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Media Release

FINSIA'S BIENNIAL GENDER DIVIDE SURVEY SHOWS NEED FOR CHANGE BUT DIFFERENT VIEWS ON WHAT THIS MEANS

FINSIA, the leading Australasian financial services professional body, today launches its biennial report on 'The Gender Divide in Financial Services'. The report reveals gender inequality is levelling out with a general recognition of the need for change, but the industry needs to go much further.

FINSIA's benchmark survey - the fifth carried out since 2010 - delves into inequality in financial services with more than 700 industry employees from across the sector revealing their own experiences. The survey shows differences in perceptions, including along gender lines, of key issues and what measures are being adopted in the industry to improve these gender issues.

Chris Whitehead, FINSIA CEO says, "Measures and awareness of serious inequality issues might have improved the outcomes for women in the financial services sector.

"However, this has not been the case.

"FINSIA has tracked sizeable and persistent gender-based differences in how employees perceive workplace gender equality issues, and the actions necessary to promote change.

"Employers have taken a range of actions above mandated reporting, such as setting targets for the promotion of women into leadership positions, adopting "all roles flex" policies, increasing women's superannuation contributions, and adopting targets for senior executive and board appointments."

FINSIA research proves the industry needs to go much further.

FINSIA Diversity Advisory Council Chair, Linda Maniaci, SF FIN, said the survey highlighted the need for more concerted action.

"It is clearly worrying that financial services lags so far behind everyone else when it comes to inequality over pay," she said.

"Some elements of the survey are encouraging - such as our implementation of flexible working hours and strategies to tackle unequal pay.

Mr Whitehead adds, "There is a persistent division between men and women's perception about the extent of the gender pay gap. More than 25 per cent of males believe the extent of the pay gap is grossly exaggerated. Yet only 6 per cent of women believing this is not the case. There is clearly a gender divide in the perception of the pay gap versus reality."

WGEA data reveals the truth.

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While more than half of those employed in 166,000-strong financial services sector are women, they are paid almost a third less than their male counterparts.¹

What is worse is that the industry is “persistently” the worst offender.

Financial and insurance services remain the industry with the largest gender pay gap — 30.3% for total remuneration, and 23.1% for base salary.

The average gender pay gap for all industries in 2017–18 is 21.3% (total remuneration) and 16.2% (base salary).²

“Despite the differences in perception around the gender pay gap, there was an overwhelming united view that targets or quotas are not the answer to fixing gender inequality.”

A key theme in the results is the role of culture, Whitehead added, which is backed by the findings of the report.

It showed “for both male and female respondents, there is an increased comfort in raising workplace gender equity issues with organisation leadership.”

Men prepared to speak out has increased from 34% in 2010 to 50% in the latest survey. The corresponding figures for women are 24% in 2010, rising to 43% now.

“Despite the increase, it is notable that female respondents are more likely to feel comfortable raising gender equity issues only with other women,” says the report.

An area where male and female respondents were more closely aligned was in the need to share caring responsibilities.

“There is a degree of agreement between male and female respondents about the impact of caring responsibilities on the pursuit of promotions,” it says, adding further in the report that the attitude that women are the main carers of children and elders has not changed much since 2012.

The response to the question about being forced to trade promotion for flexibility to take time off hasn’t changed much in seven years.

“The results for female respondents have only marginally changed between the 2012 and 2018 surveys with 79.32% of female respondents agreeing that there is a promotion-flexibility trade-off in their workplace.”

The higher up the ladder, the more confident women are in not having to compromise.

“Regardless of gender, respondents in executive management and board director roles are less likely to agree that careers trade promotion for flexibility,” says our survey.

Mr Whitehead added, “While there has been concerted action by many industry employers to address gaps in pay and representation of women in leadership roles, there is always room for improvement.

“And improvement starts with each of us.”

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¹ WGEA. 2018. Gender equality scorecard 2017–18. Available at: <https://www.wgea.gov.au/data/wgea-research/australias-gender-equality-scorecard>

² WGEA. n.d. WGEA data explorer, 2017–18 data. Available at: <http://data.wgea.gov.au/home>

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FINSIA. The professional excellence pathway.

FINSIA — the Financial Services Institute of Australasia — is the professional membership body in Australia and New Zealand for the financial services industry.

FINSIA's heritage is over 130 years of progressing financial service knowledge and conduct to high standards. More importantly than ever FINSIA is the connector of key stakeholders, industry regulators, government and education providers to help deepen trust in financial services by raising standards of professionalism. FINSIA enables the advancement of competence and integrity for the benefit of professionals, consumers and society.