



Department of Families, Housing, Community Services and Indigenous Affairs  
Email: [women@fahcsia.gov.au](mailto:women@fahcsia.gov.au)

30 January, 2013

Dear Sir or Madam,

**RE: WORKPLACE GENDER EQUALITY ACT 2012 CONSULTATION**

Thank you for the opportunity to comment on the development of reporting matters under the *Workplace Gender Equality Act 2012* (WGEA).

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

WIS lobbies on behalf of its members and women generally to government, politicians, 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.

WIS maintains a target of 40 per cent female directors on super fund boards by 2017, which we are actively working on achieving with various stakeholders across the industry.

**General comments**

WIS provides comments on the reporting proposals in the context of superannuation funds and associated service providers as employers; superannuation funds as investors and on the inclusion of superannuation within the general reporting requirements to provide a more comprehensive measure of gender equality in the workplace.

**Superannuation Industry Employers**

There are few superannuation funds employing 100 or more people. Therefore, the reporting provisions will not apply to many funds, although they will apply to outsourced service providers including administration companies, insurers, and investment managers.

WIS encourages all superannuation funds, regardless of size, to adopt the reporting requirements under the WGEA on a voluntary basis. WIS endorses the position of the Australian Institute of Superannuation Trustees to encourage funds to publicly report through annual reports or on websites

against the WGEA indicators. We also recognise that APRA has not extended industry reporting requirements to cover gender-based issues, and that this would be an additional requirement for funds. We therefore recommend that if APRA was to extend its reporting requirements that the Agency and APRA share data to avoid duplication and unnecessary costs and effort for funds.

WIS encourages all outsourced service providers to superannuation funds to report against the Gender Equality Indicators.

WIS will recommend that Superannuation Funds give consideration to Gender Equality Indicator Reports when assessing outsourced service providers.

### **Investment**

Superannuation funds are responsible for the investment of \$1.3 trillion. WIS will recommend that investment managers include examination of Gender Equality Indicator Reports as part of their assessment of a company's Social and Governance performance.

WIS will recommend that superannuation funds require investment managers to report on how they are using Gender Equality Indicator Reports as part of their investment review processes.

### **Retirement savings**

Superannuation Guarantee payments are deferred wages and as such should be included in measures of remuneration.

It is well-documented that there are numerous factors which often negatively impact women's retirement savings. Most importantly, a person must earn an income to qualify for superannuation guarantee payments, and WIS therefore supports policy efforts to improve women's workforce participation as this will assist in improving their superannuation and retirement savings.

Other factors which inhibit a woman's saving for retirement include;

- The gender pay differential
- Exclusion from entitlement to SG payments by those who earn less than \$450 per month
- Career breaks to care for children
- Career breaks for other caring responsibilities

WIS has lobbied on the following policies previously, and recently in our 2013-14 Pre-Budget submission to the Treasurer:

- Removal of the \$450 minimum monthly earnings threshold to qualify for the Superannuation Guarantee. This threshold disadvantages women working in casual and part-time positions, and those that work in multiple jobs.

- Introduction of a superannuation component to parental leave payments. It is widely acknowledged that a career break can be detrimental to women's abilities to save for retirement. WIS supports payment of superannuation contributions as part of the Government's paid parental leave scheme as this would reduce the impact of a career break to raise or care for family somewhat. WIS also encourages employers to voluntarily pay SG contributions whilst employees are on unpaid parental and other carer leave.
- Gender analysis of the impact of current and proposed policy settings regarding superannuation accumulation and post-retirement products and initiatives.
- Target of minimum 40 per cent female directors on the boards of superannuation funds by 2017.

Furthermore, WIS believes further investigation of what 'equal remuneration' actually means is required. It is well documented that women are far worse off in terms of superannuation accumulation than men. Until pay equity is achieved, there is little hope that women will accumulate superannuation savings that average closer to those of males.

WIS would support the inclusion of additional measurable outcomes and process indicators which relate to superannuation.

### **Reporting matters**

WIS supports collection of data that is comparable from one year to the next within an organisation, and/or comparable between different reporting organisations. We believe the process indicators and measurable outcomes outlined as examples of reporting matters in the consultation paper would achieve the objectives of the WGEA and are appropriate for annual comparisons, and between organisations.

WIS would support the inclusion of an additional measurable outcome as part of the equal remuneration measure – pre-tax superannuation payments by gender.

This additional reporting measure would provide a better appreciation of total pay equity and contribute to a better understanding of the impact of excluding those who earn under \$450 from the requirement to make superannuation guarantee payments. This data would be useful in developing further policies or initiatives to assist women in improving their retirement savings.

WIS would also support the inclusion of an additional process indicator as part of the equal remuneration measure – access to salary sacrifice arrangements.

WIS would support the inclusion of an additional measurable outcome as part of the gender equity indicator relating to employment terms and conditions/flexible working arrangements – payment of SG on unpaid parental and carer leave.

Overall, we are broadly supportive of the WGEA and reporting matters as outlined in the consultation paper.

Yours sincerely,

**Name supplied**