

Media Release

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Urgent action needed to end women's economic insecurity: First State Super

Urgent action is required to remove the structural barriers that are contributing to increasing numbers of women retiring into poverty and homelessness according to First State Super CEO, Deanne Stewart.

Speaking ahead of her presentation at a Committee for Economic Development Australia (CEDA) lunch in Sydney today (28 November 2019), Ms Stewart said despite pleasing advancements over the past 20 years, women still faced significant cultural and structural barriers to achieving long-term financial wellbeing.

She said if action was not undertaken now, another generation of Australian women would be reliant on their partner's superannuation to achieve a dignified retirement.

'It is time to collaborate not discriminate,' Ms Stewart said. 'Despite increased workforce participation and improvements in the gender pay gap, women still retire with 42% less superannuation than men. That is 42% less savings to pay for their basic needs such as housing, healthcare, energy costs and food.'

'Structural issues and societal norms have combined to create this gender inequality which sees more than 40% of Australian women reliant on their partner's income as their main source of funds in retirement.'

'While society has made great strides forward, we will never truly achieve gender equality until we respond to the structural issues that place women at a disadvantage.'

Ms Stewart said issues such as women dominating lower-paid, part-time and insecure employment, combined with the current gender pay gap, career breaks and caring responsibilities were impacting women's economic security, not only through their working lives, but throughout their retirement as well.

She said delivering the kind of genuine and lasting reform needed to close the gap, required action from individuals, business and government.

'While women face some significant financial challenges, there are simple, practical things we can all do to try to shift the dial on this issue,' Ms Stewart said. 'Real change starts at home, as we reconsider the current bias of parental roles and look to support a more equitable sharing of these responsibilities.'

'It also means breaking down the gender stereotypes that persist as young girls reach puberty and beyond and support all Australians to be their best no matter their gender.'

'Employers need to seek innovative ways to attract women back into the workforce and support more of their male colleagues to access flexible work arrangements to share caring responsibilities. It is critical as employers, we also seek to improve the 'on ramp' for women returning from maternity leave and develop processes to support more mature-age women in the workforce.'

'Policy-makers also have a fundamental role to play. By paying the superannuation guarantee on the Government's paid parental leave, removing the current \$450 per month superannuation guarantee threshold, and improving childcare support, some of the major policy impediments to Australian women saving for their retirement would be removed.'

'While the issues facing Australian women are significant, they are not insurmountable. If we don't continue to push for change and reform though, the momentum we have gathered over the past 20 years will be lost and we will leave another generation of Australian women without the economic security they are entitled to and deserve.'



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Note to Editors:

First State Super is one of Australia's largest industry funds providing superannuation, advice and retirement solutions to those who teach, nurse, care, respond and help others in our communities.

We aim to deliver strong long-term returns and keep our fees low, so members can retire with more. We have a diverse range of investment options and we provide members with access to advice about their super and the investment options available to them.

The way we invest benefits members as well as the communities in which they live work and retire. With \$100bn in assets we often invest directly in assets that create jobs and benefit communities.

We believe in the value of advice and the difference it can make to our members retirement outcomes and are proud to offer members access to our over 220 qualified financial planners across a broad regional network. We also host over 300 free seminars across Australia each year - some in the workplace and others in community-based locations.

We have achieved the highest platinum performance rating from SuperRatings for the past decade. ChantWest, another independent rating agency has awarded us their highest 5-star rating.

We're dedicated to helping our members to 'Feel future ready'.