pay attention and notice bias in meeting rooms and conversations about talent and performance reviews, and have more brave discussions and sharing of lived experiences. Equality is what's best for business and societal outcomes and what's right for us all. Happy IWD!

Dr Lili Sussman Chief Strategy Officer Wisr



Addressing economic security for women

The results of the latest Financy Women's Index (FWX) reinforce that gender based economic inequality continues to impact women across all life stages. Addressing systemic issues and improving women's economic security and wellbeing not only provides women with real opportunities and choice in their own lives but is also key to better economic growth.

Access to secure, paid employment is a key driver of financial security and wellbeing. However, as data and research consistently show, women face a multitude of structural and societal barriers to participating in the labour market. This includes higher levels of paid and unpaid caring responsibilities, gendered norms around home, work and study and women are more likely to work in sectors impacted by economic downturns such as hospitality and retail. Women also experience family violence at far higher rates than men and are overrepresented in lower paid/undervalued industries.

While the latest FWX indicates positive gains in some areas of gender equality in Australia, falls in the Employment and Underemployment sub index reinforce the ongoing challenges women face in many job sectors, particularly in low paying industries. This will only be exacerbated by continuing inflationary pressures and economic uncertainty.

Partnering to create employment opportunities

Ecstra Foundation is working to help build financial wellbeing in Australia, within a fair financial system. A key pillar of our work focuses on the challenges women face at different life stages. We developed and launched the Women's Economic Security Project funding a range of initiatives that help to ensure more women are in control of their financial lives, now and into the future. We partner with organisations tackling the challenge of increasing workforce participation for women locked out of mainstream employment, with a strong focus on creating employment opportunities and providing financial capability support. These include micro enterprises, charities and social enterprises working with victimsurvivors of family and domestic violence, young women in regional areas, First Nations women and migrant communities.

We support Code Like a Girl who are training the next generation of female coders. Another partner is Two Good Co who create employment opportunities for women impacted by family and domestic violence. Global Sisters is helping female micro enterprises achieve long term success and establishing financial products suitable for micro businesses and Women's Health In the North is providing financial capability support to migrant women through tailored, bilingual peer education model.

These initiatives, and many others, are delivering tangible outcomes for women and providing the supports needed to enable access to employment and income earning opportunities. Community and social enterprises are often running innovative programs however there are still many structural barriers and entrenched gender norms to address, which is why the work of FWX continues to be so important.

Caroline Stewart Chief Executive Officer Ecstra Foundation



Each time I read the FWX report, I come away with more questions.

Generally, my start position is, 'what has to happen for Australia to see real progress in gender equity and equality?' It's then followed by 'what can I do differently, more of, to help shift what appears to be a never-ending discussion about economic stability for women'.

When I take a step back to reflect on these questions, I realise we have spent generations trying to find many ways to resolve the multitude of issues that still exist regarding economic equality for women. Why? Because there are many things to solve, and not enough time or investment is spent getting to the root cause of the issues.

How I live in a society that is still dealing with domestic violence, discrimination, and inequality when we have seen significant advancement in technology, health, and financial markets is astonishing to me.

Are the right people spending the time on what really matters? We are a society of humans who seem to be spending less and less time on human problems.

FWX target areas which are both drivers and indicators of progress. These are Unpaid Work (dual), Employment, Underemployment, Pay, Board Leadership and Superannuation. At face value, these should not be complex to address and find a path forward, and yet we are seeing only incremental changes in areas that, if resolved appropriately, will create a cycle of economic benefit to all Australians for generations to come.

More and more families require two incomes to support their livelihood and provide security for their families.

Finding ways to direct economic resources to unpaid work, superannuation during parental leave, and pay equality would go a long way toward providing this security.

Done early and upfront in the life cycle of a women's career could be the difference between self-reliance of her financial future versus seeking government support.

The cycle becomes virtuous and creates momentum, benefitting all of our community.

When it comes down to it, this is equity and equality at its best.

Annick Donat Chief Executive Officer Clime Investment Management



Chart 5: Underemployment rate by gender gap

The gender gap in the underemployment rate narrowed significantly during periods of the COVID-19 pandemic but appears to be stabilising at improved levels compared to previous years.



Chart 6: Employment perspective on monthly hours worked by gender

2022 delivered very little change in the growth rate of female monthly hours worked and it has been only slightly better for males.

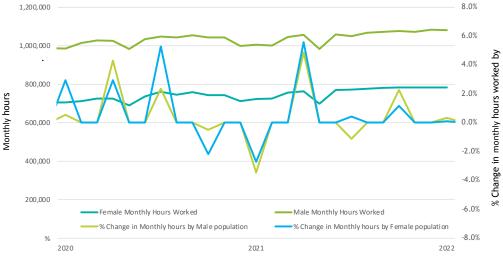


Chart 7: Employment growth full and part-time employed persons by gender

Women's full-time employment growth outperformed male in 2022 despite the relative weakness noted in the December quarter. Weakness for both genders occurred in part-time work, with men fairing slightly worse.

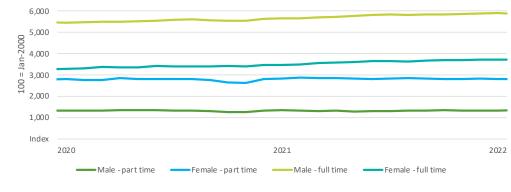


Chart 5,6 & 7 Source: ABS & Financy, December 2022.

TABLE 1: Employment by industry, type and gender

INDUSTRIES	Employed full-time (Males)	Employed full-time (Females)	Employed part-time (Males)	Employed part-time (Females)	Quarterly Growth in Female total employ	Quarterly Growth in Male total employ
Agriculture, Forestry and Fishing	161	43	54	42	-29%	-13%
Mining	227	43	2	6	-5%	2%
Manufacturing	577	166	58	78	1%	5%
Electricity, Gas, Water and Waste Services	120	30	9	9	-4%	25%
Construction	995	123	111	65	31%	13%
Wholesale Trade	208	79	24	31	-9%	1%
Retail Trade	379	293	234	441	5%	5%
Accommodation and Food Services	214	180	222	334	21%	15%
Transport, Postal and Warehousing	472	123	81	57	26%	14%
Information Media and Telecommunications	93	53	18	22	-2%	4%
Financial and Insurance Services	267	207	21	64	14%	8%
Rental, Hiring and Real Estate Services	90	79	17	29	5%	-11%
Professional, Scientific and Technical Services	634	378	80	158	6%	9%
Administrative and Support Services	153	123	62	123	4%	1%
Public Administration and Safety	403	327	33	85	0%	-11%
Education and Training	229	468	94	374	2%	-6%
Health Care and Social Assistance	349	839	130	750	-1%	-52%
Arts and Recreation Services	89	50	46	62	4%	15%
Other Services	243	110	42	120	3%	-5%

Table 1 Source: ABS & Financy, December 2022.

Chart 8: Female employment story by age group

Younger women forged a comeback in their full-time work participation in 2022 after being hardest hit during the pandemic. Women aged 15-24 experienced 10% employment growth over the calendar year, whilst 35-44 year olds saw 5% growth and 25-34 years olds were the only cohort to see a drop in their full-time work participation.

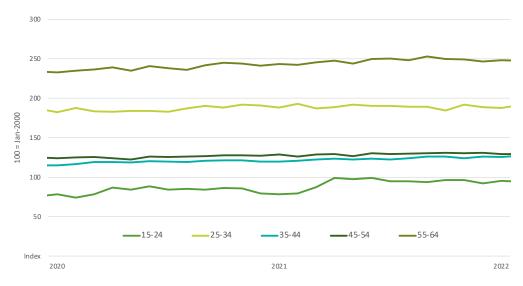


Chart 8 Source: ABS & Financy, December 2022.

CHART 9: 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 impressive and we are on track to seeing 40% female board representation, based on current momentum, in the coming years.

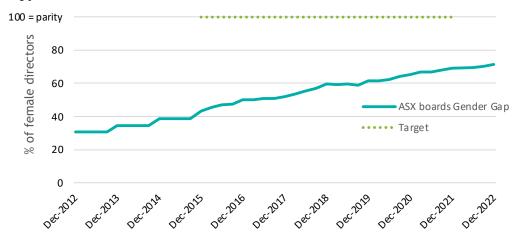


Chart 9 Source: AICD & Financy, December 2022.

CHART 10: Gender pay gap by industry and average weekly wages

Health care and social assistance, Professional, Scientific and Technical Services and Financial and Insurance Services has all managed to lower their respective gender pay gaps in the December quarter. Administrative and Support Services, Mining and Information Media and Telecommunications are among the sectors which saw their gender pay gaps worsen.

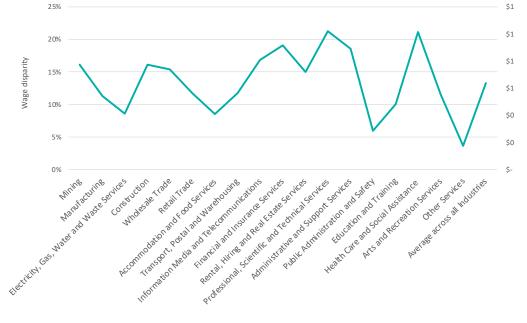


Chart 10 Source: ABS, Financy, December 2022.

TABLE 2: Gender pay gap table by industry and salary

*Note: Bold text highlight in second last column indicates the industries where the gender pay gap has worsened.

INDUSTRIES	Earnings; Males; Full Time; Adult; Ordinary time earnings	Earnings; Females; Full Time; Adult; Ordinary time earnings	Gender pay gap % Dec qtr 22	Gender pay gap % Dec qtr 21
Mining	\$ 2,896	\$ 2,430	16.1%	15.4%
Manufacturing	\$ 1,623	\$1,440	11.3%	12.9%
Electricity, Gas, Water and Waste Services	\$ 2,137	\$ 1,953	8.6%	7.8%
Construction	\$ 1,827	\$1,532	16.1%	17.4%
Wholesale Trade	\$ 1,761	\$ 1,491	15.4%	16.2%
Retail Trade	\$ 1,431	\$1,264	11.7%	10.4%
Accommodation and Food Services	\$1,341	\$1,227	8.5%	11.2%
Transport, Postal and Warehousing	\$ 1,819	\$1,605	11.7%	13.8%
Information Media and Telecommunications	\$2,402	\$ 1,997	16.9%	16.0%
Financial and Insurance Services	\$ 2,412	\$1,952	19.1%	20.6%
Rental, Hiring and Real Estate Services	\$ 1,808	\$ 1,537	15.0%	19.5%
Professional, Scientific and Technical Services	\$ 2,345	\$ 1,847	21.2%	24.4%
Administrative and Support Services	\$ 1,691	\$ 1,378	18.5%	13.8%
Public Administration and Safety	\$ 2,000	\$ 1,881	6.0%	8.5%
Education and Training	\$ 2,041	\$1,836	10.1%	10.9%
Health Care and Social Assistance	\$ 2,074	\$1,636	21.1%	21.4%
Arts and Recreation Services	\$1,728	\$1,529	11.5%	8.6%
Other Services	\$ 1,353	\$1,304	3.7%	3.6%
All Industries	\$1,907	\$1,654	13.3%	13.8%

Table 3 Source: AICD & Financy, September 2022.

Chart 11: Female unpaid work story by age group

Women and men in coupled relationships aged 35-44 are doing the most unpaid housework and care tasks on a weekly basis. Both women and men in this age group did slightly more hours per week in 2021, as reflected in 2022 HILDA data. The cohort spending the least time in unpaid work are men under 35 years of age.

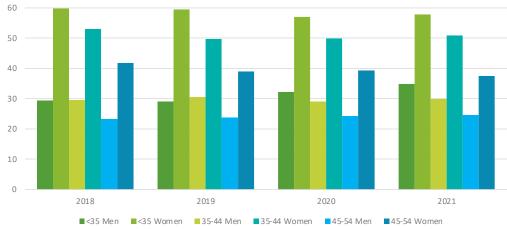


Chart 11 Source: HILDA Survey 2021 and Financy, December 2022.

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 paid and unpaid work time, increased. This helped to narrow the gender gap in unpaid work.



Chart 12 Source: HILDA Survey 2021 and Financy, December 2022.

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 13 Source: ABS & Financy, December 2022.

Chart 14: Superannuation by gender gap and women in full-time employment

Progress is being made in closing the gender gap in lifetime superannuation savings as more women enter full-time work.

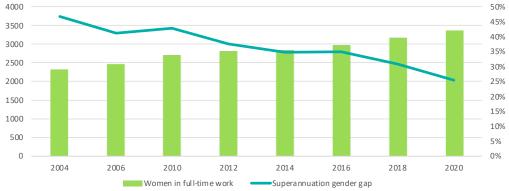


Chart 14 Source: Department of Education, Financy, December 2022.

Chart 15: Growth in tertiary fields of study, by gender

Student enrolment growth over the past five years shows accelerated interest among women in male-dominated fields of study. Male student enrolment numbers have declined across many course areas over this same period.

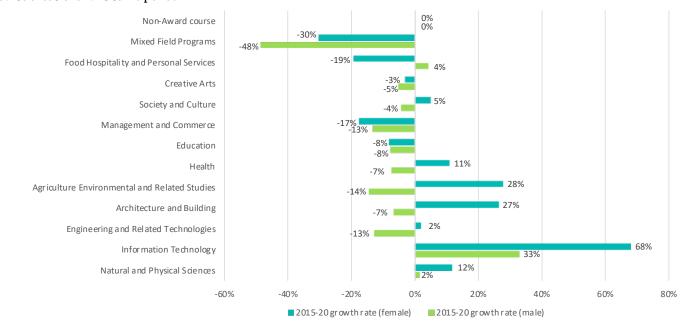


Chart 15 Source: Department of Education, Financy, December 2022.

TABLE 3: Breakdown of fields of study and mean income by age and gender

There are four areas where women aged 30-39 have higher earnings potential than men on a weekly basis, the leader 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			
FIELD OF EDUCATION	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 3 Source: Census 2021, Financy, December 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.

Headline results

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

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.

Disclaimer

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Women in The Workforce

Chart 5, 6, 7 & 8, Table 1 - 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 9 - 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).

Gender Pay Gap

Chart 10 & Table 2 - Average weekly earnings and earnings by industry data is based on the Australian Bureau of Statistics series 6302.0. The report comes out twice a year in February and August.

Women In Unpaid Work

Chart 11 & 12 - Unpaid work figures have been provided by 2021 Household, Income and Labour Dynamics in Australia (HILDA) Survey, published in December 2022. 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 most recently taken between August to November 2021.

Superannuation Gap

Chart 13 & 14 - 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.

Tertiary Education

Chart 15 & Table 3 - 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 timeframe 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.

For information on the data contained in the report contact Financy.

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