

The Future Face of Poverty is Female

Stories Behind Australian Women's
Superannuation Poverty in Retirement

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1. Introduction

This report explores the stories of the lives behind gendered superannuation poverty in Australia.

Ten years have now passed since then Sex Discrimination Commissioner, Elizabeth Broderick, travelled around Australia talking with women and men about the major challenges faced in creating a fairer and more equal society. One of the key findings of her 2008 *Listening Tour* was that women were particularly anxious about living in poverty in retirement. In a subsequent report by the Australian Human Rights Commission examining the gender gap in retirement savings¹, Broderick notes that Australia's retirement income system fails to appropriately recognise and reward the unpaid caring work that women do and leaves them vulnerable to poverty in old age. She argues that poverty in retirement for women is "the cumulative product of decisions, events and experiences over the lifecycle"², and that gender equality in retirement savings and income is critical for Australia in meeting its international human rights obligations.

Introduced in 1992, Australia's Superannuation Guarantee (SG) was designed to help individuals accumulate money for retirement by requiring employers to contribute an amount calculated as a defined percentage of earnings to an employee's superannuation fund. Despite women's increasing participation in the workforce³, there is now a well-documented superannuation gender gap. Research from the Association of Superannuation Funds Australia estimate that in 2015-16, men approaching retirement have on average approximately 42% more superannuation than women (although this figure does not take into account the 27% of men and 32.7% of women with nil superannuation⁴). Australian Bureau of Statistics data shows that for 2015-16, superannuation was the main source of income for 22% of retired men and 14% of retired women, while government pensions and allowances were the main source of income for 70% of retired men and 76% of retired women⁵. With significantly less superannuation than men and a greater reliance on a generally inadequate age pension⁶, women are more likely to face financial insecurity and poverty in retirement than men. This is particularly the case for single older women⁷.

Some of the disparity in superannuation savings between women and men is expected to decrease as the SG matures, as compulsory contributions rise (from 9.5% to 12% in 2025/26) and with women spending more time in the paid labour force than previous generations of women⁸. However, discrepancies in superannuation savings are likely to continue because of a range of interrelated and complex factors regarding gender, work and the life course, and the structure of the current superannuation system. The current system favours higher income earners who work full time and continuously throughout their working lives⁹. Women however, are more likely to have interrupted or fragmented working lives and to work part time because of primary caring responsibilities. Women are also more likely to work in lower paying fields and in lower paying jobs¹⁰. These factors result in women earning less over their lives than men and therefore accumulating less superannuation savings.

A key finding of a recent Senate inquiry into retirement incomes for women was that Australia's retirement income system does not adequately accommodate women and men's different experiences of work¹¹. The ***A Husband is not a Retirement Plan: Achieving Economic Security for Women in Retirement*** report prepared as a result of the inquiry makes 19 recommendations that address the structural causes of gender inequality in Australian retirement incomes. Recommendations include paying the Superannuation Guarantee (SG) on the Commonwealth Paid Parental Leave Scheme and improving the retirement incomes of carers, re-targeting superannuation tax concessions to ensure they are more equitably distributed, removal of the exemption from paying the SG to employees whose wages are less than \$450 per month and ensuring the gradual increase in the SG rate is implemented earlier than the current timetable. The report also recommends that the Productivity Commission review effective marginal tax rates for second-earners given the increase in women's workforce participation, that the superannuation system and any reforms should include specific

1. Australian Human Rights Commission, 2009
2. Australian Human Rights Commission, 2009: v
3. Wilkins and Wooden, 2014
4. Ross, 2017
5. ABS, 2017
6. Australia's age pension rate is ranked 25th out of 35 OECD countries (OECD, 2017)
7. AHRC, 2009: 3
8. Ross, 2017
9. Senate Economics Reference Committee, 2016
10. WGEA, 2016
11. Senate Economics Reference Committee, 2016

reference to women's retirement outcomes, and amending the *Sex Discrimination Act 1984* so that companies can make higher superannuation payments for their female employees should they wish to do so.

On 16 August 2018, the Australian Government tabled its **response to the Senate inquiry**, more than two years after the Senate's report was released. Rejecting all the key recommendations, the Australian Government instead stated that, "one of the most useful ways governments can address inequality in retirement incomes is to support economic growth to generate an increase in employment and incomes"¹². However, it remains unclear as to whether a full knowledge or appreciation of women's lives has fully infiltrated current perceptions and practices surrounding superannuation. It is against this backdrop that the following report is situated.

Elsewhere, both main political parties have sought to make a commitment to securing women's economic futures. The Morrison Government's promotion of economic capability for women, which included a capping of fees on low superannuation accounts with low balances (\$6,000) in the budget¹³ is due to be followed by an economic security statement in Spring 2018. The Australian Labor Party also revealed their **Women's Superannuation Plan** on the 19th August, as part of their suite of election promises. This includes a commitment to remove the \$450 cap over 5 years, and superannuation payments made on parental leave.

12. Commonwealth of Australia, 2018

13. Women's Budget 2018-19 snapshot, 2018



2. Women and Work – A Statistical Overview

In this section of the report, quantitative data from a range of sources is presented to highlight the ways in which women and men's experience of the workforce is different and how women's participation in the labour force is intricately connected to carer responsibilities. Data from the Household, Income and Labour Dynamics in Australia Survey (HILDA)^{14, 15}, the Australian Bureau of Statistics¹⁶, the Workplace Gender Equality Agency¹⁷ and other statistical resources has been used to provide detailed information on the way in which women and men participate in the labour market as a way of tracking gender differences that impact superannuation accumulation.

2.1 A Comparison of Men and Women in the Workforce

2.1.1 Employed, unemployed or not in the labour force

The HILDA survey estimates that in 2016, 81.1% of males aged 18-64 years and 69.6% of females aged 18-64 years were employed in the labour market. In the same age cohort, 4.5% of men and 3.6% of women were unemployed (actively seeking work) while the remaining men (14.4%) and women (26.8%) were not in the labour force¹⁸. Women's greater representation in the category 'not in the labour force' is attributed to the major role women take in primary caring responsibilities of children and family members who are disabled, frail or ill.

2.1.2 Full time and part time employment

The HILDA survey estimates that in 2016, 67% of all employed males aged 18-64 years were working full time (defined as 35 hours or more) compared to only 38.2% of all employed females aged 18-64 years. In 2016, only 13.9% of males aged 18-64 were employed part time (defined as less than 35 hours) while 31.2% of females in the same cohort were working part time¹⁹.

Women's higher representation in part time employment has a significant effect on their ability to accumulate retirement savings throughout their lives where wage based superannuation contributions remain the primary vehicle for accumulation.

2.1.3 Average weekly earnings of women and men

Data on average weekly earnings for women and men from the HILDA survey shows that the gender pay gap is smallest when women and men are in their early 20s and at the end of their working lives. The left plot in Figure 1 (see page 8) shows that at around 28 years of age, female and male earnings diverge. While the female average weekly income remains between \$1000 - \$1,250, the male average weekly income increases to over \$2,000 before age 40. The right plot in Figure 1 provides data on average weekly incomes in five-year age groups up to the age of 65. The right plot highlights the way in which women's average weekly earnings remain consistently lower than men's across all age groups with the biggest difference in average weekly incomes seen at ages 35-39 and 40-44.

14. The HILDA Survey is a nationally representative longitudinal study of Australian households based on information collected annually since 2001. The Survey provides a number of key statistics such as income, employment status and discussion surrounding the division of paid and unpaid work amongst couples that can help to quantitatively analyse the differences between male and female participation in the labour market.

15. Wilkins and Lass, 2018

16. ABS, 2016; 2017

17. WGEA, 2016

18. *ibid*

19. *ibid*

Figure 1: Average weekly income based on HILDA Survey (2018) for male (blue) and female (orange) employees.

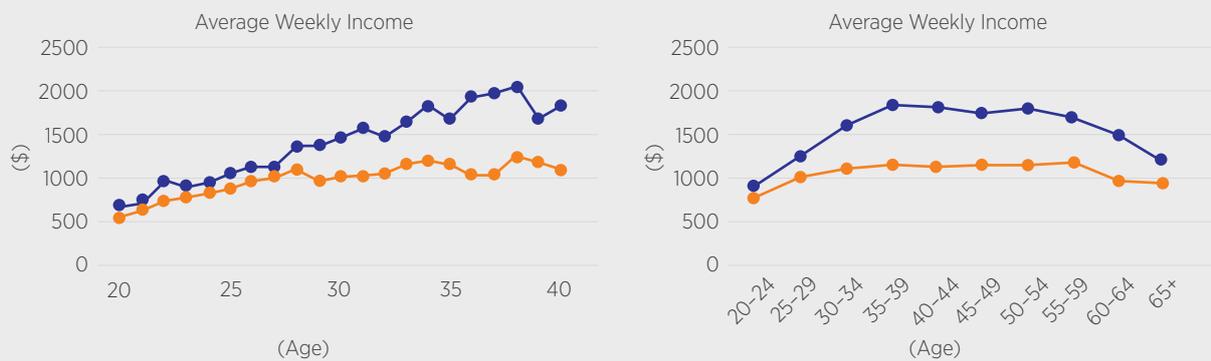


Figure 2: Average weekly income based on HILDA Survey for male (blue) and female (orange) employees in 5-year age cohorts

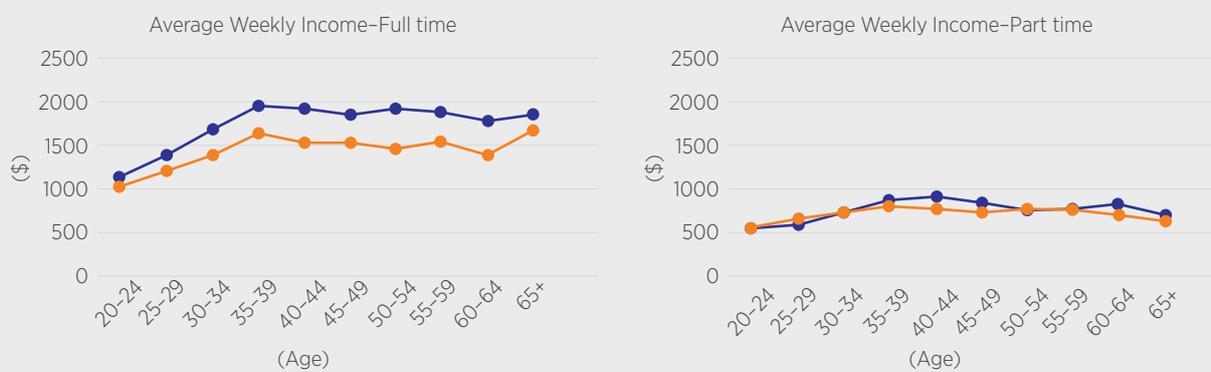


Figure 2 above provides data on average weekly incomes by age and gender for full time and part time employees. The average weekly income for women who work full time is consistently lower than the average weekly income for men who work full time. However, the larger gender pay gap in average weekly earnings seen in Figure 1 is less pronounced when separating out full time and part time employees suggesting that the discrepancy in average weekly incomes (combining full time and part time) is the result of the many women working part time and receiving less average weekly earnings.

2.1.4 Job and occupational segregation

The data presented above provides some insight into why women are much less likely to hold senior leadership positions that typically attract a higher rate of income. The Workplace Gender Equality Agency reports that the proportion of women holding senior leadership roles in Australia is much lower than the proportion of men in these roles.

In 2016-17, women held only 16.5% of CEO roles and 29.7% of key management roles across all industries²⁰.

The Workplace Gender Equality Agency also reports that Australia’s labour market is highly gender-segregated by industry and occupation and that the average remuneration in female-dominated organisations (defined as those with 60% women or more) is lower than in male-dominated industries (defined as those with 40% women or less). Male-dominated industries also have higher performance pay and other additional remuneration leading to high gender pay gaps for total remuneration²¹. Further, male-dominated workplaces have smaller proportions of part time employees while full time employees tend to work longer hours. These attributes may deter people with family and caring responsibilities²².

20. WGEA, 2016
 21. ibid
 22. ibid

2.2 Children and their Implications for Women and Work

2.2.1 Age when women have children

The average age of all Australian women who gave birth in 2016 was 30.5 with the average age of first time mothers being 29.0. Data from a decade ago shows that there have been only slight increases in the average age of all women giving birth (29.8 in 2006) and the average age of first time mothers (28.1 in 2006)²³.

2.2.2 The effect of childbirth on mothers' average weekly earnings

The HILDA survey also provides data on women's average weekly earnings before and after having children (Wilkins, 2017).

Between 2009 and 2014, the mean weekly earnings of women before the birth of a child were \$945.21 (using December 2015 \$AUD prices). The mean weekly earnings following the birth of the child was \$475.21 – almost half as much. Two years after the birth, the mean weekly earning of mothers had increased to \$516.93. This is still well below women's earnings prior to having children.

This same trend is experienced with additional children. For example, a woman with one child goes from earning \$413 prior to the birth of the second child to \$287.89 after the second child is born. Two years after the second child is born, the mean weekly earning of mothers had slightly increased to \$377.67.

These results imply that it is difficult for women to revert back to their original income levels prior to having children. The Wilkins report found that this effect happens for both women with a degree and those without a degree. Prior to having children, first time mothers with a degree averaged \$1,243.99 per week while those without a degree averaged \$610.32. One year after the birth of a child, these averages fell to \$593.06 and \$247.22 respectively. After two years, the mean weekly income increased slightly to \$673.60 for mothers with a degree and to \$325.23 for mothers without a degree.

2.2.3 Time out of the workforce after having children

The 2017 HILDA survey²⁴ includes information on the length of time women spend out of paid employment following the birth of a child. Table 1 below provides information on the amount of time out of paid employment after the most recent birth for women under 45 with their youngest child aged between 2 to 5 years. In 2015, only 8.2% of women returned to paid employment less than 3 months after the birth of their youngest child. An additional 8.5% returned to work between 3 and 6 months after the birth of their youngest child while 20.9% returned to work between 6 and 12 months. Another 18.3% returned to paid employment between 12 months and 2 years. The largest group of women (44.1%) however, returned to work 2 years or more after the birth of their youngest child.

Table 1: Per Cent of Women Aged Under 45 Returning to Paid Employment After Birth of Youngest Child, 2015

Timing of Return	Percent
Less than 3 months	8.2%
Between 3 and 6 months	8.5%
Between 6 and 12 months	20.9%
Between 12 months and 2 years	18.3%
2 years or more	44.1%

When comparing longitudinal data, the HILDA survey found that the proportion of mothers returning to work less than six months after childbirth has declined. For children born between 2000-2003, 22.6% of mothers reported returning to work less than six months after the birth. For children born from 2010-2013, only 16.7% of women returned to work less than six months after birth. The variation seen in the longitudinal data is likely due to women having greater access to paid maternity leave, including the introduction of the government's Paid Parental Leave Scheme in 2011²⁵. Unfortunately, this will have a negative impact on superannuation outcomes as time out of the workforce at a young age will have an impact on final balances.

23. Australian Institute of Health and Welfare, 2018

24. Wilkins, 2017

25. *ibid*

2.2.4 Returning to work full time or part time

Table 2 overleaf provides information on the labour force status of women before having children and after having children for the years 2009-2014. Prior to having their first child, nearly two thirds of women (62.4%) were in full time employment. Full time employment drops significantly after the birth of the first child (23.4%) and 2 years after the birth of the child (16.5%). After giving birth to a subsequent child, women's full time employment drops to 12.0% and remains close to that rate (11.8%) 2 years after having a subsequent child. This data shows that women with young children are very unlikely to be working full time²⁶.

Table 2: Labour Force Status of Women Before and After Children 2009-2014

		First Child	Subsequent Child
Before birth of child	Full time	62.4%	16.5%
	Part time	12.4%	32.7%
After birth of child	Full time	23.4%	12.0%
	Part time	24.9%	20.8%
2 years after birth of child	Full time	16.5%	11.8%
	Part time	41.2%	31.8%

2.2.5 The double penalty effect

The impact of time out of the workforce and part time work for women is significant, particularly given the age at which this is most likely to occur. While women now have access to paid parental leave (set at the national minimum wage) for up to 18 weeks, this does not include any form of superannuation contribution. The government's carer allowance also does not include superannuation contributions. Lower wages associated with part time work also mean lower superannuation contributions (or even none if monthly earnings are below \$450). The literature surrounding missed superannuation contributions in early or middle life shows that these cannot be compensated for by contributions just before retirement as the accumulated compound interest on money put aside for prolonged periods is lost²⁷. Taking parental leave, unpaid career breaks to care for others and working part time early in one's working life can have a double penalty effect on the amount of superannuation savings one can hope to accumulate. As the birth of a child often coincides with increased financial pressures, it is unreasonable to expect families to make voluntary contributions or salary sacrifice additional contributions from an already reduced income.

26. Wilkins, 2017

27. Drew et. al. 2014

2.3 The Gender Picture of the Household

2.3.1 Other forms of care work

Australian women not only have the primary responsibility for taking care of children, they also undertake the largest share of unpaid caring work associated with members of the family who are disabled, frail or ill. Women comprise 92% of primary carers for children with a disability, 70% of primary carers for parents and 52% of the primary carers of partners. Less than 23% of female primary carers of people with a disability, illness or frailty participate in full time employment at any point across all age groups²⁸.

2.3.2 Distribution of paid employment, housework and care in couples

The HILDA survey (Wilkins and Lass, 2018) presents information on the reported time spent on paid and unpaid work for men and women. Table 3 below presents the data for 2016 and shows that men spend more time in paid employment than women and less time on housework and care responsibilities than women. On average, women do 60% of the housework and 68% of care work.

Table 3: Average Number of Hours Per Week Spent on Paid and Unpaid Work For Coupled Men and Women, 2016

	Employment	Housework	Care
Men	35.9	13.3	5.4
Women	24.9	20.4	11.3

2.3.3 The importance of human capital

The effect of career breaks on wage based earnings comes in a number of different forms. One aspect of career breaks that is not often discussed is that the longer and more frequently we invest time in the labour market, the more experience and skills we gain. This is often described as 'human capital'.

Investing in human capital, which includes education and work experience, takes time. The more human capital we accumulate, the more likely we are to be rewarded or promoted in the workforce, often resulting in higher levels of income and career success. Time away from the labour market therefore, particularly for extended periods, can result in missed opportunities to create human capital.

The idea of human capital is important when considering households where one partner is the primary income earner and the other works part time, casually or not at all. This is the typical male breadwinner model and results in the husband being significantly able to grow his human capital. In contrast, the wife in this scenario does not have similar human capital and is at significant risk should an unexpected life event happen. Around one in three marriages end in divorce with the average age of divorce being 45.5 for men and 42.9 for women²⁹. While the assets from a marriage, including superannuation savings, can be split, those with less human capital will find it more difficult to earn a good income after divorce than those with extensive human capital. This will then have an impact on their capacity to accumulate adequate retirement savings. Women are more likely to be in this position than men. Women's greater longevity also contributes to negative outcomes in retirement. Women are expected to live approximately four to five years longer than men. Women who have not participated in the workforce for significant periods and have not developed equivalent human capital are much more likely to lack the superannuation savings required for a comfortable retirement.

28. Australian Human Rights Commission, 2013

29. ABS, 3310.0: Marriages and Divorce, 2016



3. The *Second Horizons* Study

The qualitative element of this report forms part of a larger project titled *Second Horizons*, undertaken by researchers at Monash University in 2017 to gain insight into the ways in which women participated in the labour force during their working lives. A total of 40 women participated in interviews for the study, all identified by pseudonyms in this report.

The median age of the participants was 50 with the youngest being 40 and the oldest being 67 years. A total of 85% of the participants had children with the median number being 2. At the time of the interviews, 48.5% of the women's children were aged 18 and under while the remaining 51.5% were aged 18 and over. More than 42.5% of our interviewees were single (divorced, never married or widowed) while the remaining 57.5% were currently married or in a relationship. Six of those who were partnered (26%) had experienced divorce before re-marrying.

While 25% of the participants had no education beyond secondary school, more than half had at least one degree. The study's participants worked in a broad range of occupations. Interviewees included those in professional roles in higher education, law, medicine, human resources and the community sector. Other interviewees worked in non-professional roles in hospitality, retail and the aged-care sector. More than a quarter (27.5%) of the participants were either fully or partly self-employed as consultants and business owners at the time of the interviews.

To capture the experiences of women living within and outside of cities, 53% of interviewees lived in a metropolitan area while the remaining 47% lived in regional areas of Australia. While the majority of participants were from Victoria (80%), interviews were also conducted with women living in New South Wales, Queensland, South Australia and Western Australia.

Each participant took part in a 45 minute to one hour interview. Questions about career transitions, the accumulation of skills and workplace challenges were asked. The participants were also asked to talk about their concept of career and about the perceived differences between men and women in terms of career motivation and trajectory. Participants were asked to describe how they negotiated domestic and caring responsibilities with partners, if they existed, and about being an older female in the workplace.

The qualitative data here provides an opportunity to look beneath the statistics and averages to gain a more detailed picture of women's lives. The interviews provided a time and space for women to reflect on their engagement with the workforce and how this changed during different phases of their lives. Insights were gained as to why women move in and out of the labour force, what motivates them to pursue different opportunities and how they view themselves as women, as partners, as mothers and as workers. The following section of the report draws out some of the key themes that arose from the interviews.

3.1 Women and Work – It's not Straight/Forward

3.1.1 The shapes of women's careers

The traditional or idealised career is typically associated with that of the male primary breadwinner role. This career model assumes, among other things, that there is little time out of the workforce, that time spent working is predominantly full time and that there is a linear and upward trajectory associated with experience and age. Those with this working profile are the most likely to have the capacity to accumulate savings and experience a comfortable retirement. A key theme arising from the interviews however, was the way in which women's working lives did not fit this picture.

Only a small number of the women interviewed had career profiles that resembled the idealised career while the majority spoke of a much more complex engagement with the labour force.

The non-linearity of women's lives was highlighted as the interviewees described moving in and out of the workforce, moving between full time and part time work and changing occupations or fields. These movements and changes were often connected to major life events not directly about themselves, including marriage, children, divorce, illness in self or relatives and ageing. There was also movement between countries or between cities and regional towns, often associated with a partner's job or because of housing affordability. Snakes and ladders, zigzags, circles and Venn diagrams were words used by the respondents to capture the way in which their lives did not follow a linear path.

*It's a line of ups and downs and rounds and rounds and a bit sort of snakes and ladders. **Bailey (62)***

*It would certainly be a circle that goes around and around with an arrow that basically never stops. It's – I've always said I have had a very non-linear career. **Evie (59)***

*Alright, this is the start, it started off in a direction that I thought would be fine and then took a complete U-turn and then I did a few things and just basically meandered all over the place until I found something that I got really suited to and then it kind of, actually I should probably put another squiggle down the bottom and it kind of went very smoothly for maybe the last 20 years, and now there should be another big, big squiggle down the bottom. **Willow (63)***

*I started with a straight line and then I guess I'd just draw a zigzag. I made I suppose, a couple of small changes initially and then a couple of more dramatic ones, so the zigzag sort of got a lot bigger. Maybe a lightning bolt or something. **Bea (42)***

*... initially it was a big climb in development and learning and progression and then sort of plateaued in, you know, that 20s when you're just enjoying life and not really doing anything but about every 10 years I tend to jump. And I'm probably just about here at the moment, about to take the next jump. **Caroline (49)***

Such evocative images remind us that women's career paths are often dictated by others (such as spouses, dependent children or elderly parents). However, they also highlight that a significant amount of time and creativity is needed to maintain careers and continuing employment, and the definitive factors cannot afford to be financial. In other words, potential to earn to survive and support others in the present, rather than themselves and their own future is the imperative for women, far more than we see in accounts of men^{30, 31}.

3.1.2 The multiplicity of women's careers: an example

The shape of women's careers was not only determined by a different flow, but also markedly by different types of work and movement across sectors. To get an idea of the diversity contained within an individual's career trajectory, it is worth providing a short narration of one respondent which highlights the complexity and often significant twists and turns that occur within one person's working life.

Bree's Story

Bree is 53. She began working in the theatre, but alongside this engaged in entry level jobs in customer services and hospitality "because there's never a, you know, linear career path in that regard, you have to be doing jobs on the outside". She then moved into the support services for the theatre industry as "I was always a person that was willing to help out." After going overseas for a year and working in market research and then getting married, at age 29, she "wanted to pursue a path that was going to lead me somewhere, that was going to get me a bit further into an actual, slightly more employable position, I guess, with regular income." She was offered a job with a friend who was a welder and learned how to do spot welding. Enjoying the manual aspects of the work, her welder friend then introduced her to Jo, who worked in a flower shop. Bree then started working at the flower shop as part of the government's Training Wage Scheme. She worked in this job when her child, Juliet was born, although moved to fewer hours. Both sets of grandparents lived far away so "I really worked around my husband's hours initially in that first three to six months." Even though she returned to work in some capacity after

30. Coltrane, 2004

31. Cornelius and Skinner, 2008

12 weeks “obviously, my income then went from, you know, pretty much full time to negligible – I don’t know, ten to fifteen hours a week – something like that for a year or two”. At the same time, she worked in a gift shop part time earning some extra money. After 7 years she “felt like I’d got as far as I could with floristry”, and still remained on a very low salary. She continued in the shop as she could work her hours around her daughter: “I would just take the Sunday shift because I would get paid twice as much”.

Her mother was then diagnosed with Dementia and moved back to the area, so Bree and her husband co-bought a house with her parents. They then moved from an urban suburb to a more rural town so they could afford to buy. Her husband continued in his city job, requiring a long commute. At this point Bree moved into horticulture “not having a specific qualification which was one of the reasons that I went into this area”. At 40 she undertook a certificate in horticulture while working in a related job part time. However, “with bits of part time work and casual work . . . you end up spending all of it (your salary) just getting there and back.” Her parents then moved closer to them, with her mother ending up in an aged care facility close to Bree’s home for 9 years (and is still there). Her father moved overseas as “he couldn’t cope with being by himself” and now lives with someone else. Bree “needed to pick up the slack and go and visit Mum more” and while doing this, started working at the aged care facility as well for a few hours a week. Due to a number of physical ailments after years of manual labour, she has returned to her theatre roots which has led to rewarding, if not very well paid sporadic opportunities in community based outreach work. While Bree has enjoyed her working life she is aware that when applying for a job, employers may not value the diversity of her various roles: “there are so many people out there at the moment with extensive knowledge, careers, longevity in that particular industry, so, yeah. Having 16 different jobs is not helpful sometimes in that”.

Bree’s trajectory was by no means unusual. Where women began in the labour force was often heavily influenced by the norms and expectations of those around them. Other ways of supplementing incomes were then grafted onto these careers, which in some cases created stepping-stones to alternative careers. For example, another respondent, Evie, starting teaching, then went into farming, became a facility manager and is now a consultant. However, the career moves of these women were often the result of factors other than striving for upward career advancement and pay increases. Women’s decision-making was more responsive to other aspects of the lives of those around them, as discussed later in this report.

3.1.3 Flexibility is everything

As suggested in Bree’s account, respondents spent considerable time discussing the ways in which they sought or are seeking ways in which to combine work with the caring responsibilities associated with children. Being available to children outside of school hours was an important consideration for many. The respondents also spoke of needing to be available when children were ill. For the majority of women with children, finding flexible work was seen as a crucial component in creating a manageable life.

*I’ve just been plodding along doing what I can that fits in with the children. A school bus used to drop them off. I had to be at the school bus when the bus stopped cos we lived 5km out of town so I had to be there to pick the girls up. Drop them off at 8 and pick them up at 4 so I couldn’t work either side. There have been times when they’ve come to the town when they were older and they’ve hung around waiting for me to finish but that didn’t happen often. **Hattie (52)***

*I was one of those people that actually got jobs that revolved around my children’s lives, different stages in their lives. Like when I became a TAFE teacher, you know, I did sessional teaching and the moment I dropped them off at school I went and did teaching. So I was home to pick them up etc. etc. I was always there to drop them off and pick them up. My children, I was always there when they were ill. **Rae (67)***

*Having a child to consider means – just number one is flexibility. That has meant in the past that I still get to do drop off, pick up from school and some work in the middle, but then when she’s in bed I’ve done two more hours of work until 11, 12 at night. **Macy (45)***

The ability to stay connected to the workforce while raising children, particularly young children, is partly reliant on the amount of family support available. Women with limited or no family support found it particularly difficult to work full time. Some of the respondents had no access to childcare while others found it uneconomical to return to work full time because of the high cost associated with childcare. Other women spoke of being unwilling to have their children cared for by others for extended periods.

*I mean, you know, you’ve got a young family, you’ve got to make a choice. It’s either career or family, I think. Some people do it well, they manage both which I think is fantastic but because I personally don’t have family support in Melbourne it’s a bit of a different situation. **Betty (42)***

*I always stayed at home to look after my children because, you know, living in a small country town with no friends, no family to look after your children, what do you do? So I stayed at home but at the same time I worked jobs in-between and at different stages of my children’s lives. **Rae (67)***

I suppose [we] thought about and talked about, you know, childcare and how much childcare we were happy to use and we sort of agree on that. So he [husband] has a very sort of firm idea that he doesn't want either of our boys in childcare more than two days a week. I'm a little bit more flexible, I'd be happy to go to three, but you know, sort of in that ballpark we kind of agree that, you know, there's a limit. Certainly not going to put them both in full time childcare, we want them to spend more of their time with us than with other people. **Bea (42)**

Women with caring responsibilities for children often found creative ways to incorporate flexibility into their lives. More than a quarter (27.5%) of the respondents were self-employed. They spoke of setting themselves up as consultants, running small businesses from home or owning businesses outside the home where children could accompany them to work when needed. Self-employment was sometimes seen as demanding option and often resulted in a drop in income. For the women who opted for this solution however, it provided a way in which they could generate income while caring for children. For some women, the choice was forced because their organisations were unwilling to offer part time or flexible working conditions.

*I picked up a bit of, I don't know what they call it now, like sessional casual type work ... just in HR, but it was boring so I left that and started up and opened up my own business – an indoor play centre. Because I had kids and I had to be at home. It was a huge leap. It was just a concept that I thought I need to be able to take my kids to work, what better thing to do than an indoor play centre where you can sit and have coffee while the kids play, the kids went to work with me, some days they still went to occasional care for that independence sort of thing but pretty much they came to work with me while I did that and then when they started getting a little bit older and into school we sold the business off. **Caroline (49)***

*I just thought no, I actually want to be there for [daughter's name] while she's doing Year 11 and 12 so I resigned from that position and started a pet and garden sitting service that I ran from home. I had a lot of clients but I wouldn't say that it was like, like, in terms of the money, it was certainly more money working in a position but it covered the bills, and it was a really, it just allowed me to be emotionally available, more emotionally available for my daughter because she was the kind of daughter who you'd sit on the end of her bed and talk to her every night to help her get through VCE. **Magda (52)***

*I was just trying to change my role from five to four days just so I could have a bit more family time. It was not well received basically. You can't do sales in that time, you know, I know how efficient I am and I actually – having become a consultant over the last three or so years I realise how inefficient it is to sit at a desk from 9 to 5. **Macy (45)***

Flexibility then, was not only about time in terms of hours worked, but choosing jobs or employment that left women with enough emotional energy to cope and support significant others. Notably, investing in the future here was not about a financially orientated idea of security for themselves, but one that focused on their children's futures. Given the dominance of narratives about the increasing precarity of work for new millennials^{32,33}, it is unsurprising that securing a future for their children (for example, by coaching them through examinations) takes inevitable priority over their own wage potential (and consequently, superannuation contributions). The framing of flexibility was also important. Rather than consider it a right, the stories from women suggested it was still very much seen as a 'perk', and would thus be likely to offset them requesting other benefits, such as higher wages or allowances and reimbursements that may leave them with more money to invest in super or savings.

3.1.4 The price of breaks and pauses

Many of the women in the study discussed how their need for flexibility often resulted not only in a reduction of working hours but also in having less secure types of employment. This was the case even for those who had built a strong career profile and reached seniority prior to having children. Casual work was seen as providing a way to choose the days and hours one could work while still earning an income. Casual work not only meant that women could be available for the school drop-offs and pick-ups but for the extracurricular activities that their children were involved in. For some, it was a way to stay connected to the industry within which they had trained in anticipation of being able to work in some greater capacity in the future.

*And then I got married and worked from home for a little bit ... then I reckon I went like this with kid two. I went into really average contracting, contracts, unstable, so instead of having a full time job I just worked short term, unstable dollars. And then, and now it's only just starting to go back up again. **Angela (40)***

*So I was in that for about five years and then was back home again with the kids doing all of that and then I went into just sessional training, so delivering on-the-job training and mentoring to trainees and apprentices and that was because of the flexibility because I could pick and choose the days and the hours and it could fit around the kids and being at their sports events or plays or concerts or morning teas. **Caroline (49)***

32. Sultana, 2017

33. Riach, McDonald and Grant-Smith, 2017

*I worked myself up from, you know, just from picking up dirty plates into management and then from there I met my future husband and we got married and then after about 11 years, I fell pregnant and had to leave the industry full time to be a mum. So I left to be a mum but I still worked casually within the industry. **Gabriella (50)***

*Yeah, I think the key moment for moving from recruitment to a teacher aide role is that I was looking for something that would give me the flexibility and something that I would enjoy and would still allow me to be around when the kids were around, coming home from school, coming home from day-care, all that sort of stuff. That was a key driver in regards to actually making a final decision at the end of the day. **Betty (42)***

Despite meeting their flexibility needs, many participants were aware of the financial price they paid in relation to these 'choices'. Respondents expressed a sense of financial vulnerability associated with being out of the workforce and/or working in casual roles. Prior to having children, some of the participants had achieved well-paying careers. The change in circumstances related to having children left them feeling insecure about their contributions to the family, their earning capacity and their futures.

*That's a big shift I've found. Not contributing financially, you know. You don't feel like you have a sense of worth when you're not contributing to a household...and I can vouch for a lot of my friends that have said exactly - it's so hard not having your own money ...I mean I always have had my own money but in that sense of - You just don't feel like you're contributing even though you're at home raising your family. **Denise (41)***

*But I still think once women have babies they are often in a very vulnerable position financially, whether they're married or not. You know, and I know myself, their ability to actually go back to work and earn a decent living can be much more difficult when you have a child, yeah. And despite all our progress I think it's women who are still generally the primary caregivers. Or I certainly was. **Harriet (57)***

*It might change again but at the moment while the kids are young and my life is crazy, career is nice job, flexibility, good money. Whereas career used to be managing a team, earning lots of money. Now I just earn good money, I'm earning less than what I was earning back here, like \$20,000 less if I was to put it into a full time salary. **Angela (40)***

Importantly, while women talk of the work as 'casual', it did not appear that their employers were necessarily classifying their employment as casuals, which would require a 25% loading³⁴. Casualised work also had more indirect consequences for potential to earn in other ways. For example, evidence suggests employers are less likely to invest in education, training and development of a casual workforce³⁵, thus limiting the potential for employees to progress or increase their salary in the future.

3.1.5 The legacy of the maternity penalty

Career breaks and working part time can also result in a reduction in career potential as discussed in the double penalty effect section (see 2.2.5). Respondents provided some insight into factors that might contribute to these statistics. A number of the women spoke of how their career trajectory was derailed once they had children. Some accepted that their careers would slow down for a while, arguing that it was extremely difficult to get promoted or take on management roles whilst working part time. One participant noted that women are often confronted with an impossible choice of either consolidating their careers or having children. Having children then was associated with pauses in career trajectories, a lack of time to even think about careers and the loss of career opportunities.

*Some women are as ambitious as men. Some are. Some women accept that if they have a career break that they may not slot back into where they were because they think having kids - like having children and raising their family is important to them and I've got some ladies that I coach now that are in that space, and so they're accepting that they may be slowed down a bit in their career. They're ambitious but they know that potentially there is a risk that it's going to be slowed down by their choice to have children ... it's just accepting of the fact that if I wanted to be a manager now, I won't be a manager because I'm going to have kids for five years. I might have to potentially delay me being a manager until I'm a little bit - till my kids have grown up a bit cos, you know, I need to leave at 3 o'clock to pick them up cos I want to pick them up at 3 o'clock, I want to feed them before they go to bed, I want to have a bath, put them to bed and all that stuff that they want to do. They want to be mothers and they want to have a career, but it slows it down. **Gemma (51)***

34. Fair Work Act 2009, sections 285-299

35. Richardson and Law, 2009

*You have to take time off. You have to take time off, even if you're only taking a few months off to have a baby. Like some people go straight back to work. For me, and I know some women can do it but for me I started working from home when the first child was four months old and I started working when the second child was 10 months old, and still I feel like it was a big pause in the trajectory ... I was working but I wasn't progressing. I could easily get work, I could quite easily negotiate part time work because I'd put all the groundwork in before children but I wasn't ever going to move into a recruitment management role when I was three days a week. **Angela (40)***

*... I was so busy working with a little child and running a house that I didn't have time to even do the washing let alone stop to think about how I was going career wise, I mean it was nice to get some good feedback at that time. **Jane (59)***

While attitudes towards working mothers have gradually changed as more and more women return to the workforce after having children³⁶, there remains a cultural expectation that women should prioritise family over work. While some women agreed with this perception, others expressed anger that men are not burdened with this pressure despite being parents too. Some respondents felt that women may be seen as less committed to work because of children while others worried about the perceptions of others if they spent too much time away from children. Those with little or limited caring responsibilities are much more likely to be able to meet the demands of work.

*Definitely that family responsibility still comes back to the woman, definitely does and I know when I was under a lot of a pressure ... when I took on the full time role there, and I know that I have had arguments with my husband that, well, we're both in this, it's as much you as it is me, but I was always the one having to reschedule work or take days off or prioritise the family, whereas he was always, and I'm not saying it's a bad thing, but he was always prioritising his work, his work always came first, whereas for me the family had to come first because nobody else would put that first, so I think that's the female role. **Caroline (49)***

*I think because having children is still something that only women can actually do, and a lot of work places are making it easier with long maternity leave and that kind of thing, but, but it does impact your career if you are taking time off work to raise children. People won't see you as committed as say the father who has maybe one week off to be with their child and then comes back and, yeah, so, it is really the mothering, I think that's, that's still just a real balancing act. **Magda (52)***

*A lot of women put everything on hold for that child like I did. I mean, I would be in a management position at the moment but I left the industry to have a child and then it was the decision that I made with my husband at the time that because I'm the woman, I'm the nurturer, I've got the breasts, I stay home and look after that child. But if it was vice versa, if [husband's name] opted to stay home and look after the child and if I actually went and worked ... could you imagine how other people would've perceived me? **Gabriella (50)***

*... it gets on my nerves that the blokes who are my age have had a dream run and they don't necessarily acknowledge that they've had that dream run. And they don't ever have to get called away because someone's sick or someone's this or someone's that and it's really ... It's really easy to, to work hard and work long hours and be seen to be a really good worker when work is all you have to do. **Fiona (45)***

Overall then, women identified perceptions and stereotypes that can exacerbate the motherhood penalty on superannuation balances. If the cultural expectation is a 'dream run', as Fiona puts it, then any detraction from this comes with organisational perceptions of women as not committed or problematic. At the same time, as Gabriella suggests, if women do attempt to fit in with an expectation of working continually (with their partner staying at home), they may be subject to negative social perceptions.

36. Jeyaratnam and Henderson, 2017

3.2 The 'Second Shift' Superannuation Penalty

3.2.1 The unequal distribution of domestic work

The quantitative analysis presented previously highlights the way in which housework and care work are distributed between men and women. In many ways it was the significance of having to uphold these responsibilities, often termed the 'second shift'³⁷; that also limited significant (or any) superannuation contributions for a large proportion of women's mid-life working lives. Specifically, many of the respondents spoke of the ways much of the domestic work fell on their shoulders. Some were angry that they did more while others found it easier to take responsibility for these duties. A number of interviewees felt that the additional work they did in the home was reasonable given the demanding jobs that their husbands had.

*I definitely do the majority of the work around the house. Actually, in the census in September I was so pissed off with him that I put that he did zero hours housework a week. I honestly think he does very little. When I was working after child two ... I was working five days a week on contract and breast-feeding and I would say 95% housework, living out of the laundry. I'm surprised that I made it through that. I honestly thought I was - I mean, I've struggled with depression and anxiety a bit, I cannot believe I got through that. **Angela (40)***

*So basically there was no renegotiation, it was just the expectation that I do it all and that was really difficult because if I was working till midnight, getting called overnight, and then having to care for a toddler whilst pregnant because they were close together. I'll just give the example - I'd finished a shift, started work at 2pm in the afternoon, I was the on-call doctor, I got home at 5.30 in the morning and then I left him a note to say I'd got home late and can I sleep in. My son wanders in about 8.30, so I've only got home at 5.30am ... in bed by 6.30, my son wanders in at 8.30 and that's it. **Julie (45)***

*Probably since coming back to Melbourne and then both working full time for a while and having a baby and stuff where I was mainly - I was at home more and he was at work more. Went back to traditional, I did the cooking, I still do, cooking, cleaning, and some of that's influenced by the fact that our daughter - I've got dietary issues and my daughter's a fussy eater, it's just easier if I cook what I know we can eat. So there's a few factors in there. **Macy (45)***

That's a really interesting question. Did I renegotiate home duties? Well, my husband and I, I suppose we're both sort of very egalitarian, we're very much like both of us agree that it should all be fair and that's really nice that we agree on that ... But it is very hard to negotiate around all of that because, you know, what's fair, you know, he has a demanding job, he works full time and, you know, he's very good around the house and he does some housework. There are some things he won't do,

*some things he does not, but on the whole he puts in a lot of effort around the house ... there are certain things he won't do and I haven't challenged him on it but they are the real kind of, you know, what you would call women's work. The ironing he won't do, he probably would never bake a cake but he's quite happy to buy one from the supermarket. Like why would you cook one if you can buy one, what's the point? **Bea (42)***

This reversion back to traditional roles during maternity, which would subsequently not be corrected when women returned to work, meant that often the burden of domestic duties left women less time to rebuild momentum that would level their career with their partners. Rather than consider this as a choice actively and productively made, it is important to remember that for busy dual-working families, traditional family scripts were often easier to follow, requiring less time to negotiate and avoiding domestic tension. In this complex soup of little domestic shared time, it is unsurprising future financial savings were left to emerge organically through minimum employee and employer contributions (SG).

3.2.2 The unequal distribution of the mental load

Mental load refers to the variety of emotional, practical and often mundane jobs that are required as part of 'life management'³⁸, including remembering birthdays, planning social gatherings and managing family health. Women are more likely to be responsible for the organising and planning that is required to make a home run smoothly. The participants in the study also made reference to the unequal distribution of this type of work within their homes. The additional pressure associated with the mental load limited the number of hours women felt capable of working while others described the way in which they carry an additional cognitive load associated with children and housework while at work.

*When he's around he contributes and he does his fair share but most of the organisational and the thinking and the planning is my job and I find I don't, I really like my work but I don't feel as if I can increase my hours because it's just too much pressure that falls, I feel, falls on me. He doesn't, he doesn't feel the need to step up or cut back his work and ... financially that's not viable anyway ... rightly or wrongly I take on that responsibility of organising everyone, so I have the calendars, I tell everybody where they're going, what they're doing and all that sort of stuff. That's just the way that it works, and I know it's only temporary. **Fiona (45)***

*... it's harder to multi-task, I think, as you get older and particularly when you add children into the mix. Because in the back of your mind you're going I've got to get away on time, collect the kids. I haven't got any toilet paper. It's all in the back of your mind so you've got extra cognitive load. And when you know more you've got more cognitive load **Julie (45)***

37. Hochschild and Machung, 2012

38. Buchanan, 2018

The two respondents above bring up contrasting perspectives that have implications for their potential to work. On the one hand, the idea that this is a temporary situation provides some justification, in the hope that the situation will amend itself in the future, allowing Fiona to increase her financial potential. On the other hand, Julie suggests that the mental load will only accumulate (rather than diminish) over a longer period of time, having significant consequences for a large portion of her 'primetime' working life where maximum gains could be made in terms of superannuation contributions.

3.2.3 Unpaid care work

Along with unpaid childcare, women are also more likely to do unpaid caring work associated with other members of their families. The statistics presented in Section 2 dramatically demonstrate women's greater involvement in this type of unpaid work. A number of women in the study spoke of having the responsibility of caring for ageing parents or ill partners, limiting the time they had available for paid work. The flexibility needed to attend doctor's appointments and the energy required caring for someone who is ill or frail leaves women with these responsibilities with limited opportunities for employment.

In the meantime I was doing lots of short courses, the business admin courses and then my mum came to live with me so I had to give up everything for about four and a half years to look after her because people in Melbourne just didn't have the time or the room ... I had the time and the room ...

Rae (67)

*Back in '95, yes. I was just doing a bit of part time, and then all of a sudden, you know, he's had the strokes, I'm working, you know, I'm only doing part time work, morning and afternoons, and that was just a complete change in our lives when he had the strokes. Looking after him, and I didn't even think about the carer's pension right then - I wasn't thinking about that, we were just concentrating on getting him better and getting his strength back. That took a long time. **Wendy (55)***

*I've got parents that have now moved up last year and live around the corner and they're getting older, my sister is their carer but she's overseas at the moment so between us we sort of care for my parents, and mum's heading over soon to meet up with [sister's name] and my dad needs a bit more care so, but even if I was going out to get a job it would be very difficult for me, at this point, to actually go out and get a job because dad has appointments a couple of times a week that I need to take him to **Jamilyn (46)***

Important to these discussions were extended family members relying on the 'flexible female': a member of a family network who was willing and able to take on board additional and significant responsibilities for the broader good of the 'clan'. However, this often dissolved the importance of their current and future needs as an individual (such as financial self-care for the future). As a result, any discussion of financial consequences for the women undertaking these roles was often displaced.

3.3 Organisational and Institutional Causes of Superannuation Poverty

3.3.1 Gendered sectors

Many of the respondents were aware of the gender segregation of the labour market. Those working in female-dominated industries (for example, the community sector, aged-care and administration) were aware that their sector was lower paying and that the type of work they did was under-valued. While some women spoke of their preference for the type of work available in these sectors, others felt forced into industries that were lower paying because they could not have the flexibility they needed in male-dominated industries.

No, but, you know, with all due respect to this gorgeous organisation that I work for, I think most women in the organisation are grossly underpaid and so while it's comparable to previous roles, it's not commensurate with what I'm doing, but that's the nature of community sector, women's services especially, and that sucks. Shouldn't be that way but it is what it is and I'm not starving.

Maddison (50)

*So, yeah, all those kinds of looking after, caring for, nurturing, prettying things up jobs, all seem to come down to women at the end of the day, don't they ... but I actually like that and that's part of who I am, so that makes me feel good, but I don't know that it's particularly an advantage because financially and every other way it's really not because you don't get paid very well ... Very low paid work. Very low paid work, especially - I think at the end of the time, 20 or 30 years ago ... I was getting paid about \$20.00 an hour - I'm getting about \$20.00 an hour now, plus the casual loading. So, it looks like \$25.00-\$26.00 now but that's not really good pay for anybody **Bree (53)***

*It would've been about three years cos then I got pregnant and had a baby. I was full time Business Development Manager ... so I did that role for a couple of years and I just adored it. Took 12 months off for maternity and wanted to come back part time - I couldn't come back to that role which was really upsetting ... They wanted a full time person in that role so they said no, you can't have that but you can have this. **Macy (45)***

At play, then are a number of intertwining factors that result in women being disproportionately affected. First is the affiliation of feminised work correlated with low pay, when the commensurate skills and qualifications in similar masculinised jobs carry greater financial rewards. Second, as echoed in the respondents' accounts, women make up a greater percentage of employees in the community sector (as oppose to private sector), which is less well paid and often has hierarchical structures with pay ceilings correlated with rigid pay grades. Finally, as suggested by Macy, a number of jobs are still blighted by the mindset that particular professional positions only work under a full time model, with employers only required to consider the request and able to refuse it through a range of broad (and often catch-all) business-related reasons.

3.3.2 Gendered occupations

Women in the study who worked or had worked in male-dominated industries spoke of the ways in which they experienced themselves as outsiders. Some spoke of the need to toughen up or develop a thick skin. Others spoke of the pressure to take up a sport such as golf to broaden opportunities for networking with men. Some women had to continually challenge men's assumptions about the role they played while others experienced being refused traditionally masculine roles because they were female. Other respondents spoke about putting up with workplace cultures that were demeaning to women.

I was at an industry event yesterday, a launch of a company opening in Melbourne and I was specifically invited along. There was a Minister there, there were a range of other people, and I was sitting there talking to this guy...I'm there because I'm an IT consultant ... anyway, I'm talking to this guy and he made a couple of comments talking about something, and it didn't twig on me for a while and I said to him about 10 minutes later, I said "I've just realised you've made an assumption that I work in HR. Probably useful if I tell you what my background is." And it was interesting, someone said afterwards yeah, the assumption would be - marketing would have been his second guess and it is because of all of that room the assumption was because I was wearing a dress it's assumed I'm in HR **Sarah (50)**

I mean I think the finance industry is still fairly male-dominated, so a lot of the decision-makers that you're dealing with, a lot of the meetings that you go in are still all men. I mean I guess I'm kind of used to that however, it is just so male-dominated. I guess it's still, you know, a social element where, you know, I don't play golf. Now I could but I don't see why I should have to. One of my bosses who's female, she loves golf and she's like everyone, all women should just learn to play golf because it's very good for business and I'm like mmm, so I just don't really want to play golf. **Cassie (49)**

Yeah, look, I honestly think where I work now is very male-orientated, yeah, I do. You know, if you're a bloke then, you know, you get to drive the tractors and you get to drive the vehicles and in that instance you see that as a job that's not that difficult, you know, like it's you get to sit in an air-conditioned tractor. **Hanne (54)**

Being a woman in a male-dominated environment you do need to be a lot tougher, you do need to stand up to the blokes because they will man speak you, they will talk over you, they will put a woman in their place quite easily so we've had to grow up to be really tough. **Gabriella (50)**

When I was working at [name of organisation] I went for a logistics role. I thought finally I can use my maths and it really was a department of blokey blokes from the trucking industry. I didn't get the role, even though I'd worked with the manager and he knew that I was not a bad worker or anything and that I had a maths degree, but I didn't get the role and a young guy straight out of university came into the role and I just thought that one, it's picking an outsider because for some reason they thought outsiders were better than internal candidates, and two, picking a male. **Macy (45)**

I think you have to, you know, present yourself as confident, you have to present yourself - well, I felt like I had to present myself as quite thick-skinned, and I was very lucky. I didn't - well, there were obviously some occasions where I experienced issues but there wasn't that often. But you did sort of have to - yeah, you had to be a bit thick-skinned, you had to kind of learn to just - I felt like I had to accept the culture I think what it was, and, you know, early on I had a couple of experiences, you know, with the skimpy bars and that sort of thing. **Bea (42)**

These experiences speak to some women's preference for not working in the higher paying industries and highlight why women may stay away from industries where in addition to performing one's job well, there is the added pressure to fit into an environment that is not always welcoming of women.

3.3.3 Gender discrimination at work

Other factors influencing women's engagement with the labour market include gender discrimination in the workplace. Many of the respondents recounted the ways in which they had experienced this type of discrimination and how it influenced whether or not they stayed in a particular role. One highly skilled administrative worker spoke about having to leave a position, despite it being well paid, due to the behaviour of a male colleague. Other experiences of gender discrimination included being refused promotion despite being the most qualified person, outright hostility from male direct reports who refused to take orders from a woman and being refused employment because of being near child-bearing age. Women also spoke of not joining work-related associations because of hostile environments thereby missing out on networking opportunities and the valuable information that often comes with these.

I think when I was on maternity leave with my son I ended up taking the 12 months off because I'd just had the breakdown in relationship just after my son was born. So I took 12 months off then and during that time I'd applied for a promotion which I knew I was very competitive for and the guy that actually won the position, and I knew that I was more qualified, I had more experience, and yet I didn't get the job. And when I'd asked for feedback on it,

I guess I got very limited feedback and there was no recourse, it was basically a decision made. In the end it was interesting that this particular individual only lasted six months in the job and then he was performance-managed. My gut feeling was they knew that I was taking 12 months off and they wanted someone in the job immediately. So they weren't prepared to, you know, I guess risk offering the best person the job in fear of they'd have to have someone temporarily in the job for six months until I came back after maternity leave.

Babette (45)

While these were historical examples of gender discrimination, women still face barriers related to gender in the workforce. One highly skilled and experienced consultant spoke of the difficulty she still faces in getting paid appropriately as a woman in a traditionally masculine field. These stories reveal how gender discrimination affects where women will work and how much they earn.

I get paid less than men, equivalent men. It is still now, in my consultancy. I make sure I charge a good rate, I don't charge the same rate as my peers but I have to... justify my rate often ... because there is an assumption. And people wouldn't even consciously do it but they assume ... they'll question the rate, that it's expensive. And I will often say to them, so imagine I'm a man, is it still expensive? And it's not. The assumption is that women don't do technical and can't do senior management. And they know it's been proven, you know, Gail Kelly, we've got all the role models out there. I'm really active in the diversity space. It is well and truly entrenched. It will take at least one more generation to change it, at least. **Sarah (50)**

At one point I was responsible for a group of men. I'd been back in the public sector so it was probably my early 30s, it was during the GST conversion, so whenever that was, that'll give you the time line. I was responsible for a team of about 50 staff and I have three men who reported to me and none of them would talk to me cos, and I quote, such sexist words, I'll never forget it, "we don't talk to a woman, we don't take orders from a woman, we take orders from men." So I was in my early 30s when that happened. **Carol (47)**

Experiencing such open hostility in both formative and later years not only had clear implications for their career development in terms of limiting promotion, salary increases and career development opportunities, but also signaled that women were not welcomed in the workforce in general. This also had the potential to influence decisions about extending their careers and working into later life.

3.3.4 The impact of sexual harassment on career choices and trajectories

While gender-based discrimination involves being treated unfairly, sexual harassment refers to experiencing unwanted sexualised behaviour that is offensive or degrading³⁹. Unfortunately, many of the women interviewed were able to recount experiences

of sexual harassment in the workplace as younger women. This occurred across a wide range of industries and included inappropriate comments, inappropriate touching and threats to physical safety. Despite not being specifically asked a question about sexual harassment in the interviews, women volunteered this information to explain changes to jobs. Many of those who experienced sexual harassment felt that leaving their positions was the best option available to them. This included women walking away from well-paid and secure employment with the potential for career development.

It was mid-'80s and I was one of the first women to go through and, you know, it was awful. There's no other way to describe it. The last six months were particularly difficult and I made a call ... after a particular incident to make the decision to leave - so my career was pretty well mapped out and I walked away. **Sarah (50)**

I was office manager. My direct boss, he was completely inappropriate. Took it to the owners and they just swept it under the carpet. They didn't want to know about it. So, that's why I thought for the money I would rather go and work elsewhere and offer my services to another business that actually is going to treat [me well]. **Denise (41)**

They all seemed really nice but then the boss was getting a little bit sexual. Just started off a little bit "wow, those legs are so long," just starting off like that, and then it was just adding in different innuendos and stuff so that was it. I thought I'm not staying here any longer either, so I think I might've lasted a month ... like they're more aware of it today, about putting a complaint in for sexual abuse, I just left. Copped it on the chin. **Hanne (54)**

Look, there was something, how would I describe it? We're talking the '80s here ... but there was a lot of, you know, rubbing backs and sitting on knees. I thought "this doesn't feel quite right to me but I'm not quite sure about the boundaries and, you know, could I lose my job if I didn't do that", so nothing, nothing too dangerous or overt but just a subtle, you know, if you kind of want to keep the job then you need to be able, kind of, fit in, particularly the advertising industry. The film industry was a bit different but the advertising industry in the '80s was, as I said, a lot of men doing a lot of drinking and a lot of pretty poor behaviour now that I look back on it. So that probably toughened me up in a lot of ways **Harriet (57)**

In many ways, sexual harassment is one of many hidden gender-based experiences that can feed into the phenomenon of female superannuation poverty. While many respondents deliberately located their experiences historically, inferring that the working landscape may be different now (although recent movements such as #metoo have suggested otherwise), the penalty for many was having to begin another career trajectory, meaning a decrease in salary, or compromising pay and conditions that suspended a steady financial savings strategy.

39. <https://www.humanrights.gov.au/our-work/sex-discrimination/publications/know-your-rights-sex-discrimination-and-sexual-harassment>.

3.4 Getting Older – The Challenges Behind ‘Make-up’ and ‘Catch up’ Narratives

3.4.1 A new sense of self

Increasing numbers of older women are remaining in the workforce. Between 1993 and 2013, the participation rate of women aged 45-54 rose from 65.4% to 77.9% while the participation rate for women aged 55-59 rose from 36.8% to 65.3%. There have also been increases in the number of women aged 60 and over in the workforce. The participation rate of women aged 60-64 rose from 15.2% to 45.1% while the participation rate for those aged 65 and over rose from 2.2% to 8.0%⁴⁰. More recent data shows that the participation rate of women aged 60-64 is now at 50%⁴¹. A third of the *Second Horizons* respondents were aged 55 and over with three aged 60 and older. All of these respondents were working at the time of the interviews except for one who had recently retired. Many of the women interviewed felt very positive about getting older. They spoke of becoming more comfortable with themselves, growing in confidence and being more assertive. They also felt that they had become more effective workers and could now rely on the extensive network of contacts they had gathered over many years of work. Those working in white-collar expert roles were particularly happy to now be older, seeing age as a benefit to their field. Other women talked about letting go of perfectionism and being gentler on themselves as they aged.

*I'm just very comfortable in my skin now, you know. I mean I don't, I actually remember when I was 36, I remember this kind of blossoming that happened and it was when I, it must have been when I was working at the prison, but I just started to become more comfortable in my own body and I wasn't so worried about what people would think about me, how I appeared and that kind of thing. I remember that time really vividly so to have that transition, that felt really good. **Magda (52)***

*I think with age comes wisdom and I think I'm constantly learning but I am much more open to learning now and I'm also better at reflecting upon things that I can do differently, so I think that's the sort of thing that you get as you get older ... last 15 years. I'm much more comfortable with who I am ... secure and things like that. **Claire (40)***

*It's not that you care less, it's that I think you become more aware of who you are. When you're younger you haven't got a clue who you are. That's the first time I've said that and I think that's probably more right than I know. You're more confident about what you know and what you don't know, you're more confident to say "I don't know the answer to that, let me go and find it for you". **Kiara (57)***

*I would take the wisdom and experience I've got over good looks and youth any day now. I think I get more done in my part time 9 to 5 work than some younger, good looking people get done in a 40, 50 hour week **Angela (40)***

*The good thing about it is once you get to a certain age you've got a lot of contacts that you can tap into, people that have either worked with you or in another company that know your work style and so you can do the networking with people that sort of do know you, but the cold networking is when the self-promotion is. **Jamilyn (46)***

*I suppose, you know, people probably trust you more, you know, than maybe when I was 20. They probably trust me more as an older person compared to say the young girl that works here who's 23. They probably tend to trust me a little bit more and because we work so close with our clients they tend to trust me with their life stories as well, than maybe a 25 year old and I suppose my older clients trust me a little bit more knowing that what they're going through I'm going through the same thing **Hailey (49)***

*I think actually having a few wrinkles helps as a consultant. They don't want you to be a 20 year old consultant and they want you to present with competence, with some stories as in bring your stories to the table, so when I was in this organisation this is what we did. **Gemma (51)***

Many women relied on the assumption that once childcare and (to a lesser extent) parental care became less intense, they would be able to compensate for lost time in two ways. First, many respondents discussed older age as ‘catching up’ with male careers, providing a form of capital that resulted in perceived wisdom or experience that was highly valued, as well as benefitting from an accumulation of networks that would enable work. Many women also spoke of a stronger sense of self that allowed them to negotiate and tackle negative behaviour towards them in the workplace. Second, with career advancement comes the hope of attempting to ‘catch up’ with financial planning for the future, both in relation to superannuation and other savings strategies. This is of course, particularly challenging given the accumulative nature of the superannuation system.

3.4.2 Gendered ageism as limiting women's potential

Despite these very positive feelings about getting older and being of value to the labour force, many interviewees also spoke of their concerns about other people's perceptions of ageing. Some women were worried about being superseded by younger people because of assumptions about older women's skills, particularly those related to technology. Others described missing out on opportunities for training and development that they attributed to being older.

40. Wilkins and Wooden, 2014

41. ABS, 2017

Some women spoke of a kind of invisibility that they had started to experience with age and of their opinions and views being dismissed due to being older women in the workplace. While many felt they could be valuable to organisations because of their increased confidence and extensive experience, they were less sure that the labour market felt the same way about them

A woman at work used this fantastic phrase, she described it as this - how it can be really tricky for women around our age to find a place and you really experience the kind of age discrimination as a woman in the workforce and she said "yeah, it's called like smashing back through the glass ceiling" or something like that. Smashing back through the glass ceiling, not that it was ever smashed through in the first place, but anyway. That really captured it for me, it was like that's what it felt like... I just have to accept that from here on as a working woman at my age, it's shit. **Maddison (50)**

Yeah, so, you know, companies do view older employees differently and it does depend on what sort of skill set and what sort of industry area you're in but it's true, once you do get to a certain age there is a different view on what you bring to the table which I think is strange and wrong because there's so much depth of experience that people bring in regards to that. I don't think it's specifically gendered. And it depends, you know, some people are old but they're still young and they're still very vibrant and very aware and knowledgeable and some people are old and they're old. So I think it depends on the person as well. And also if you're working in an industry where your skills are definitely required it doesn't matter your age or gender. **Betty (42)**

I think only really in the last 10 years I've felt a bit of invisibility, even though I've been the big girl with the pink hair, maybe because and I didn't believe it before and certainly when I was looking for another job, it didn't occur to me that people didn't want to hire me because I'm old... I'm only 23 in here (points to head), it didn't occur to me and then I thought I think there's ageism going here, I think it's really only been since I've turned 50 that there's been a degree to which I've felt invisible, especially with men, men in the workplace and young men, you might say something and they kind of, they dismiss you and look and listen to someone who's more younger and more attractive. **Willow (63)**

For many of our respondents then, the intersection between age and gender discrimination, or 'gendered ageism', resulted in a stymying or even backwards regression of their career. Indeed, it seemed a cruel irony that at the point at which they may be ready and hungry for career progression, there were widespread experiences of being overlooked, dismissed or marginalised.

3.4.3 A narrowing of opportunities

The value placed on older women in the workforce, or the lack of it, was experienced by some of the respondents as a closing of opportunities. Some women had a sense that their working lives were now on a downward trajectory while others felt that they needed to take fewer risks than their younger selves. Despite a desire to continue working and confidence in their abilities and skills, there is some fear associated with remaining relevant and employable because of age.

Regardless of how I might feel, regardless of my own kind of self-perception and sense of self and place in the world, I've just been put in this category and these are all the things that come with it. So it was very, very confronting and I remember that night I had to drop off something at a friend's house and when she opened the door I said "hi", and then realised that was actually the first word I'd spoken all day. I was just like wow, what's going on? All these symbolic things, like I'm feeling really isolated, I've just stripped my resume, I feel like my options and the trajectory for me, career-wise, is a horrible downward slope and that's how it felt that day. **Maddison (50)**

I'm becoming increasingly nervous about ageism, so whereas I was completely optimistic and felt that I could work anywhere in the world, I think my future is more limited and I think I have to be more careful in my choices. I don't know that there's going to be quite as many opportunities as I get older, and I think that's a bit scary actually. I think becoming irrelevant is a fear and professional opportunities closing I think, is also probably reasonable. I think there's enough data to show that we should be perhaps concerned. I wouldn't throw in my job at this point as I would have, you know, 10 years ago or 20 years ago. I would have easily, if someone said come and work on this side of the world, I would have gone. I might not do that so readily now. **Lucille (mid 50's)**

3.5 Unexpected Episodes and their Implications

3.5.1 Divorce and single parenthood

Forty five per cent of the interviewees had been divorced at least once during their lives. Along with being emotionally difficult, divorce had financial consequences for the participants. For many women, this was particularly significant as many had made employment sacrifices (such as being the 'trailing spouse' or taking on the majority of domestic labour) earlier on in their careers on the promise of a shared financial future, only to find themselves with little individual pool of savings and less prospect of a high earning potential. Despite legislation dating back to 2002⁴² seeking to reform superannuation payments during divorce towards new equitable systems, superannuation splitting is often perceived as a complicated and expensive process with individuals often preferring to forego their rights rather than engage with another group of professionals. As Magda suggests:

I'm certainly happy with where I am, you know, I've had no regrets but it is as it is and as I, you know, hurtle towards thinking about retiring I think, mmm, you know, a couple of divorces, property settlements under my belt, you know, and, yeah, it's ah not looking so good. **Magda (52)**

Financial difficulties were particularly the case for those who became single parents. Women spoke of the challenges of often being completely reliant on themselves for income and of struggling to make ends meet. One participant spoke of staying in a low paying but stable position for many years while she raised her daughter, citing stability as the most important thing during those years. Other participants spoke of taking on multiple casual or part time positions to support their children. Women spoke of the importance of day care, after school care and before school care which enabled them to continue working in some capacity. For some participants however, there have been long-term consequences related to divorce and raising children as a single parent:

In those days what was far more important than money was, um, I can't think of the word, making sure that I had a job, I knew how much money was coming in, and there was no risk involved ... So it was absolutely a guaranteed job. I mean my job ... was tenured so there was no risk but to get that it was a very low paying job. So stability was far more important than financial gain. So in those days it was financially more of a struggle than anything else ... And, also because it was low paying, my hours I could again guarantee that my [son's name] was looked after before and after school. So there was a trade-off, you know, stability and my [son's name] safety came clearly before money. **Kiara (57)**

When my children were quite small I was a stay home mum and then I separated from my husband when the youngest one was only 2½, so I was a sole parent for 10 years or so, and that's when I went back to uni, I had three part time jobs, my ex-husband didn't financially help at all, ever, never had a cent from him in 25/26 years, 26 years, not a cent, so I worked damn hard, I had three part time jobs, full time study and thank God for sole parent pension, I would have been lost otherwise.

Willow (63)

It is important to note here that financial survival is a relative term, with many of the participants discussing being very close to the poverty line. Given this situation, it is unsurprising that economic hardship continues into their later life. There also appeared to be contradictions between different welfare schemes and motivations to work and accumulate superannuation. To give some perspective, the single parenting pension⁴³ that Willow discusses (which is not an end of life pension, but a single parenting payment^{44, 45}) is part of a parenting payment that is \$762.40 per fortnight. If you have one child, this pension allows you to earn around \$188.60 per fortnight/\$409 per month (which is under the cap for compulsory employer superannuation contribution). As such, getting a job with employer superannuation (SG) contributions does not make financial sense in the present for single parents, especially if they have to pay for care for their children while they work.

3.5.2 Finding work can be difficult for older women

Negative attitudes towards and assumptions about older women at work were thought to be the reason why some of the older interviewees had difficulty in securing employment. Interviewees described unprecedented periods of unemployment, being unable to secure interviews once they reached 50, and struggling to find work that matched their experience and skills. One participant spoke about her difficulty in returning to the workforce following a period of caring for an ageing relative. When her mother-in-law finally went into care, this participant assumed that she would easily find work because of her previous experience. Instead, she was shocked when she went through a three-month period of unemployment – the first time she had been unemployed in her life. When she finally did gain employment, it was in short-term contracts and at a pay rate much lower than what she was used to. She attributed many of her difficulties to being a 60-year-old woman. Being underemployed was also raised as an issue. Some participants found that they could not find the full time employment that they wanted, instead making do with a number of casual positions.

42. Attorney General's Department, 2013

43. A means-tested payment available for eligible single parents of children under 8

44. From July 2017, those who receive this payment must attend a government programme called 'ParentNext' which gives advice on work and training, but notably does not include any information about superannuation saving

45. Centrelink, 2018

It's actually not come about until I've moved up to the country. So, very interestingly, I fell into jobs until we moved up here, and that was another reason that I was interested in this survey because I did feel that, you know, passed forty and fifty - I was really struggling to actually to get an interview.

Bree (53)

I was in my 50s ... so that ageism kind of thing happened - looking at my resume you would be able to work out how old I was - and I mean I can't prove it, but I feel that that was the reason why, despite having really good experience, that sometimes I didn't get an interview. **Magda (52)**

And that is why the solicitors didn't want to have me in their offices doing work experience because they said, you know, you're 60, we're looking for 18, 20 year old to pay them \$30,000. We'll have to pay you more, and I said look, I'm willing to work for free. I must've looked good on paper because I went to all the interviews, to all the offices that I applied for. That's what they told me. **Rae (67)**

I have been able to work full time but not been able to find a full time job. So, that now is the frustration for me - is that I just can't seem to secure permanent part time or full time work. So, I now have four casual jobs ... And it still only gives me about 30 hours a week, maximum. It's ridiculous.

Bree (53)

3.5.3 Business ownership and entrepreneurship

As discussed earlier, for some respondents it was often the desire, or sometimes the need, to cater for other life responsibilities that led to self-employment. Jamilyn, who had set up her own business, explains:

I'm not setting up this business with the hope that eventually it's going to become a multi-million dollar company, I'm setting it up primarily because I believe this may be the only way that I can get the flexibility that I need to look after my responsibilities... **Jamilyn (46)**

For other women, unexpected opportunities had arisen that led them into setting up their own businesses. The confidence to take this step towards business ownership often emerged in later life, as Dale suggests: "it was something I always swore I'd never do, go into business for myself...fail and hate it, and everything." At the same time, the motivation to do so was closely correlated with gaining resilience through life experience. Dale continues

I would never have had the confidence, nor the drive to be able to own my own business now, like back then. And it's partly to do with the fact that ... the whole experience of, I guess, going through later life, having a few adverse things happen, having some good things happen, I'm a totally different person now to what I was then. Couldn't imagine building a house, couldn't imagine, you know, doing half the things I do in a younger me. **Dale (56)**

For many of these respondents, being an entrepreneur had rarely been a planned strategy, and often the drivers were not in any way financial but about desires for autonomy, flexibility and control over choosing their working environments. Sarah suggested that in running her own business, it felt like a 'career homecoming' in terms of enjoyment and satisfaction. She stated, "I've never, ever been as confident as I am now that I'm really good at what I do ... now I know I'm really good at what I do and it's been incredibly affirming". For some like Sarah, this also turned out to a financially lucrative move, although not as impactful on retirement savings than if it had happened earlier on in their careers.

3.5.4 Health and age

The issue of health and age came up a number of times during the interviews. Some of the older participants were aware that they needed to maintain their health in order to continue working. Others however, particularly those working in non-professional roles that required a level of physicality, were already facing issues to do with fatigue, arthritis, osteoarthritis and back pain. These health issues meant that the capacity to continue working in their current roles may be limited and there were concerns about finding alternative means of employment as older women.

...it's wear and tear on your body. It has to take its toll on an older female, anyway. I try to think lifting 20kg bags all day is probably good for the bones, but it's dead weight and it's often picking it up off the ground, too, so you have to really be careful how you pick it up. **Hailey (49)**

I'm just hoping that this job here, like I get my 25 hours a week and then hopefully plus, so I can get my own place and then sit back and do that for the next, I don't know, five, seven years and then retire. My plan was to retire when I turned 56 next month. [Husband's name] and I were going to grab my super and we were going to go on holiday, big holiday. Disneyland and Hawaii. Well, that didn't happen so I'll just keep working as long as I can, as long as my back holds out and I don't get sick or whatever. As long as that holds out I'll just keep working. **Wendy (55)**

For many, it was a balancing act, often seeking to change positions or sectors to extend their working lives even when this resulted in a lower salary. However, even though there was often an emphasis on making these later year's 'count' as much as possible in term of preparing for retirement economic security, the planning surrounding later life working was precarious as the fallout or consequences of new or exacerbated health problems was difficult to predict, and when they emerged, could be sudden and very significant.

3.5.5 Imagining the end of work

The end of a working life was in some women's minds, particularly those who were 50 years or over. Those who felt some sense of financial security were looking forward to the freedom that came with semi-retirement and retirement. They were glad to be past the phase of juggling children, partners and work, and had finished the paying of mortgages. These participants spoke of now working for fun and adventure while earning some money. Women who felt less financially secure were less optimistic about the future. Some were able to look back and see how the decisions they made earlier in life (and often as a family), now meant they faced financial insecurity as they got older. One younger participant, a lawyer aged 45, was thinking about her future as she has seen what happens to women who get divorced in their 40's or 50's after leaving the workforce permanently to care for children. To avoid this vulnerability, she is determined to remain in the workforce while she raises children. Women who were not currently partnered were more likely to talk about putting off retirement because of the need to save for the future.

My husband is bit younger than me so he is not going to retire for another five or six years and so I anticipate working well into my seventies, so I'm thinking, alright, well, I'll just, and he wants to continue to work for ourselves, like having other businesses that can just be a bit of a hobby business as we age, and be in the timelines that we want so he keeps popping up with ideas and I go well wait until you retire, let's start working on that now and so it's much more fun than ever before and I guess that's the advantage of getting to that point in your life where you no longer have to worry too much about your mortgage or raising children or paying school fees, it's actually quite lovely.

Willow (63)

I remember one man who got to be a house husband because, and I guess happily so, to raise his two sons he stayed at home because his wife was a well-paid doctor and so they, they, you know, couples decide amongst themselves who's going to do what and I, usually the, yeah, they work it out and that's all good. But most of the time the woman is the one who's looking after the children and that does impact not only your career but the amount of superannuation you're going to have at the end of the time and that's certainly been an impact on mine.

Magda (52)

In the same career, everything, and then the woman's the one who's at home and enables all that to happen because of course you can, you know, come and go and do everything cos I'm here taking care of the babies. I'm not angry at him about that but you could just see that sort of - I think what women end up doing often is they're enabling the guys to carry on and have their beautiful, lovely superannuation retirement thing happening and whilst we then don't, and then something happens with the marriage then often you are still left with, you know, and you have to start again from afresh, you know, whilst the other one kind of cruises into the sunset.

Gail (40's)

If [husband's name] and I were ever to split I would be financially, you know, in a very bad position because of my superannuation, because of how we've structured. I'm now at a point, or we're at a point where he probably can't afford to give up his job and even if I were to go full time, my age and such is that, how likely, how high up I'd get anyway, and what the wage I'd generate is, so our deal I guess is that's where we're at - which puts pressure on him in one area and pressure on me.

Fiona (45)

For many women, this cumulated in a post-work future of any kind being impossible to envisage, as Magda summed up.

... at the moment I can't see it being any different really. Yeah, you know, almost 53, not much superannuation, thinking how am I going to retire. I'll be ... they'll carry me out on a stretcher when I'm probably 93 and die at my desk.

Magda (52)

4. Conclusion

To understand the complex stories that are behind women's superannuation poverty, this report has provided a detailed and nuanced picture of Australian women's lives and engagement with the labour force. The quantitative and qualitative data highlights the ways in which women and men experience income-earning activities differently. Overall, there are four messages emerging from the report's findings.

4.1 A Fuller Picture of Gendered Trajectories

Women's lives are diverse and complex as they balance their multiple responsibilities related to children, families and employers. Both the quantitative and qualitative findings of the report point not simply to the idea of gender disparity, but to inequality coming from gendered trajectories; that is, a complex intersection of various structures, social norms, choices shaped by cultural expectations, unequal treatment and systems and structures that often inadvertently and implicitly privilege a male ideal type. Over the life course these coalesce to produce inequality. While not wishing to limit the fecundity of women's experiences and interactions with these various aspects, there are a number of particular patterns that cut across a number of women's accounts. These include:

- › Women from households where priority has been given to the man's earning potential and careers, often limiting their own careers and affecting the potential to accumulate superannuation.
- › Women whose caring responsibilities are often multiple and spread right across the life course (from children, to ageing parents, to partner), providing no 'good time' to invest in themselves and their own financial security.
- › Women who change career paths (different sectors), hours worked (full, part or flexitime), type of contract (fixed, casual, cash-in-hand), and types of employment relationship (employer, self-employed) a number of times, resulting in fractured superannuation accumulation patterns.
- › Women who have experienced family breakdowns, separation or divorce, with sole custody of children and are on the precipice of (or firmly situated in) poverty for a majority of their adult lives, and thus unable to afford considering financially investing in their future.
- › Women who have faced or continue to face age and/or gender-based discrimination, harassment or bias that prevent re-entry, advancement or development, limiting the ability to accumulate both significant SG contributions and concessional superannuation contributions.

It is important not to position women as helpless or tragic figures that need educating or enlightening. Many women spoke of the satisfaction they got from their families and from their work and see themselves

as engaged in building personally rewarding lives that encompass growth and change. The number of women who actively changed directions in work and life course, studied later in life and embraced other opportunities for skills development speaks to this quest. Nonetheless, women pay a high economic price for such trajectories, their incomes dropping and never rising to meet men's earning capacity again. The long-term consequences of a lifetime of lower wages can mean financial impoverishment in their later years.

4.2 Beyond the Choice Narrative

The concept of choice is often used to account for the different outcomes for women and men in terms of parenting and work. Many of the women interviewed for the Second Horizons study spoke of the 'choices' they made around having children, time away from the workforce and caring for others. Often these choices were made with husbands or significant others in the context of what is best for the immediate or extended family, not necessarily themselves as an individual. Choice was also used to describe finding workplaces that were rewarding to women even though they were in lower paying sectors.

Choices, however, are always made within and influenced by cultural contexts. The gendered division of paid and unpaid labour must be viewed as the result of larger economic and social structures within which women and men live. For example, perceptions of men's higher earning capacity or gender pay gap, the high cost of childcare in Australia, male-dominated industries that do not support flexible work, and a lack of highly effective marginal tax rates for secondary earners all influence women's 'choices' around their engagement with the workforce. Traditional ideas about gender roles, such as care being women's work, also shape and constrain women's ability to participate in ways that would provide opportunities for the accumulation of superannuation. Calls for women to become more financially literate and to simply 'get savvy' around superannuation do not address these broader structures within which women's identities are formed and lived and which disproportionately disadvantage them in terms of retirement income. A focus on remedies for individuals to implement rather than on the broader causes of retirement income inequalities will not lead to better retirement outcomes for many Australian women.

4.3 The Future Price of Gender and Age Discrimination at Work

While discussions around women and superannuation often focus on women being more likely to have fragmented working lives and on their higher representation in part time work, findings also highlight the way in which women's earning capacity is affected by gender discrimination at work. Along with describing workplaces that were not welcoming, women spoke about being paid less than men for the same work, leaving positions or even promising career trajectories because of uncomfortable and denigrating environments and struggling with old fashioned attitudes about their capacity as leaders. Most disturbing were the commonplace accounts of sexual harassment at work when younger and how women felt forced to leave positions for their own safety and dignity. Once the threat of sexual harassment diminished, women spoke of then confronting age discrimination. Although feeling more confident, comfortable and skilled than ever and generally having reduced family responsibilities, some of the older women in the study found themselves confronting negative assumptions about their capabilities. Struggling to get interviews and find appropriate work was often attributed to age. Despite expanding opportunities to accrue savings before retirement, women instead faced a range of age-based obstacles that prevented them once again from financially investing in their post-work lives.

4.4 One Size Does Not Fit All

Australia's three-pillar retirement income system – compulsory superannuation, the age pension and voluntary saving – was developed at a time when fewer women were in the workforce and the male breadwinner model was dominant.

Tied to paid work, the current superannuation system benefits those who are able to work full time and continuously before retirement. Those who have the capacity to work in this manner will generally be able to accrue enough superannuation for a comfortable retirement. Those who do not or cannot work like this are much more susceptible to retirement poverty.

The data presented in this report reveals the multiple ways in which women are unable to mimic this career model. Very few of the respondents worked in this manner. Instead, the majority had spent time away from work when having children and a major part of their mid-life years combining part time work with carer responsibilities. Many were aware of the financial price of this non-linearity with some expressing high levels of anxiety about superannuation and retirement. This was particularly the case for divorced women and those who have been low-income earners throughout their lives. Their anxiety is not without base as it could be argued that the current system only adequately supports one type of worker.



5. Recommendations

A series of recommendations are provided below. The evidence in this report suggest that a strategy must coordinate the commitment of organisations, policy, key stakeholders such as superannuation funds, as well as individuals and families. In doing so, our findings underwrite an urgent need for a fairer retirement income system that adequately recognises and rewards women for the enormous but often indirect contribution they make to the Australian economy. Yet there needs to be a broader recognition that superannuation is not simply part of a later life agenda. This requires creative thinking around the political, economic and social systems that women interact with throughout their life, and how they can be 'superannuation proofed'. In other words, recognition that superannuation concerns needs to recognize the trajectories, and modes of labour undertaken by women that arise due to organisational, cultural and structural demands.

These recommendations carry particular poignancy given the recent government response to the report on women's economic insecurity in retirement did not proactively commit to any of the recommendations made in the 2016 Senate report and Inquiry. Instead, the Government referred to changes made in its 2016 Budget reforms, including extending the spouse tax offset for superannuation contributions and from July 2018 onwards, allowing people with low super balances to make significant catch up contributions. However, our findings suggests that Budget reforms do not go far enough for those who experience the poorest outcomes in retirement, such as divorced or single women.

5.1 Remove the exemption from paying the superannuation guarantee to employees who earn less than \$450 a month⁴⁶

Removal of the \$450 cap will help to level the impact for women in multiple jobs or low hours work. First, it would mean that women who work multiple jobs (which may all individually be under the \$450 cap), have the opportunity to accumulate employer superannuation (SG). Second, it will support superannuation contributions for parents (particularly single parents with one child) who may currently be discouraged from earning over \$450/month for fear of affecting their parenting payments.

5.2 Include superannuation contributions on the government's Paid Parental Leave scheme⁴⁷ and Carer Payment

LISTO (low income superannuation tax offset) already shows that the government is committed to engaging with the superannuation system in relation to an individual's labour. However, this does not currently extend to those providing vital modes of labour in terms of caring for young, older and vulnerable Australian citizens. Given the profound evidence that caring responsibilities have significant negative ramifications on an individual's ability to save for a secure future, it is imperative the government revisits inclusion of superannuation on government payments, specifically carer and maternity payments. For example, this may take the form of a carer credits scheme for parents and other carers where the government directly pays superannuation into carer's accounts in order to recognise the national contribution they are making in terms of time and value of providing care. This is particularly important for those within low SES bands who could be targeted through means-tested systems.

5.3 Increase the Low Income Superannuation Tax Offset

The LISTO was introduced in 2017, replacing the LISC (low income superannuation contribution). However, the LISTO annual concessional contribution is currently capped at \$500, which is unlikely to enable individuals to accumulate an amount that will facilitate a comfortable retirement by itself. This is particularly significant as those on a low income are more likely to go through periods of unemployment more regularly and for longer periods of time, as well as exit the workforce earlier for a number of reasons, meaning that this is unlikely to be consistently taken up over the working life course. For this reason, increasing the cap per year would allow individuals with irregular trajectories to take the best possible advantage during years when engaged in the paid labour force.

46. We note this is included as part of the recent Labor superannuation plan (19/9/2018)

47. We note this is included as part of the recent Labor superannuation plan (19/9/2018)

5.4 Institute lifetime threshold concessional tax caps for those with low superannuation savings instead of one year or five years

Women making low or no superannuation contributions often corresponds with relatively lengthy periods of their life (such as not working until all of their children enter full time education or looking after elderly relatives). Providing a system where concessional tax caps were provided for a lifetime per person, rather than per year (or per five years) would ensure they have equal opportunity to contribute vis a vis those engaged in an uninterrupted career trajectory.

5.5 Redistribute tax concessions on superannuation so that they benefit low-income earners rather than high-income earners who already have greater capacity for retirement savings

The concessional tax rate up to \$25,000 has a flat 15% tax rate. This inadvertently benefits higher earners who have more capacity to 'max out' their \$25k allowance, making it more likely to shift them down into a new tax bracket, compared to a low income earner, who is likely to stay in the same marginal tax rate bracket of 19%. In light of this, it is recommended that any concessional contributions that low income earners (<\$37,000) make could be incentivized through a tax rate lower than 15%.

5.6 Develop systems where people in part time work with multiple employers are better supported by the superannuation scheme.

Current thresholds disadvantage those working for low pay over a small number of hours, as discussed above. However, for those with multiple jobs whose employers do pay SG, it is more likely they will end up with multiple accounts, resulting in less effective savings strategies due to doubling the cost of administration and other fees than if consolidated. Providing structures and initiatives that empower the individual to encourage 'crosstalk' between their respective superannuation accounts in an easy manner is one way to support those with two or more employers.

5.7 Avoiding the 'try harder' narrative

Existing campaigns have often sought to support women through providing advice on how to be smarter with their investments of savings. While a good step in gender-sensitive messaging, for a number of our respondents, there was difficulty in allocating any material resources to the future given current circumstances were so financially stretched. Well-meaning campaigns and policies must avoid language that inadvertently blames women for their lack of retirement savings, and be sensitive or explicit about recognising many women's economic realities. This would ensure individuals do not permanently 'switch off' from superannuation engagement, even when it comes to a time when contributing might be possible.

5.8 Super-sensitive agenda setting across multiple arenas

Superannuation is in many ways a consequence of a number of far-reaching dimensions. Yet superannuation is currently a siloed issue at both a political and company level. Government dialogues are only now beginning to connect economic security to broader discussion of gender parity and equality in society. Meanwhile, formal strategies around superannuation at a firm level may be confined to financially-orientated discussions, overlooking the power of day to day communication and culture management of people. Identifying ways to embed superannuation discussion as part of a broader diversity and inclusion strategies and policies thus requires engagement may involve engaging across different divisions, organisational departments to foster collaborative initiatives that speaks to the far-ranging implications of superannuation. Key to this is the tabling of superannuation across a broad range of public and policy initiatives. For example, inclusion of superannuation equalization as part of the EOCGE⁴⁸ citation would provide a forum for gender-based superannuation poverty to be tabled at the strategic level of organisations.

48. Women's Employer of Choice for Gender Equity Citation

5.9 Promoting a ‘Living Super’ debate to inform policy on later life poverty

For those with interrupted and non-linear career trajectories and working for minimum wage, it is likely that employer contributions do not equal the promise of a safe and secure retirement. Similar to recent ‘living wage’ campaigns, organisations are central in having strategic discussions about what in society constitutes a ‘living super scheme’, and may be key influencers in how such a scheme may be designed and presented to key stakeholders, including individuals themselves. This would be particularly important in low-waged sectors and would signal a more holistic and longer-term commitment to employees.

5.10 Superannuation Best Practice embedded in Corporate Social Responsibility Strategies

Increasingly, research shows how upcoming generations are concerned about engaging with business that are ethically and socially responsible for serving society, rather than solely the pursuit of profit. By way of evidence, 73% of millennials are willing to pay for products that are more sustainable⁴⁹. This corresponds to an increasing awareness of poverty in old age as part of the UN global key challenge to end poverty⁵⁰. Collectively developing and committing to industry benchmarks provides a way of coordinating proactive strategies in a way that can be embraced by the public more broadly, and members specifically, as well as gaining sector wide reputational benefits. At an employee level, identifying, fostering and supporting a positive and proactive superannuation culture amongst employees is a vital given that work-floors are places where people discuss, make decisions and act on their superannuation choices⁵¹. These may include employer-led Superannuation Initiatives that ‘top up’ temporary moves from full time to part time hours and ensuring all are paid superannuation.

5.11 Multi-partnered responses to superannuation non-compliance

There is currently \$18 billion of unpaid superannuation⁵². While the ATO is responsible for SG compliance, corporations are in a powerful position to demand best practice of their subcontracted counterparts and ask for evidence of clear and transparent superannuation practices. Given that large organisations are now complex entities that have layers of subcontracting as part of their people management structure, committing to auditing the superannuation practices of their subcontractors (such as cleaners or catering staff) would support those who may be vulnerable to informal working practices with no SG.

5.12 Later-life financial security as a right for all

Future strategies and superannuation debates must recognise that superannuation is not about a focus on individual or family-level behaviour, but rather about a broader commitment to proactively work towards a country where post-work financial security is a right and possibility for all. To do this requires creative multi-stakeholder interventions that challenge what we imagine to be part of the story of superannuation poverty, and disrupt expectations in a way that changes what individuals, families and society expects for the future of everyone.

49. Nielsen, 2015

50. United Nations, 2017

51. Gerrans et al., 2018

52. ATO, 2018

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7. Acronyms used in this Report

ABS:	Australian Bureau of Statistics
ATO:	Australian Taxation Office
HILDA:	The Household, Income and Labour Dynamics in Australia
LISC:	Low Income Superannuation Contribution
LISTO:	Low Income Superannuation Tax Offset
SES:	Socio-Economic Status
SG	Superannuation Guarantee

8. Summary

This report tells the stories of the lives behind gendered superannuation poverty in Australia. It begins by overviewing the current state-of play in terms of policy-orientated initiatives and debate surrounding gender financial inequality in the post-work years. It then provides a statistical overview of women and work using data from the Household Income and Labour Dynamics in Australia, the Australian Bureau of Statistics and the Workplace Gender Equality Agency. This is followed by findings from an analysis of qualitative in-depth interviews with 40 women exploring some of the complex and variegated dynamics of women's lives that may result in inequity in superannuation accumulation and financial security in later life more broadly. The report concludes by reiterating four key messages emerging from the report, along with a series of recommendations for national policy, organisations and advocacy bodies for women and superannuation.

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This research paper has been sponsored by AustralianSuper Pty Ltd ABN 94 006 457 987, AFSL 233788, Trustee of AustralianSuper ABN 65 714 394 898. The views expressed in the paper are those of the researchers and not AustralianSuper. For more information about AustralianSuper visit [australiansuper.com](https://www.australiansuper.com)