aist | WOMEN IN SUPER

WOMEN'S SUPER SUMMIT 2016

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KEY GENDER STATS

AUSTRALIAN BUREAU OF STATISTICS DATA (2015-16)

- The labour force participation rate of people aged 20-74 years was 66% for women and 78% for men.
- 44% of employed women worked part time compared with 15% of employed men.
- 5.7% of men and 9.4% of women aged 20-74 in the labour force were underemployed; that is they wanted, and were available for, more hours of work than they currently had.
- 90% of women aged 20-24 had attained Year 12 or a formal qualification at Certificate II or above, compared with 86% of men.
- 30% of men and 40% of women aged 25-29 had attained a Bachelor Degree or above. Since 2001, women in the 18-54 year age group have been consistently more likely than men to have attained a qualification at this level.

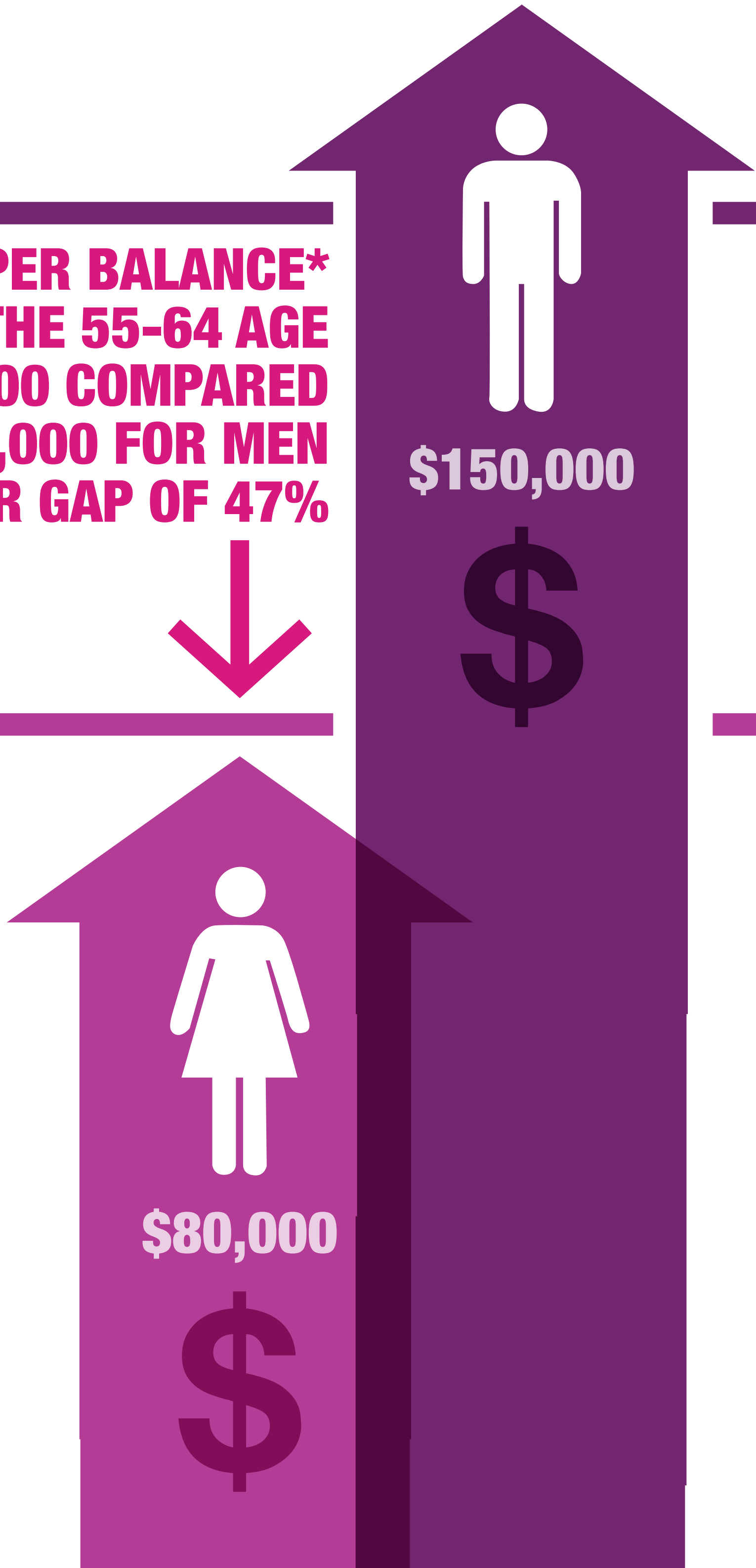
WORKPLACE GENDER EQUALITY AGENCY DATA (2015-16)

- 23.1% full-time total remuneration gender pay gap, with mean earning on average $26,853 a year more than women.
- 48% of organisations offered paid primary carers' leave.
- 70.7% of employers have a gender equality policy and/or strategy in place.
- 57.4% of manager-level appointments were awarded to men.
- 24.7% of board directors are women.
- 12.7% of boards have a gender target.

AUSTRALIAN BUREAU OF STATISTICS DATA (2013-14)

- In 2012-14, Australian life expectancy was 80.3 years for males and 84.4 years for females.
- 25% of women aged 15-64 years had no superannuation coverage, compared with 20% of men.
- The median super balance for a woman in the 55-64 age group was $80,000 compared to $150,000 for men – a super gender gap of 47%.
- Government pensions and allowances were the main source of income for 77.8% of women and 72.4% of men in the 65 years and older age group.
- 5.8% of women and 2.6% of men provided primary care to a person with disability.
- Women spend nearly twice as long as men on primary activities associated with unpaid work.
- Women reported spending 37 minutes more a day than men on childcare responsibilities (59 minutes compared to 22 minutes).

THE MEDIAN SUPER BALANCE* FOR A WOMAN IN THE 55-64 AGE GROUP WAS $80,000 COMPARED TO $150,000 FOR MEN – A SUPER GENDER GAP OF 47%



*most up to date figures prepared for AIST using ABS 2013-14 data

INTRODUCTION

CATE WOOD
Chair, Women in Super

The first Women's Super Summit was held by the Australian Institute of Superannuation Trustees (AIST) and Women in Super (WIS) in early 2014. With the current focus on superannuation and a package of tax changes passed by parliament, AIST and WIS thought it timely to convene a second Summit to review women's superannuation outcomes and the way forward to reduce their almost 50 per cent super savings disadvantage.

The first Summit considered and supported a wide range of policy and behavioural finance measures which could help overcome the super saving gap for women. Given women's low superannuation balances the Summit also focused on the need to increase the Superannuation Guarantee to 12 per cent.

Opposition to the (then) new Abbott Government's intention to abolish the Low Income Super Contribution (LISC) eclipsed all other policy priorities as it affected 1 in 2 working women.

The LISC automatically repays the tax paid on compulsory (SG) contributions to anyone earning $37,000 p.a. or less - otherwise they would pay more tax on super contributions than wages. Higher income earners receive much larger tax breaks.

Following the Summit, Women in Super focussed advocacy efforts on retaining the LISC and created the Keep Super Fair website to educate the public and seek support from the senate. Industry bodies and funds also advocated strongly for the retention of the LISC.

Women in Super and AIST are very pleased that the current superannuation legislation passed by parliament includes the introduction of the Low Income Superannuation Tax Offset (LISTO) which continues the LISC tax rebate to low income earners. However it is extremely disappointing that three years have been spent simply maintaining a measure that refunds an unfair tax. There are no changes which will materially improve the situation for women.

The Senate Inquiry into Women's Economic Security in Retirement led by Senator Jenny McAllister commenced in late 2015. The report "A Husband is not a retirement plan – achieving economic security of women in retirement" canvassed the issues and made 19 recommendations.

The facts are known and many measures have been suggested. The challenge for us all is to narrow down the policy package that we should seek from Government - to decide the key changes that will make a difference and improve retirement outcomes for women.

New government measures that recalibrate tax concessions received by high income earners - while reducing the concessions received by high income earning men - do not improve the superannuation prospects of the vast majority of women. It is disappointing to see the saving made within the system has not been used to improve outcomes for women. The LISC/LITSO could have been extended to make a meaningful improvement for many women.

Moreover, the new measures to allow 'catch-up' payments are unlikely to assist many women, as most women cannot afford to make additional voluntary contributions. Research shows there are very few women who will be able to make use of these provisions, and ultimately, very few who will benefit at the end of the day.

This Summit aims to prioritise next steps on the advocacy, research and policy front and to see if there are any innovative solutions to address the structural inequities within the system.

THE LISC/LITSO COULD HAVE BEEN EXTENDED TO MAKE A MEANINGFUL IMPROVEMENT FOR MANY WOMEN.

GENDER LENS ON SUPER POLICY

DAVID KNOX
Senior Partner, Mercer

Mercer, together with AIST, has jointly developed the AIST-Mercer Super Tracker as an objective means of assessing super and road test new ideas and policies.

The Super Tracker confirms the system is strong in many areas, but more work is needed to ensure super is fair to all, particularly in terms of closing the gender gap in retirement savings.

The Tracker looks at gender and super four ways – the current balance; modelling the future; retirement income; and fairness across the income levels.

It shows that on average, the median super balance for women is about 65 per cent that of men.

However, when breaking it down, and including work breaks, the percentages change.

For example, if a woman works full time for ten years, takes five years off, returns part time for ten years, then follows on to full time work for ten years and back again part time for eight years, her super balance will be about 63.9 per cent that of a man.

In another example – if a woman works full time for 12 years, takes three years off, returns to work part time before taking on full time work for 15 years before scaling back to part time work for eight years, her super balance will be 69.5 per cent that of a man.

When taking into account the gender pay gap, the percentages at retirement change again.

In another words, the gender pay gap is driving the main difference in superannuation balances between men and women, not predominately the break in work patterns.

For example, if the gender pay gap reduces from 18 per cent to ten per cent, a woman will find herself with a super balance of 71.8 per cent of that of a man.

If the gender pay gap closes from 18 per cent to five per cent that balance increases to 76.7 per cent.

With no gender pay gap, a woman at the end of her working life but with interrupted work patterns could expect to have super balance of between 82.6 per cent and 88.4 per cent that of a man.

When looking at retirement incomes, the Tracker looks at the median income – not the average - and it uses the ASFA (Association of Superannuation Funds of Australia) 'comfortable' target as its base.

This target is what is considered necessary by Australians to fund either a comfortable or modest standard of living in their post work years and the goal is to reach 100 per cent of ASFA comfortable target.

Based on the ASFA comfortable target of 29 years – 24 year's life expectancy post retirement plus another five to take into account variations on life expectancy – a full time working male can expect to reach a superannuation level of around 98 per cent of the ASFA Comfortable target.

A full time working female would expect to reach 92 per cent of the target, a part time male would reach 89 per cent of the target while a part time working women would reach 74 per cent of the target

As it currently stands, 60 per cent of single females aged 55 to 64 have a super balance of less than $50,000.

Just over 45 per cent of single men aged 55 to 64 have super balances under $50,000 while just under one quarter of all couples have super balances less than $50,000.

In the same age bracket, 75.2 per cent of single men have balances under $200,000, almost 82 per cent of single women have less than $200,000 and just over half of couples have less than $200,000 in their super balances.

It is true that OECD figures show Australia has the second highest poverty rates amongst elder people, with poverty defines as income less than 50 per cent of the medium income.

But the OECD figures don't take into account the fact that Australians have fairly high home ownership rates, although that is dropping with every generation.

The Budget super measures are going in the right direction in terms of superannuation, but from a female point of view it's the salary gap that is driving a lot of the adverse consequences.

"THE GENDER PAY GAP IS DRIVING THE MAIN DIFFERENCE IN SUPERANNUATION BALANCES BETWEEN MEN AND WOMEN"

THE SIGNIFICANCE OF THE GENDER PAY GAP

JULIENNE CLIFFORD
Operations Executive Manager, Workplace Gender Equality Agency (WGEA)

The gender pay gap is defined as the difference between the average male full time earnings and full time female earnings, expressed as a percentage of full time male earnings.

There is a gap and it is large and it is persistent.

On a positive note, over the last century there have been improvements in labour market conditions for women.

For example, the participation rate for women in the workforce has almost doubled and earnings of women have increased from around half the wage of men in 1919 to around 84 per cent in 2009.

But any further movement in gender pay gap over the last 20 years has been painfully slow.

According to newly released data by the Workplace Gender Equity Agency, the national pay gap between female full time workers and male full time workers is 17.7 per cent of base salary. This increases to 23.1 per cent when total remuneration is included.

On average, women working full time in Australia are earning $27,000 less per year than men.

The full time remuneration pay gap widens to be almost $94,000 a year for key management personnel.

It drops to just over $75,000 in other executive /general manager roles and $20,389 for non-managers.

Our data reveals women working full time receive $1643 per year less in superannuation payments than full time men.

At a time when the education levels of women and men and the participation rate of women and men in the workforce is closer than ever before, the gender pay gap is a symbol of lost potential.

Why are the brightest and the best not progressing in our workplaces and not being equally valued in our workplaces in 2016?

Workplace gender inequality is neither publicly accepted nor supported by law, and yet it still exists.

It is unlikely employers deliberately set out to pay women less than men and yet there still appears to be a bias, even if it is an unconscious bias.

So organisations need to consciously commit to gender equality and apply rigour to all their decision making.

If employers rely on only what people ask for, or what they can get away with paying, then deep biases and historical practises will continue and deliver unfair outcomes.

Research shows the pay gap starts early with graduate salaries for women 9.4 per cent less than men. There is also research showing that in a workplace context, women are reluctant to enter into negotiation.

When women negotiate for themselves, they generally ask for less and they are more likely to accept an initial offer.

Conversely when an employer negotiates with a woman, the employer tends to offer less and is more likely to resist any influencing attempt by supporters of the employee.

As far as occupation and industry segregation goes, our data shows that most people work in male or female dominated industries.

Historically, female dominated industries have attracted lower wages than male dominated industry.

The average female remuneration for women in female dominated industries is around $77,000 per annum. For men in male dominated industries, the average remuneration is around $117,000 per annum.

Interestingly, it's been found that when more men move into female dominated industries, the average pay rises.

What can employers do to improve the gender pay gap?

First, employers need to undertake a like-for-like pay gap analysis of the pay roll.

They need to set Key Performance Indicators. After all, what's counted counts and what gets measured gets managed.

Employers need to consider implementing schemes to help women return to work after childbirth and encourage flexible working policies.

In the three years since the WGEA agency began collecting data, the gender pay gap has declined.

In further good news, the pipeline of women into management roles is improving. And for the first time over 70 per cent of organisations in the WGEA data search report that they have introduced formal policies or strategies to address gender inequality.

It's still a grim picture out there, but there are reasons to be hopeful.

“WOMEN WORKING FULL TIME IN AUSTRALIA ARE EARNING $27,000 LESS PER YEAR THAN MEN”

FOR OUR DAUGHTERS – SOLUTIONS TO HELP BRIDGE THE GENDER SUPER GAP

ROBBIE CAMPO
Deputy Chief Executive, Industry Super Australia

As women know, it takes a long time to effect change. And on current policy settings, women are being left far behind.

The poorer outcomes that women have in retirement and their engagement in the paid workforce is the nexus at the heart of the issue.

Without change, the next generation will continue to see the same poor outcomes.

As is well known, our super system is based on the presumption of full time continuance employment until retirement.

Of course, this is not the pattern generally followed by most women.

ISA has come up with a policy solution called "Super Seed" to overcome the nexus between a women's average lower lifetime earnings - which takes into account unpaid leave, part-time employment - and early retirement.

At its heart is the fact that the gap in superannuation savings between men and women is far bigger than the gender pay gap.

The gender gap between male and female full time earnings currently sits at 23.1 per cent.

Female participation, at 65 per cent, is starting to creep up to the level of men's, at 78.4 per cent.

However, over 43 per cent of women work part time compared with only 13.4 per cent of men.

Taking into account the numbers of mothers taking time out of the workforce to care for children compared with the number of men, the figures are even starker.

Of employed female parents, 63 per cent work part time. Of employed male parents, only seven per cent work part time.

The gender pay gap has stubbornly sat around the same mark for too long time.

Fixing the gender pay gap is the single most important measure in improving the outcomes for women in retirement.

Significantly, the Superannuation Guarantees level needs to be increased to 12 per cent.

And tax concessions need to be rebalanced in favour of those who need extra support. Currently, men are the beneficiaries of two-thirds of tax concessions that are dished out.

Super Seed has been devised to overcome the factors that contribute to women's poor retirement outcomes.

Super Seeds works akin to a "voucher" or "carers credit". At its essence is a government contribution paid into the accounts of low income earners who are predominately women.

While the amount can be changed, the Super Seed policy ISA has put forward has assumed a government contribution of $5000 a year into the account of low income earners.

The payment is made each year for ten years between the ages of 27 and 36.

Under the plan, the payment would be made automatically and is not part of a co-contribution. It's also not a catch up contribution. It is a contribution that is paid out of revenue for all those eligible in the low income deciles.

TAX CONCESSIONS NEED TO BE REBALANCED IN FAVOUR OF THOSE WHO NEED EXTRA SUPPORT

The coverage is very broad but targeted and the earlier it goes in, the early it has the chance to compound.

A bit like a carers credit, the Super Seed payment coincides with the time women are stepping out of full time work.

Under the Super Seed model, a single woman below 30, who will retire after 2055, will have around $90,000 or 60 per cent more at retirement than they would have without it.

For couples, the figure is between $160,0000 and $167,000.

The cost of Super Seed has been modelled and is significant.

Even with a recalibration of the system away from high income earners and a better targeting to those in need of greater support for retirement, it would still add an additional cost to the budget.

However women need to keep the fire burning to ensure their daughters and their granddaughters end up with a better retirement.

A GLOBAL PERSPECTIVE

MARY DELAHUNTY
General Manager, Business Development and Policy, HESTA

Women are getting a little bit tired of talking about super and how it's not delivering.

It is essential for women to be in furious agreement about the structural inequalities in our system and the fact that those inequalities are not the fault of women.

Yes, women choose to have children. But women did not choose to be the only gender that could bear children and they did not choose to be penalised for it.

Women should not accept the generally held proposition that it is up to them to change it. Society needs to look at the structural inequalities that exist in the system which was supposed to guarantee universal dignity in retirement for everyone, not just men.

After being fired up by the last Women's Super Summit in 2014, and with a Churchill Scholarship, I travelled to Europe and the United States to study the voices of international advocacy on the issue of superannuation.

The gap between women's and men's pay is not unique to Australia. But Australia is one of only a few first world countries, along with Mexico and Israel, that do not have compensatory measures built into its system to take into account time out of the workforce

Australian women need to fire up. This is an unacceptable outcome.

Often women as a group are advised to try and find an extra $20 a week to chuck into their super accounts to try and cover for the time when they might have children and be out the workforce. Women deserve a better compensation solution than that.

The unpaid work of women taking time off paid employment to look after children or elderly relatives should not be discounted. It is of great economic benefit to Australia and should be treated as such.

Any system predicated on time in the workforce will have bad outcomes for the only gender that is forced to take time out to reproduce.

It was inconceivable to many of the people in the countries studied as part of my Churchill Scholarship that Australia has no compensatory measures built into their system for time out of the workforce, whether to have children or if unemployed.

There are some novel schemes across the OECD.

Chile has moved to a defined contribution model, similar but not exactly the same as Australia's. There is a mandatory contribution level of ten per cent of an employee's wage which is paid into a separate private account. It applies equally to the self employed.

When a woman has a baby in Chile, she is given what is essentially a retirement "voucher".

The "voucher" equates to ten per cent of the minimum wage and is paid for by government.

It is placed into a women's private superannuation account and immediately begins to earn interest.

With every baby, she gets another ten per cent "voucher".

While it is not a lot of money, it is valuing the time taken out of the workforce at the time it happens.

While not necessarily the answer, it is a system that could be explored in Australia.

For women in the workforce now, there is nothing structurally we can do that will see an immediate benefit to their retirement income. That's for the next generation.

But women of this generation have to fire up so we can lead the next generation to a solution.

"AUSTRALIA IS ONE OF ONLY A FEW FIRST WORLD COUNTRIES, ALONG WITH MEXICO AND ISRAEL, THAT DO NOT HAVE COMPENSATORY MEASURES BUILT INTO ITS SYSTEM"

A CASE STUDY OF AN EMPLOYER MAKING A DIFFERENCE

HEATHER BROWN
Consultant, Rice Warner

Collectively, women are worse off in retirement than men with the reasons well documented and ventilated – taking time out of the workforce to have children, missing career opportunities due to part time work when in a caring role, retiring younger than men and living longer.

All these factors combine to mean women never get the opportunity to catch up to men in superannuation stakes.

Getting to the solution of this problem will require support from employers for female staff, will mean individuals need to take a greater responsibility for their retirement, and the government will have to come to the party to offer sensible tax solutions.

Rice Warner offers a good example of an employer voluntarily taking the initiative to boost the super of their female staff.

In 2013, it introduced a package of benefits known as "Valuing Female Policy".

In summary, the benefits include:

- paid parental leave;
- uaranteed super contributions on paid and unpaid leave;
- long service leave accrual while on parental leave;
- flexible working conditions;
- an education program among male and female staff; plus
- paying an extra two per cent into the super accounts of female staff. This is not part of an income package, but an extra two per cent payment.

To look at it in raw figures, take as a base a 26-year-old woman working full time on the average wage with no career breaks until the age of 67.

Comparably, the same woman who works full time until the age of 28, then part time until 40, then again full time to 67, will be $100,000 worse off in retirement making the statutory superannuation contributions.

But if an employer tops up those contributions by as little as two per cent, she ends up only $25,000 worse off in retirement.

One of the reasons some employees are nervous to go down this path is that they fear they could be in breach of Sexual Discrimination Act.

The Act should be amended so that employers don't have that concern.

Another idea to help boost women's super would be for super funds to have female specific projection tools.

These projection tools could include fields where a woman could input how many children they'd like to have, at what age they expected to have them, how long they think they'd take off work to care for them, and how long they expect to return to work part-time. By inputting all those variables, a woman can then see how much money she will have at retirement.

Admittedly, the scenario where the employer pays an extra two per cent does not help with the age old problem of trying to encourage men to do more when it comes to parental caring and responsibility.

And while it took a lot of men at Rice Warner to get their heads around the concept of women getting paid more super, with intense education internally they came around to the idea. After all, they have wives and daughters and recognised how significant it would be for them.

> **GETTING TO THE SOLUTION OF THIS PROBLEM WILL REQUIRE SUPPORT FROM EMPLOYERS FOR FEMALE STAFF**

MAGNIFYING INEQUALITY IN RETIREMENT: THE ROLE OF TAX CONCESSIONS FOR SUPERANNUATION

RICHARD DENNIS
Chief Economist, The Australia Institute

Australia's superannuation system is structurally impaired and has been for 30 years.

When universal super was introduced, it was introduced during the "last gasps" of the male income model of the labour market.

To say some women have poor super balances compared with men because they are receiving bad advice is "crap".

It is the labour market that is causing the imbalance. There is a misallocation of caring responsibilities in Australian society. Women get paid less than men, they take more time out of the workforce to care for other people and then they get punished for it by the superannuation system.

Superannuation works for people when they have a high paying job, they don't take any time out of the workforce and they are able to take advantage of career opportunities, which typically occur in the main child bearing and rearing years.

Women are made to feel bad about having lower super balances. They are told to "take control", to get better advice. And yet, it's not their fault.

Superannuation is the magnifying glass held over the distribution of income in Australia.

Superannuation magnifies in retirement the disparities that exist in working life.

In other words, inequality in working life in Australia is made worse in retirement.

Added to that is the fact that under the current model, Australia posts the biggest cheques to people who have the most.

When it comes to tax concessions, 30 per cent go to the top 10 per cent and nothing to the bottom 10 per cent.

Until recently, low income earners paid more tax on their compulsory contributions to super than they did on their meagre ordinary incomes.

The market generates incredible inequalities in wages paid and modern culture generates inequality in the way that time is taken out of the labour market to care for young and old people.

The market causes income inequality, our culture causes work choice inequality and then tax concessions are bought "just to smash" that gender wedge.

The answer is not telling people who can barely afford to pay rent to increase their superannuation contributions.

Nor is it telling them to get better advice, or shop around for better fees.

There is an "obscene inequality" in the Australian system and it is being hidden behind imaginary concerns such as lack of advice or poorly designed websites.

If the myth that giving women more information, or helping them to reduce fees, or be more involved will help a female's super balance continues to be propagated, the gap between super balances will never be closed.

No choice an individual woman makes is going to close the incredible structural disadvantages the Australian labour market, the Australian culture and the system of tax concessions currently amplifies.

"SUPERANNUATION MAGNIFIES IN RETIREMENT THE DISPARITIES THAT EXIST IN WORKING LIFE"

GROUP DISCUSSION

The afternoon roundtable discussion session was conducted to enable delegates to discuss and debate a number of areas of policy that could be used to improve retirement outcomes for women. Seven key areas were listed and delegates were encouraged to come up with ideas for future policy direction, research and investigation.

1 | SUPER TAX CHANGES – do we need to go further?

Concern remains that even after the 2016 Budget tax changes, the superannuation taxation arrangements exacerbate and compound women's disadvantage. There is support for savings from these super tax changes to be re-directed to provide tax concession payments to those in the lower income tax brackets. This could commence with enhancement and extension of the LISTO (which, in itself, is not a tax concession).

There was some support for the introduction of more significant equity measures such as taxing retirement income, taxing super at marginal tax rates or at marginal tax minus 15% at all income levels above $37,000.

It was also noted that the changes to the taper rate for the Age Pension asset test (to come into effect on January 1, 2017) could further widen the retirement savings gap.

2 | 12 PER CENT SUPERANNUATION GUARANTEE

Agreement was unanimous on the need to lift the SG to 12 per cent.

The group agreed that we should engage with businesses on the benefits for their employees of lifting the SG to 12 per cent.

It was suggested that more research is needed to understand the economic implication of 12 per cent SG.

3 | ADDITIONAL PAYMENTS/ PROGRAMS

There was wide support for payments (such as vouchers at birth/'super seed' or carer credits) which recognise broken employment and caring responsibilities. Ideally such payments would be made at the time when career breaks occur to capture the benefits of compounding earnings. Compensating women early in their career is far more valuable than providing the same level of compensation in later years.

Other recommendations were:

- Undertake more research on the Chilean "voucher" system to determine how relevant it could be for Australian women and how it would work.
- Develop an industry standard calculator for women with Money Smart so women can input different variables to work out the amount of super needed. All super funds could have a link on the website directing them to the standard calculator.
- Employers to make higher contributions to women's super to help compensate for time out of the workforce to care for children or the elderly.

"Until we are in an environment where parental leave is treated equivalently across both genders, then we can't talk about additional payments for both genders. At the moment, this is a female specific problem." – quote from delegate.

4 | OBJECTIVE OF SUPER AND POLICY CHANGES – introducing a gender analysis/ lens

There was strong support for the inclusion of the words 'men and women' within the Objective of Superannuation as this would force a gendered examination of policy. There was also support for the inclusion of a qualitative aspiration (in regards to adequacy) as part of the objective to ensure that superannuation improved retirement outcomes and not revert to mere pension replacement.

There was support for applying a gender lens – a gender analysis – to all new policy proposals and a desire to quarantine superannuation from the budget cycle.

"The idea is to take superannuation out of the budget and be an area of policy dealt with by, say, a 'Guardians of Superannuation' organisation thereby removing it from the politics and reliance on the four years forward estimates time frame." – quote from delegate.

Other recommendations were:

- More research to determine exactly how many employers are paying an extra amount in super to the accounts of their female staff as compensation for time out of the workforce.
- Pressure government to introduce mandatory reporting of the gender gap within all organisations, (i.e. Include companies that are not currently required to report to WGEA, such as those with less than 100 employees).

5 | COVERAGE ISSUE – female entrepreneurs, self-employed, $450 monthly threshold

There was unanimous agreement to scrap the $450 monthly income threshold for SG payments and investigate how the soon-to-be-introduced 'Single Touch Payroll' may expedite the removal.

Similarly, there was strong support for the introduction of mandatory superannuation contributions for contractors and the self-employed.

It was noted that the problem of unpaid super impacts on women's retirement outcomes and more compliance monitoring was needed.

There was support for more research into the impact of fees eroding small super balances.

6 | SUPERANNUATION GUARANTEE ON PAID PARENTAL LEAVE (PPL)

The group supported payment of SG on paid parental leave being pursued as a priority, whilst acknowledging that it will not significantly impact the super gender savings gap (ie that the gender pay gap is the main contributing factor).

It was agreed that more research was needed to understand how many employers are currently paying SG on PPL.

7 | WHAT CAN THE SUPER INDUSTRY DO TO IMPROVE THE GENDER PAY GAP?

There was consensus that the gender pay gap was the single biggest issue impacting the retirement outcomes for women.

It was recommended that the superannuation industry should leverage its position as a collective of large scale investors to exert pressure on companies, investment managers and service providers to reduce this gap. This could involve:

- Ensuring that companies which super funds invest in have appropriate policies in place to deal with the gender pay gap and to undertake gender pay gap audits – ie recognising that the gender pay gap is an ESG issue;
- Require that companies used as contractors in outsourcing comply with the above requirements;
- Partner with support agencies that are working to reduce the gender pay gap – ie ACTU, ACSI, Emily's List, ACOSS, AICD.

"Why should they be getting the big contracts from us if they don't have the same values?" – quote from delegate.

It was also noted that the super industry needs to get "its own house in order." There was support for AIST extending its current work involving a gender pay and job analysis of the super industry. Currently, only those employers with 100 or more employees are required to report to WGEA. We should encourage super funds with less than 100 employees to participate.

The group discussed how super funds are in a unique position to communicate key messages to their female members on improving their retirement outcomes. There was a call to include financial literacy programs in EBA clauses and to investigate better communication to women for whom English is a second language.

"We in the industry all understand the jargon but how many people outside the industry understand it? We might have to look at that and make it relevant to them" – quote from delegate.


SUSAN

SPEAKER BIOS

HEATHER BROWN
Consultant, Rice Warner

Heather is a Consultant within the Consulting and Research team at Rice Warner.

Heather has local and international superannuation experience, having worked in the UK and Portugal before moving to Australia in 2014. She has strong skills in distilling complex technical issues into clear and accessible decision-making tools.

As a Consultant at Rice Warner, Heather's areas of work include:

- Management of master trust and other service provider tenders.
- Advice to trustee boards on group insurance, including benefit design, strategy and tender management.
- Strategic superannuation related advice to funds, including mergers and acquisitions.

Heather is also leading Rice Warner's annual Superannuation Expense Survey. She uses this work to provide consulting support to clients in relation to benchmarking exercises. Heather has a particular passion for working with clients to help them with initiatives to help their female members or employees improve retirement adequacy.

SANDRA BUCKLEY
Executive Officer, Women in Super

As, Executive Officer of Women in Super, a NFP with a long history of advocating for better retirement outcomes for women, Sandra is responsible for collaborating with stakeholders including super funds, women's organisations, federal and state governments, universities, employer organisations and unions to ensure that women are not forgotten in the superannuation debate. Sandra has represented WIS in a number of national initiatives addressing gender inequality and the gender super gap including the Senate Inquiry into Women's Retirement Outcomes and government roundtables on superannuation. Previously Sandra spent 18 years in relationship management at a number of international banks and has held many volunteer roles in her local community. Sandra holds a BA in International Business Studies & Languages from Dublin City University and a Masters in Economics & Law from the Copenhagen Business School.

ROBBIE CAMPO
Deputy Chief Executive, Industry Super Australia

Robbie is Deputy Chief Executive of ISA and oversees regulatory policy, collective projects and superannuation and policy related research. She has a particular interest in work to improve women's economic security in retirement.

JULIENNE CLIFFORD
Operations Executive Manager, Workplace Gender Equality Agency (WGEA)

Julienne joined WGEA on 2 February 2015 and is responsible for delivery of the cross agency support functions of IT, human resource management, finance, procurement, property management, records management, governance and compliance. An integral part of Julienne's role is to provide leadership in the optimisation of resource and business planning including the Agency's data management system.

Julienne has more than 30 years' experience in public administration working as a generalist manager and human resource professional for state and commonwealth entities. Julienne holds a Bachelor of Organisational Leadership and a Graduate Diploma in Human Resource Management.

MARY DELAHUNTY
General Manager – Business Development and Policy, HESTA

Mary is the General Manager – Business Development and Policy for HESTA and has been with the fund since early 2013. She has held senior roles in financial services organisations for over 10 years and is passionate about delivering dignity in retirement for all Australians.

HESTA is one of Australia's largest superannuation funds with over $34bn under management and over 800,000 members.

Mary is a 2015 Churchill Fellow awarded for the completion of international research on equity for women in pension systems.

Mary is a Councillor of the City of Glen Eira. Glen Eira City Council manages $1.4 billion of community assets and has the lowest operating cost per property of inner Melbourne councils.

Mary is a Board Member of The Emergency Services Telecommunication Authority and an advisory panel member for the State Government, she is a past Chair of Reclink Australia, a National Not for Profit organisation offering sports and recreation opportunities to break the cycle for disadvantaged Australians. Mary holds a Masters of Finance (Corporate Advisory).

DR. RICHARD DENNISS
Chief Economist, The Australia Institute

An economist by training, Dr Richard Denniss has worked for the past 20 years in a variety of policy and political roles. He is an Adjunct Associate Professor at the Crawford School of Economics and Government at the Australian National University. He is known for his ability to translate economics issues into everyday language.

Richard has published extensively in academic journals, has a fortnightly column in The Canberra Times and Australian Financial Review and was the co-author the best-selling Affluenza (with Dr Clive Hamilton). His latest book, Econobabble, was launched by Laura Tingle in February 2016.

DAVID KNOX
Senior Partner, Mercer

David is a Senior Partner at Mercer and Senior Actuary for Australia. He is the National Leader for Research and the actuary to the Tasmanian and Western Australian public sector superannuation plans. He is the author of the Melbourne Mercer Global Pension Index.

Before joining Mercer in 2005, David was at PricewaterhouseCoopers and prior to that was the Foundation Professor of Actuarial Studies at The University of Melbourne. He has acted as a consultant to a range of financial organisations, in both the private and public sectors, specialising in the superannuation and retirement incomes area. He has spoken and written widely in this area and served on many Government and industry committees.

DELEGATES

NAME	ORGANISATION	TITLE
Alison Anthony	ESSSuper	General Manager - Governance
Amanda Bartley	Human Rights Commission	
James Bennett	Cbus	Public Policy & Media Advisor
Michelle Blicavs, FAIST, GAIST (Adv)	LGSS Pty Limited	Trustee Director
Cath Bowtell	Industry Fund Services	Chief Executive Officer
Heather Brown	Rice Warner Pty Ltd	Consultant
Sandra Buckley	Women in Super	WIS Executive Officer
Robbie Campo, GAIST	Industry Fund Services	Director
Julienne Clifford	Workplace Gender Equality Agency	Operations Executive Manager
Catherine Curtain	Equip	Corporate Lawyer
Lisa Darmanin, GAIST	HESTA	Trustee Director
Janet de Silva, GAIST	AIST	Executive Manager - Media and Comms
Chris Deakin	IOOF	National Manager - Workplace
Mary E. Delahunty	HESTA	General Manager - Business Development and Policy
Richard Denniss	The Australia Institute	Executive Director
Michelle Di Fabio	Strategic Global Advisory	Managing Director
Michelle Dowdell	Treasury Office - Melbourne	Manager - Melbourne Office and Adequacy and Objective
Sophie Elsworth	News Limited	
Lygia Engert	Industry Super Australia	EA - Policy & Research
Susan Fairley	AustralianSuper	Head of Corporate Relations
Caroline Falshaw	FINSIA	Head of Corporate Affairs and Policy
Fiona Galbraith	ASFA	Director, Policy
Ailsa Goodwin	Industry Super Australia	Senior Manager- Regulatory Policy
Sarah Goodwin	AIST	Media & Content Officer
Amara Haqqani	Challenger	Senior Manager, Retirement Income Policy
Rita Harris	Mercer Staff Superannuation Plan	Trustee/Senior Partner
Zoe Heath	First State Super	Sustainability Officer
Justine Irving	University of South Australia	Researcher

NAME	ORGANISATION	TITLE
Therese Kenny	Hostplus	Group Executive - Finance & Investment Operations
David Knox	Mercer Consulting	Senior Partner
Lisa Marty, GAIST (Adv.)	First Super	Trustee Director - Co-chair
Lata McNulty	Link Group	Senior Manager, Business Risk & Compliance
Karen McPhie	CareSuper	Marketing and Communications Manager
Katherine O'Regan, GAIST	LGSS Pty Limited	Trustee Director
Sandi Orleow		WIS NSW Chair
Susan Orr	JANA Investment Advisers Pty Ltd	Senior Consultant
Debbie Rawlings	ATO	Assistant Commissioner Superannuation
Michael Roddan	The Australian	Reporter
Nicolette Rubinsztein	UniSuper	Director
Erin Sales	Industry Super Australia	Campaign Manager
Sharon Sanchez	Finance Sector Union	Organiser - General and Insurance
Eva Scheerlinck, GAIST	AIST	Executive Manager, Governance and Stewardship
Madeleine Shenstone	Women in Super	National Event Coordinator
Ian Silk	AustralianSuper	Chief Executive Officer
Helen Sykes	Treasury Office - Melbourne	
Katherine Towers		Journalist
Cate Wood, FAIST, GAIST	CareSuper	Trustee Director - Chair
Michelle Wright, GAIST		Board Director

ABOUT US

THE AUSTRALIAN INSTITUTE OF SUPERANNUATION TRUSTEES

The Australian Institute of Superannuation Trustees (AIST) is a national not-for-profit organisation whose membership consists of the trustee directors and staff of industry, corporate and public-sector funds.

As the principal advocate and peak representative body for the $700 billion not-for-profit superannuation sector, AIST plays a key role in policy development and is a leading provider of research.

AIST provides professional training and support for trustees and fund staff to help them meet the challenges of managing superannuation funds and advancing the interests of their fund members. Each year, AIST hosts the Conference of Major Superannuation Funds (CMSF), in addition to numerous other industry conferences and event

WOMEN IN SUPER

Women in Super (WIS) is a national advocacy and networking group for women employed in the superannuation and financial services industries.

WIS works on behalf of its members and women generally with government, MPs, unions, employer organisations, regulators, and superannuation funds to improve women's retirement prospects and access to superannuation.

WIS provides education and support to assist women in gaining opportunities to develop broader business, professional and personal networks, and aims to educate the greater community in order to improve their knowledge of superannuation. WIS strongly supports and encourages the appointment of women to superannuation fund boards, and works with other organisations and stakeholders to achieve this.

ACRONYMS AND ABBREVIATIONS

ACOSS | Australian Council of Social Service

ACSI | Australian Council of Superannuation Investors

ACTU | Australian Council of Trade Unions

AHCR | Australian Human Rights Commission

AIST | Australian Institute of Superannuation Trustees

ASFA | Association of Super Funds of Australia

ATO | Australian Tax Office

CEO | Chief Executive Officer

ISA | Industry Super Australia

LISC | Low Income Superannuation Contribution

LISTO | Low Income Superannuation Tax Offset

OECD | Organisation for Economic Co-operation and Development

PPL | Paid parental leave

SG | Superannuation Guarantee

Super | Superannuation

WGEA | Workplace Gender Equality Agency

WIS | Women in Super