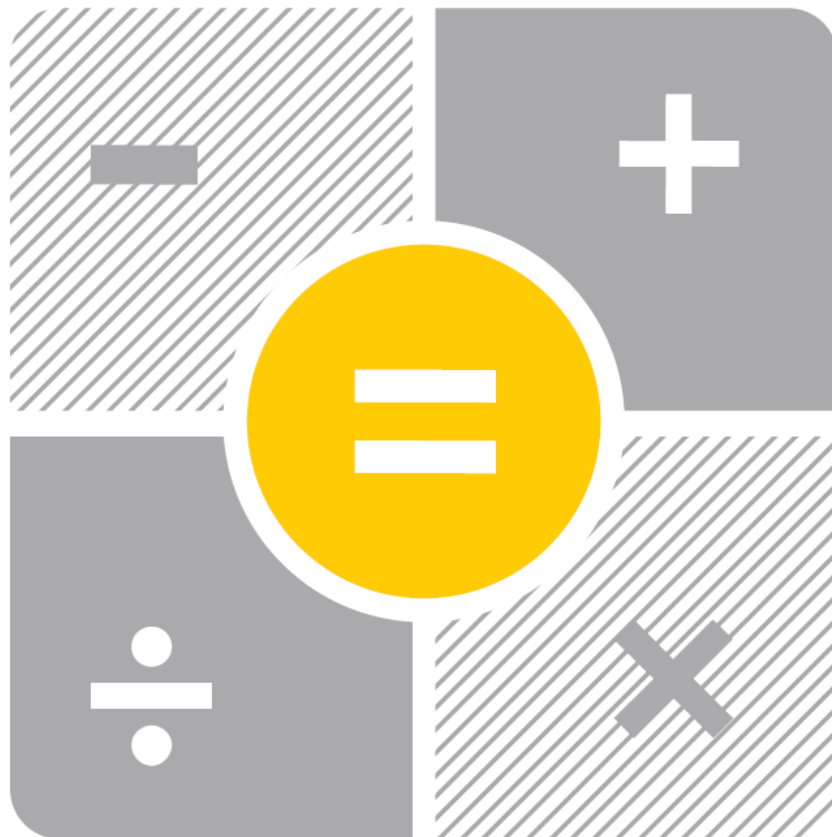


Gender pay gap calculator

Technical guide

31 August 2021



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Introduction

The Workplace Gender Equality Agency (WGEA) gender pay gap calculator helps organisations in identifying and analysing the causes of various gender pay gaps within organisations. The pay equity guide, available online, also helps to analyse and action gender pay equity in your organisation.

The Workplace Gender Equality Agency's pay equity toolkit '[Guide to pay equity](#)' sets out a six step process to address pay equity. This technical guide outlines how the gender pay gap

Overview

This technical guide outlines how to use the WGEA gender pay gap calculator.

What does the calculator do?

The specific purpose of the calculator is to identify your organisation's gender pay gaps. The calculator will assist you in identifying:

- gender representation gaps across the entire organisation, and by key organisational variables
- actual gender pay differentials by level, and key organisational variables
- relative gender pay gaps by level, and key organisational variables

The WGEA gender pay gap calculator allows you to conduct additional analysis by including variables such as performance, tenure, and state location.



Obtain and format data

To use the calculator you will need to ensure the relevant data is in a format that can be copied directly into the calculator data tab. This section provides an overview of how to obtain the required data to use the WGEA gender pay gap calculator.

Key steps

1

Select a snapshot date and a period from this snapshot date. E.g. 12 months prior to a snapshot date of March 31.

2

Liaise with finance or payroll and other key stakeholders to obtain remuneration and associated data related to this snapshot date.

3

Convert salary data into full-time equivalent and annualised numbers.

4

Paste data into the "DATA" worksheet.

Data required

Employee and salary information is required to use the calculator. The calculator enables input of the following items¹

Employee data

Required

- Employee unique identifier
- Gender⁺

Optional information to include

- Manager/non manager categories⁺
- Reporting level to CEO/head of business⁺
- Graduate/apprentice⁺
- Full time/part time⁺
- Permanent/contract/casual⁺

Customisable categorical variables

- Job title
- Salary level
- Organisational unit

- State
 - Performance rating
 - Country of birth
 - Gender of manager
 - First language
 - Highest qualification level
- #### Customisable categorical variables
- Number of direct reports
 - Overall tenure
 - Role tenure
 - Number of years since last promotion
 - Number of years since last parental leave
 - Number of weeks taken last parental leave
 - Age

Salary data

- Base salary*⁺
- Total remuneration*⁺

*These items should be converted into full-time equivalent and annualised numbers. For guidance, refer to the current reference guide on our [website](#).

⁺ These items are collected as part of compliance reporting. If you have prepared unit level data for compliance reporting, you may incorporate this dataset into this analysis.

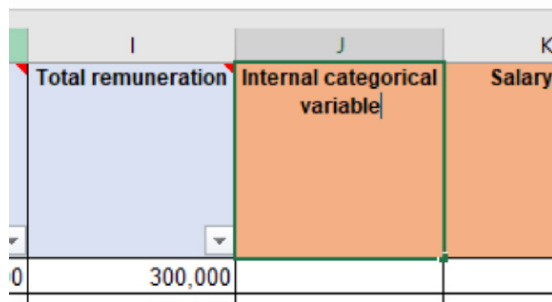
¹ Definitions of each of these items are provided in Appendix 1.

While the gender pay gap calculator can be used with the required data only, it is preferable to include optional information for a more detailed analysis.

Explanatory variables, such as performance ratings and tenure, can be used to provide an understanding of how and why differences by gender occur in pay. The more variables available, the easier it is to assess whether any gender-related pay difference reflects a legitimate reason.

Customisable columns

Orange and yellow coloured columns can be customised to another variable relevant to your organisation. Orange columns must be categorical variables. Yellow columns must be numerical variables. To change the variable, simply overwrite the placeholder value on the column.



	I	J	K
	Total remuneration	Internal categorical variable	Salary
0	300,000		

Data notes

- Data obtained from your payroll system should be converted into full-time equivalent and annualised numbers. Only by annualising all the remuneration elements can an organisation compare like with like and get an accurate picture of where gender pay gaps are located.
- It is not meaningful to conduct a comparison against a group with insufficient representation in your dataset. Group together similar job titles and organisational units.

Using the calculator


Features of the calculator

The WGEA gender pay gap calculator is simple and easy to use. Once you have downloaded the gender pay calculator you are ready to go.

The calculator file contains two tabs:

- introduction
- a data input sheet ("DATA")

Data input sheet

- Copy and paste your payroll data into the DATA tab from row 3.
- Most of the data collection fields have been left open ended so that results are relevant to your organisation. Please refer to Appendix 1 for the list of definitions. There are suggested responses that provide guidance on how to input your data into the tool, and ways to obtain meaningful results.
- Click the  button on the left hand corner of the DATA worksheet.

A message box will appear if any of the following errors exist in the dataset:

- Employee unique identifier – Must not be blank. This is needed to count the number of employees in the dataset and determine the average salary and remuneration.
- Base salary and total remuneration – Must not be blank.
- Gender – Must be entered as "F" (for Female) or "M" (for Male).

The following variables must be numerical:

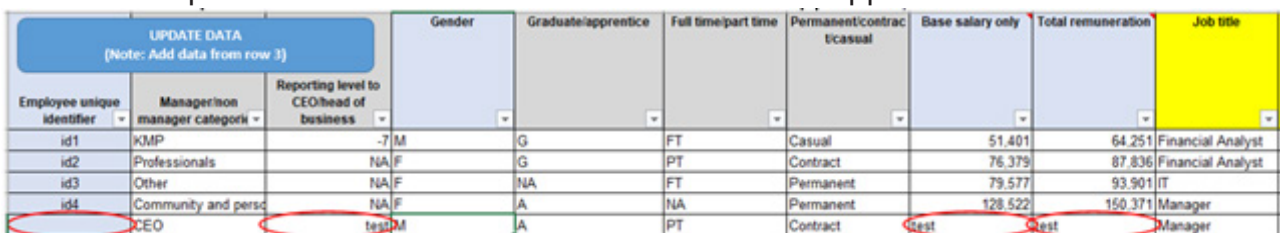
- Base salary
- Total remuneration
- Reporting level to CEO/head of business

Orange coloured columns

- Number of direct reports*
- Overall tenure*
- Role tenure*
- Number of years since last promotion*
- Number of years since last parental leave*
- Number of weeks taken last parental leave*
- Age*

*Can be customised to another numerical variable of your choice

The invalid data points will be circled in red. The red circles will disappear once the error has been resolved.



Employee unique identifier	Manager/non manager category	Reporting level to CEO/head of business	Gender	Graduate/apprentice	Full time/part time	Permanent/contract/casual	Base salary only	Total remuneration	Job title
id1	KMP	-7	M	G	FT	Casual	51,401	64,251	Financial Analyst
id2	Professionals	NA	F	G	PT	Contract	76,379	87,836	Financial Analyst
id3	Other	NA	F	NA	FT	Permanent	79,577	93,901	IT
id4	Community and pers	NA	F	A	NA	Permanent	128,522	150,371	Manager
	CEO	test	M	A	PT	Contract	test	test	Manager

Amend the data and click on  again

Once there are no errors, the calculator will generate the RESULTS worksheet.

Analysis and report

The RESULTS worksheet summarises the overall pay equity (female average as % of male average) for your organisation. The gender pay gap is the distance from parity with the male average. A negative gap means that the female average is below the male average. A positive gap indicates that the female average is above the male average. The overall pay equity is presented at the top of the dashboard.

In this example, the average female base salary is 72% of the average male salary (28% less). This gap is higher for the total remuneration, where the female average is 60% of the male average



Drill down options for categorical variables

The dashboard visualises the gender composition and pay equity results for a specific variable in your dataset. For categorical variables (such as Full time/part time status), the results are presented in bar graphs. To view the results for a category, select a category from the drop down list then press "Show Charts".



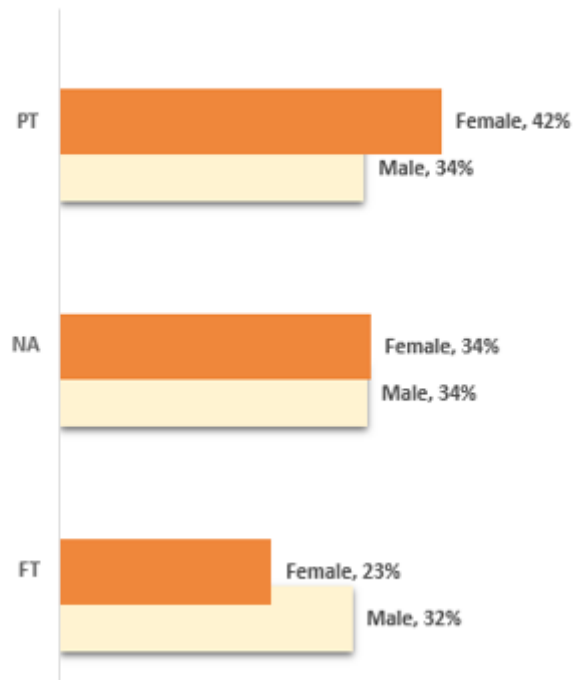
How to interpret the results

The Gender Composition chart presents how the groups within each category are allocated for females and males.

In this example, 42% of all female employees work part-time. This means females are more likely than men to be engaged in part time capacity (42% of females compared to 34% of males). Males are more likely to be full time employees compared to females (32% of males versus 23% of females).

*In this example, NA is for casual employees.

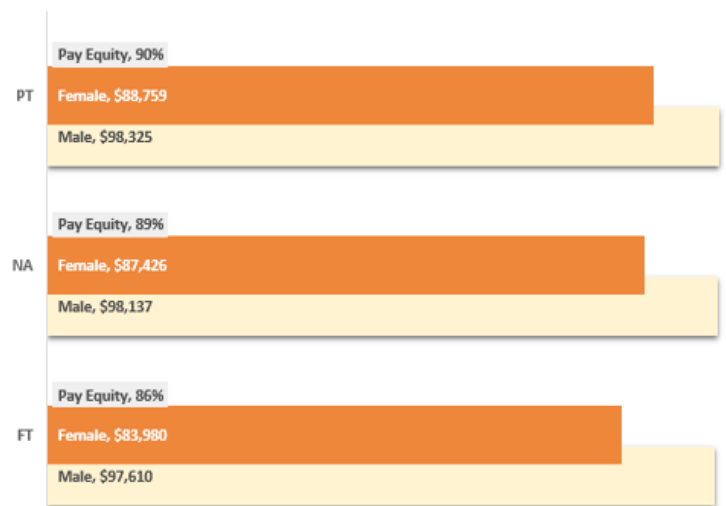
Gender Composition by Full time/part time



Average Base Salary Chart

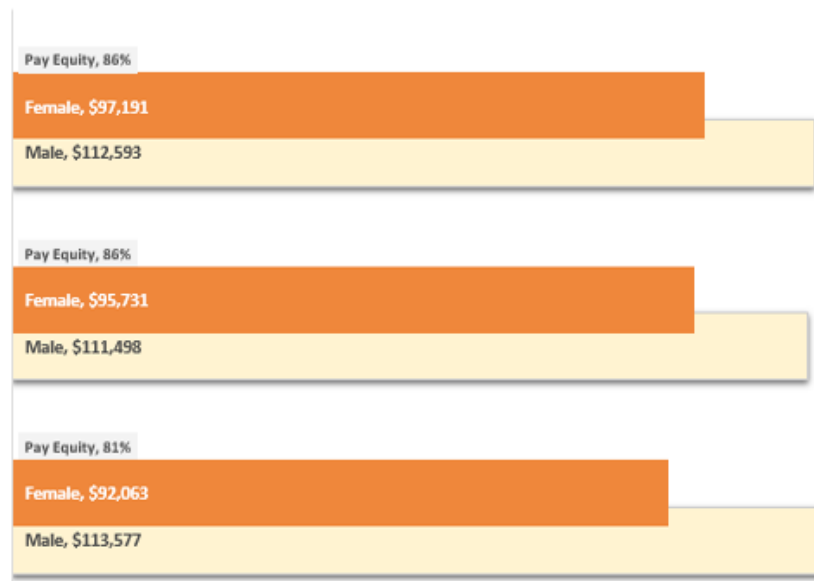
The Average Base Salary chart summarises the annualised average salary for males and females in each group of the selected category. In this example, we can see that the gender pay gap is largest for full time employees (86% pay equity or 14% gap). The gap is lower among part time employees (90% pay equity or 10% gap). The gap is lower among part time employees (90% pay equity or 10% gap).

Average Base Salary by Full time/part time



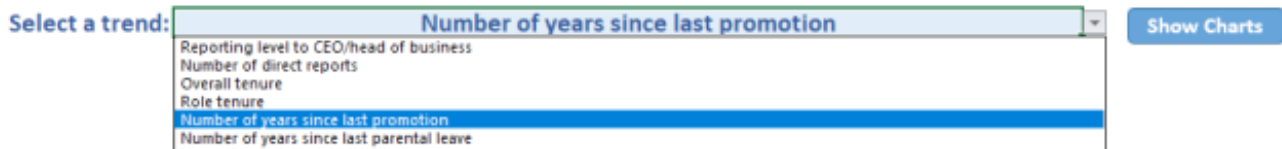
The Average Total Remuneration summarises the annualised average remuneration for males and females in each group of the selected category. In our example, we can see that the gender pay gap is largest for full time employees (81% pay equity or 19% gap). The gap is the same for part time and casual employees (86% pay equity or 14% gap).

Average Total Remuneration by Full time/part time



Drill down options for numerical values

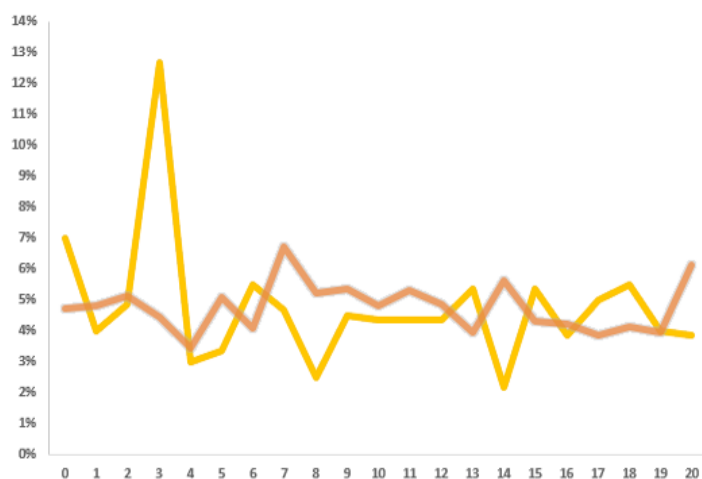
For numerical variables (such as number of years since last promotion), the results are presented as trend lines. To view the trend for a numerical variable, select a trend from the drop down list. Then press "Show Charts".



How to interpret the results

The Gender Composition chart shows the headcount distribution for males and females for the selected variable. In this example, males in the organisation have a lower interval since their last promotion (9 years) compared to females (10 years). The chart also suggests that a higher proportion of males have been recently promoted (0-3 years since the last promotion) compared to females.

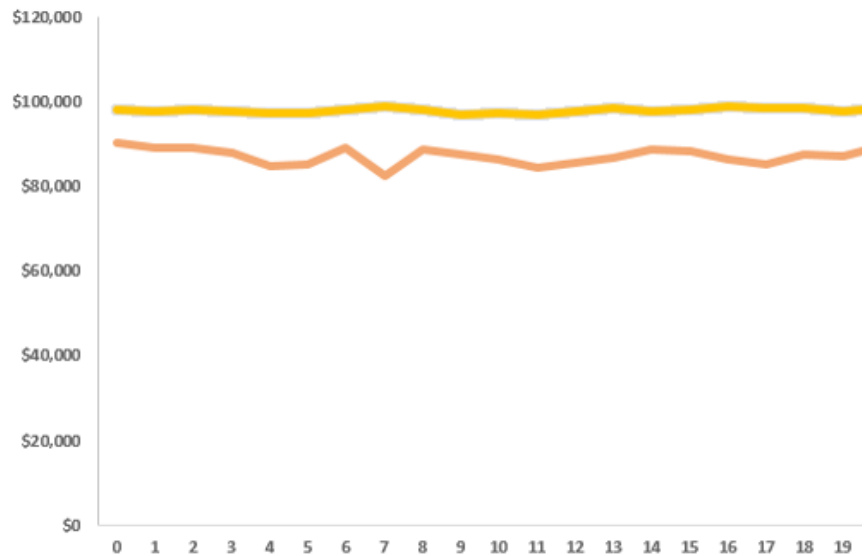
Gender Composition by Number of years since last promotion



Female Average Number of years since last promotion	10
Male Average Number of years since last promotion	9

The Average Base Salary chart shows the average base salary trend for the selected trend variable. In our example, males have a consistently higher average base salary compared to females regardless of the years since their last promotion. The gender pay gap is lowest for employees promoted in the last 12 months (pay equity is 92% or an 8% gap). The pay gap is highest for employees who last had a promotion 7 years ago (pay equity of 83% or a 17% gap).

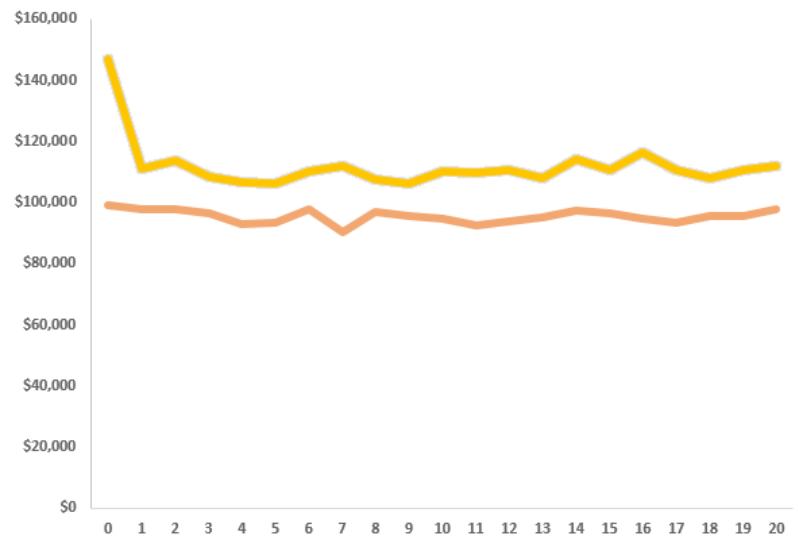
Average Base Salary by Number of years since last promotion



Maximum Pay Equity %	92%	Average Number of years since last promotion	0
Minimum Pay Equity %	83%	Average Number of years since last promotion	7

The Average Total Remuneration chart shows the average remuneration trend for the selected trend variable. In this example, males have a consistently higher average base salary compared to females regardless of the years since their last promotion. The gender pay gap is lowest for employees who last had a promotion 8 years ago (pay equity is 90% or a 10% gap). The pay gap is highest for employees who had a promotion in the last 12 months (pay equity of 67% or a 33% gap).

Average Total Remuneration by Number of years since last promotion



Maximum Pay Equity %	90%	Average Number of years since last promotion applicable	8
Minimum Pay Equity %	67%	Average Number of years since last promotion applicable	0

Appendix 1

Variable	Customisable	Required	Definition	Suggested responses	Example
Employee unique identifier	No	Yes	The WGEA gender pay gap calculator assumes all data is provided at the individual employee level (i.e. not aggregated). Since the data is only viewed inside human resources there is no problem in using the unique confidential Employee ID as that unique ID.	Unique to organisation This cannot be blank	L799278
Manager/non manager categories	No	No	<p>Based on compliance reporting requirements. Refer to the current reference guide on our website.</p> <p>The non-manager categories mirror the major groups in the Australian and New Zealand Standard Classification of Occupations (ANZSCO). The Australian Bureau of Statistics manages this structure. You can find more information on the ANZSCO page of their website.</p> <p>The manager categories managers reflect their responsibilities, not their formal titles. Your organisation may not have managers in every category. Please note that a manager does not need to be responsible for people to count as a manager.</p>	<p>Non-manager categories: Professionals Technicians and trade Community and personal service Clerical and administrative Sales Machinery operators and drivers Labourers Other CEO KMP</p> <p>Other executives/general managers Senior managers Other managers</p> <p>Manager categories: KMP Other executives/general managers Senior managers Other managers</p> <p>Leave blank if employee information is not available 0 = CEO/MD</p>	Professionals
Reporting level to CEO/head of business	No	No	<p>Based on compliance reporting requirements. Refer to the current reference guide on the website.</p> <p>The number of levels between this position of employee and the CEO/head of business.</p>	<p>-1 = Direct report to the CEO -2 = Second level report to the CEO -3 = Third level report to the CEO NA = non-manager</p> <p>Leave blank if employee information is not available</p>	-1
Gender	No	Yes	<p>Gender of the employee. Must be F (for Female) or M (for Male) as per compliance unit level reporting. On the dashboard, the initials are expanded to the full gender names Female and Male</p>	<p>F = Female M = Male This cannot be blank</p>	F

Variable	Customisable	Required	Definition	Suggested responses	Example
Graduate/apprentice	No	No	Based on compliance reporting requirements. Refer to the current reference guide on the website .	G or Graduate A or Apprentice Leave blank if employee information is not available	G
Full time/part time	No	No	Based on compliance reporting requirements. Refer to the current reference guide on the website . Full time employees are engaged to work the minimum number of hours a week that your organisation defines as full-time. Part time employees are engaged to work less than the minimum number of hours a week that your organisation defines as full-time.	FT or Full Time PT or Part Time Leave blank if employee information is not available	FT
Permanent/contract/casual	No	No	Based on compliance reporting requirements. Refer to the current reference guide on the website . Permanent employees are employed on permanent basis, either full-time or part-time, with access to permanent employee benefits and entitlements. Contract employees are employed on a fixed-term or non-ongoing contract Casual employees work irregular hours, has no guaranteed hours, and doesn't get paid sick or annual leave.	Permanent Contract Casual Leave blank if employee information is not available	Permanent
Base salary only	No	Yes	Based on compliance reporting requirements. Refer to the current reference guide on the website . The annual earnings before tax, minus compulsory superannuation and additional benefits. Base salary cannot usually be lower than the national minimum wage except in some circumstances, such as an employee who receives a disability support pension. It does not matter if an employee can salary package part of their income. You must report their gross base salary, that is, the total base salary before tax. You must annualise the base salary for part time and casual employees.	Must be numeric This cannot be blank	95000
Total remuneration	No	Yes	Based on compliance reporting requirements. Refer to the current reference guide on the website . The annualised base salary plus all extra benefits, whether they are payable directly or indirectly, in cash or another form. If you pay a benefit pro-rata, report the annualised full-time equivalent. If you pay it as a fixed amount, report the actual amount.	Must be numeric This cannot be blank	100000

Variable	Customisable	Required	Definition	Suggested responses	Example
Job title*	Yes	No	Job title of the employee. It is highly recommended that you group similar job titles to gain meaningful comparison between well represented groups.	Unique to organisation Leave blank if employee information is not available	Management Accountant
Salary level*	Yes	No	If your organisation has an internal grading system, then this is the incumbent's job grade. Alternatively, if you use a job evaluation system, then this is the job grade you have allocated to the incumbent under that system.	Unique to organisation Leave blank if employee information is not available	D
Organisational unit*	Yes	No	Job function/unit that the employee is grouped under within the organisation.	Unique to organisation Leave blank if employee information is not available	Human Resources
State*	Yes	No	State/Territory of the employee's workplace.	NSW = New South Wales QLD = Queensland SA = South Australia TAS = Tasmania WA = Western Australia VIC = Victoria CBR = Canberra NT = Northern Territory Leave blank if employee information is not available	NSW
Performance Rating*	Yes	No	How the employee performed in their past performance period against their target goals.	Unique to organisation Leave blank if employee information is not available	Exceeds expectations
Gender of Manager*	Yes	No	Gender of employee's manager.	F = Female M = Male Leave blank if employee information is not available	F
Number of Direct Reports*	Yes	No	The number of employees who directly report to the position in question. It should include direct reports only. Leave blank if employee does not have direct reports	Must be numeric Leave blank if there are no direct reports	3
Overall Tenure*	Yes	No	Years of tenure within the organisation.	Rounded number up (e.g. new employee = 1) Leave blank if employee information is not available	4

Variable	Customisable	Required	Definition	Suggested responses	Example
Role tenure*	Yes	No	Years of tenure with the current role	Rounded number up (e.g. new employee = 1) Leave blank if employee information is not available	1
Number of years since last promotion*	Yes	No	Number of years since an employee advances or was raised to a higher office or rank on an ongoing basis or fixed-term contract This includes cases where an employee is promoted from one managerial role to another The employee must not have returned to their previous role	Must be numeric Leave blank if employee has not been promoted	2
Number of years since last parental leave*	Yes	No	Number of years since an employee last commenced a parental leave, both paid and unpaid	Must be numeric Leave blank if employee has not taken parental leave	0
Number of weeks taken last parental leave*	Yes	No	Number of weeks taken by an employee as parental leave, both paid and unpaid	Must be numeric Leave blank if employee has not taken parental leave	3
Highest qualification level*	Yes	No	Highest level of education obtained by the employee.	Doctorate Masters Graduate certificate/diploma Bachelors degree and honours Diploma, advanced diploma, associate degree Certificate (I - VI) High school (or below) Leave blank if employee information is not available	Doctorate
Age*	Yes	No	Age of the employee.	Must be numeric Leave blank if employee information is not available	38
Country of birth*	Yes	No	The country of birth of employee	As per recorded on organisation's HRIS Leave blank if employee information is not available	Australia
First language*	Yes	No	The first language spoken by the employee	As per recorded on organisation's HRIS Leave blank if employee information is not available	English

* Placeholder only- can be amended