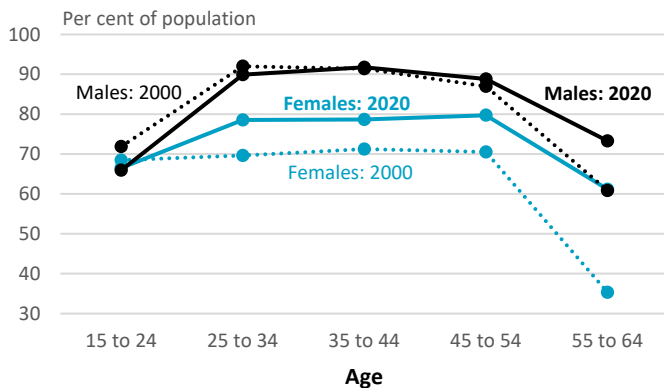


ASFA Economic Snapshot: Women and superannuation (week ending 26 March 2021)

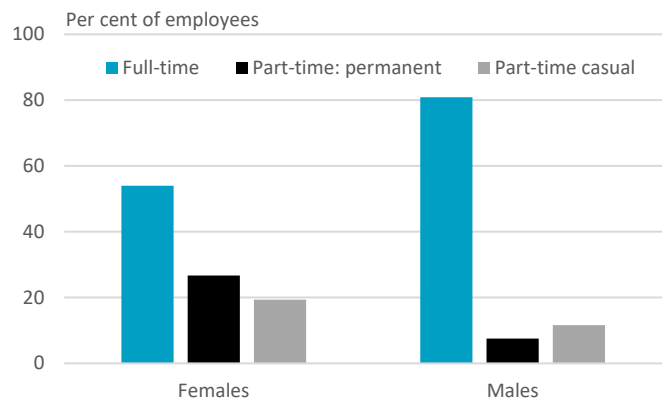
This is a weekly update on the impact of the COVID-19 pandemic on financial and economic conditions, in Australia and globally, and government policy measures to support economic activity and employment.

Workforce participation is lower for women than men



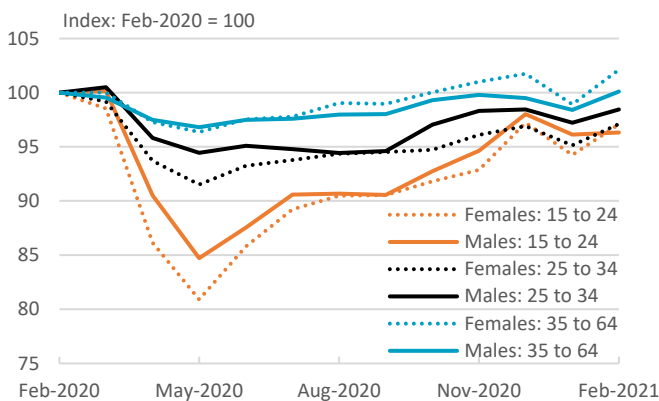
An indicator of workforce participation is the ratio of employment to population. This chart shows employment-to-population ratios by age for 2000 (dotted lines) and 2020 (solid lines). Over the last 20 years female participation has risen across age cohorts, however it is still well below that for males. Indeed, the (cumulative) difference in ratios for 2020 is equivalent to 500,000 fewer women employed than men.

For employed women, far more work part-time



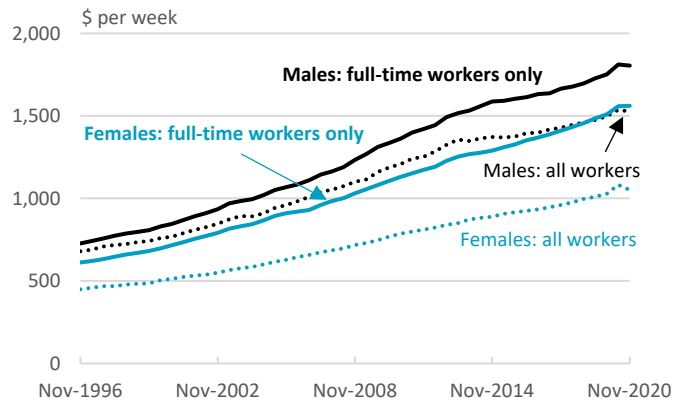
While 19% of male employees currently work part-time, 46% of female employees do so (this share is broadly unchanged from 20 years ago: 44% of female employees worked part-time in 2020). Also, a larger share of female employees work as part-time casuals (20% of female employees compared with 10% of male employees), which is typically less secure than permanent employment and has fewer entitlements.

The crisis hit younger female employment harder



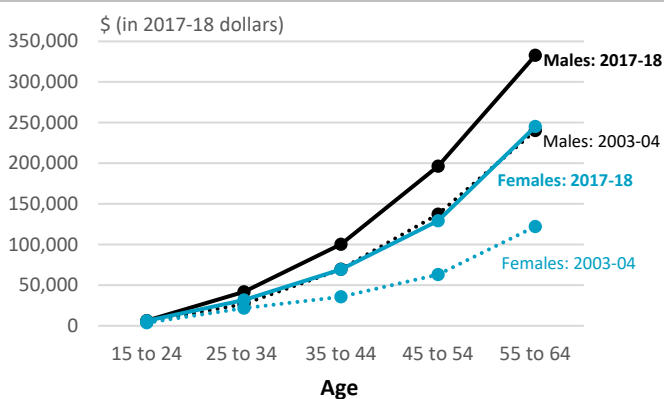
This chart shows the impact of the COVID-19 crisis on the level of employment. While employment for those aged 35 to 64 is now back at pre-crisis levels, employment among younger age groups is still lower. Initially, the crisis hit hardest in sectors in which younger women were disproportionately employed – such as in retail trade, the food-services industry and the arts.

On average, women earn less than men



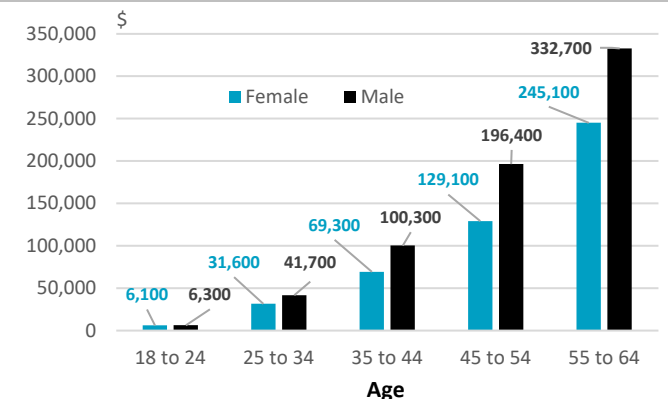
That a much larger share of women than men work part-time is reflected in differences in average earnings for all workers combined (dotted lines). This gap is also due to differences in average pay rates. With respect to full-time workers (solid lines), on average, women currently earn 13% less than men, which largely reflects slower rates of career progression for women (20 years ago, the gap was 15%).

On average, women have lower super balances



This chart shows average super balances by age for 2003-04 (dotted lines) and 2017-18 (solid lines). As shown in the above panels, gaps between women and men in terms of participation, full-time employment and rates of pay have narrowed, but are still large. This is reflected in differences in average balances – which are still significant.

On average, women have lower super balances



For 2017-18, this chart shows average super balances in detail. Given the still significant differences between men and women with respect to participation, full-time employment and rates of pay, the gap in balances will narrow only slowly. This highlights the need for policies that will boost women's balances – such as SG on paid parental leave.