Super's gender gap won't survive an engaged youth brigade

By Sally Loane

Like many women, I've done the sums and I don't have enough superannuation. The upside is that I've turned into a warrior for ensuring the next generation of women and girls don't repeat the dismal history of their mothers. But how?

Women of my generation have spent decades talking about gender pay gaps, breaking glass ceilings, career plans and empowering girls to demand higher salaries, bigger bonuses and better conditions. There have been some improvements – many more women are executives and board directors, engineers and pilots. Even incremental changes, like some companies, including the Financial Services Council, paying the superannuation guarantee for staff who take parental leave, are worth celebrating.

The most elusive factor in closing the wealth gap for women is getting girls engaged with money, super and savings, right from the first time they get paid for work – often a school babysitting job.

Both Andrea Slattery, chief executive of the SMSF Association, and I decided to address the issue head on when we planned the SMSFA/FSC Women, Super and Wealth Summit.

There are so many questions for which we need answers – why, despite decades of hearing the mantra "a man is not a financial plan" do girls resist, or just fail to grasp the notion of financial independence? Not all girls of course, but still too many. Sadly, they can end up in real poverty in their 50s and 60s, particularly after divorce.

Why is it that despite 25 years of compulsory superannuation, large parts of the sector managing trillions of our dollars have failed dismally at engaging young people, and indeed have actively prevented it from happening?

Why don't enough girls understand what a fund manager does? Do we see them at career days at girls' schools? Running money – as well as accumulating it – can be a great career for girls, so why don't we encourage it in the same way we do with medicine, engineering and law?

The answer doesn't lie in teaching financial literacy in school. Schools have enough to do without yet another task being tacked onto the groaning curricula. Teaching girls financial independence is for all of us working in the sector to tackle.

The wealth and superannuation sector can lead by developing innovative technology and digital platforms that are attractive, fun and cool. I recently wrote a column in The Australian about a millennial in my circle who was heavily engaged with his bank because its app enabled him to make payments, buy stuff, trade shares. What about his super, which is in a big industry fund? "Nah, he said. "Rarely look at it. The app's crap." Result: zero engagement.

In my personal quest to educate my own family circle of millennials – male and female – I chat regularly with them about this stuff on Facebook Messenger. I ask them if they know what super fund they're in, if they have more than one, can they change funds, do they know what super's for, what fund managers do.

The responses from girls included, “You’re hardly giving us the tools to do anything about it! Where are the apps and websites and links to make it easy?” And another one, “Back to the problem with young people and super – I think I’m too lazy to bother!”

My take for professionals in financial services for solving the intergenerational problem of the gender wealth gap? Engage with millennials early and often. Develop and market the smart tools to make this stuff easy and cool. Girls are ready, willing and, above all, able to close the gap – with a bit of a nudge.

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