

MONEY SUPER & RETIREMENT WOMEN AT WORK

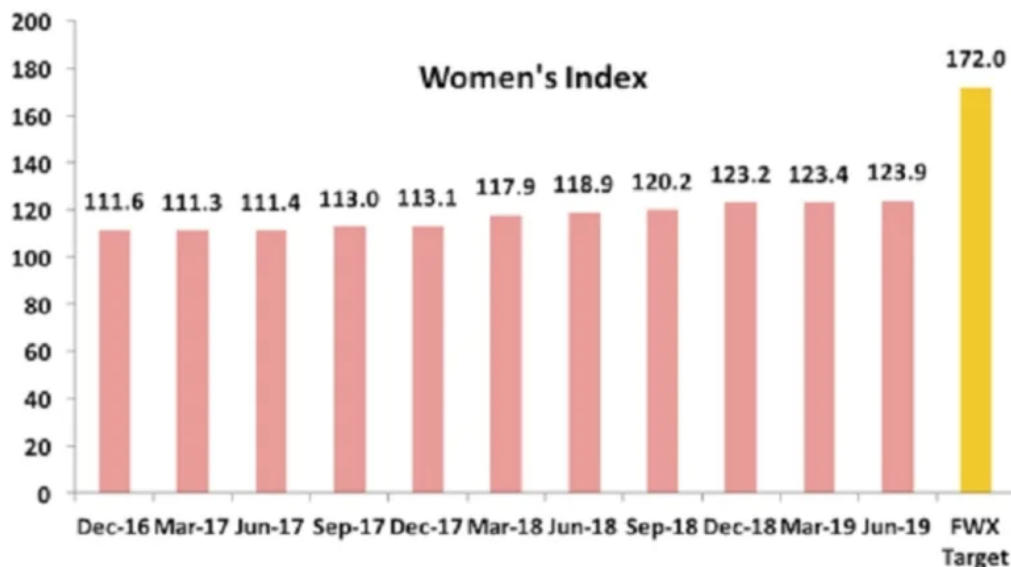
Women face 45-year wait to achieve economic equality

By Emily Chantiri

August 21, 2019 – 12.00am

Women may have to wait up to 45 years before they achieve economic and financial equality, according to the latest Financy Women's Index.

The index is designed to provide a "big picture" on the economic progress of Australian women on a quarterly basis in such key areas as workforce participation, the superannuation gender gap, underemployment and tertiary enrolments.



Index founder Bianca Hartge-Hazelman says it measures the advancement of women across their working life and all the way through to retirement. Then, the number is benchmarked against men to calculate an index score.

The index rose 0.5 points to 123.9 in the June quarter – still well short of the aspirational target of 172, a level at which it is seen that economic equality lies for both men and women.

“This is the target where economic equality could be, in a world where men and women are relatively equal across education, employment, wages and super,” Hartge-Hazelman said.

However, reaching the target could take another 45 years, which could come as a shock to some women, Hartge-Hazelman says.

Slow progress

Although slow, women are making progress over the past two years and nine index reports.

"We are definitely heading in the right direction," Hartge-Hazelman said.

Key factors supporting performance in the latest quarter include improved workforce participation, a record narrowing of the superannuation gender gap, less underemployment, a fresh low in the gender pay gap and higher tertiary enrolments.

The latest super balance data from the ABS show that in the 2017-18 financial year, the super gender gap narrowed to 28 per cent, from 34 per cent in the 2015-16 financial year.

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The super gap derives from many factors, including lower salaries, lengthy career breaks and periods of part-time work. The gap is at its greatest for women aged between their late 30s and mid-40s.

Kate McCallum, chair of AFA Inspire, the Association of Financial Advisers' peak body for women in advice, said closing of the super gap was a long sought after outcome.

"However, I'm seriously worried that womens' economic progress in one area is matched by backward steps in others, such as the stalling of full-time employment," she said.

"Metrics like the Financy Women's Index remind us that change is happening but we need to keep pressing for the further advancements."
