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GENDER EQUITY INSIGHTS 2016 INSIDE AUSTRALIA'S GENDER PAY GAP

BCEC | WGEA Gender Equity Series

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FOREWORD WGEA



When employers report to the Workplace Gender Equality Agency each year, they are contributing to a valuable national resource.

Our dataset, covering four million employees and 12,000 employers in Australia, captures details about women and men's pay and job status as well as actions employers are taking in their workplace to address issues around gender equality.

The data helps us understand and track the status of gender equality in our workplaces at a national and industry level. It also allows us to provide detailed feedback to employers about how their gender equality performance compares with similar organisations.

This collaboration with the Bankwest Curtin Economic Centre delivers a more detailed analysis of the WGEA dataset and has generated fascinating insights into gender pay gaps across the Australian economy.

Awareness is growing in Australia and around the globe that gender equality is important for economic success. Diverse and inclusive workplaces encourage participation, which in turn drives productivity.

I hope the somewhat startling findings outlined in this report – like the average \$100,000 annual pay gap between men and women key management personnel – encourage reflection and action at the highest ranks of corporate Australia.

The Agency will be using this report to bolster our work with employers, who we urge to look closely at their own pay data to uncover and address gender pay gaps.

It is the Agency's goal that gender equality is viewed as a business and governance priority; that CEOs and more particularly Boards seek out the data and reports that tell the story of gender equality in their organisation; that they then develop and implement strategies and plans to create fair, sustainable, diverse and successful workplaces.

I thank BCEC for their analysis and hard work and I look forward to a continuing collaboration with them to help generate debate and drive change across the nation.

Libby Lyons Director, Workplace Gender Equality Agency

FOREWORD BCEC

A core purpose of the Bankwest Curtin Economics Centre is to shed new light on important economic and social issues facing Australia. The gender pay gap has long been one such issue, remaining a permanent feature of the Australian labour market.

Gender pay gaps not only challenge basic notions of fairness, they compromise the current and future economic security of women and represent a lost opportunity in human capital investment and potential.

This report represents the first major outcome of an important partnership between the Bankwest Curtin Economics Centre and the Workplace Gender Equality Agency, with WGEA's valuable Gender Equity data enabling new insights into gender pay gaps across Australian organisations.

The report series combines an ongoing assessment of gender pay gaps in Australia with special investigations that bring new perspectives to bear on this centrally important topic.

In this first report, we focus on the link between female Board representation and the size of the gender pay gap. Our research has uncovered some of the strongest evidence to date that shows greater representation of women on Boards is associated with a significant reduction in the gender pay gap.

The report findings also draw attention to the greater remuneration men receive compared to women in almost every scenario, but particularly among more senior occupation levels and when additional remuneration is taken into account.

I hope the report findings generate much needed discussion and debate about how to promote pay equity throughout Australian workplaces.

I thank WGEA for joining us in this important partnership, and look forward to our continued collaboration.

Professor Alan Duncan Director, Bankwest Curtin Economics Centre Curtin Business School, Curtin University



EXECUTIVE SUMMARY

The persistent gender pay gap is an economic, political and social issue. Gender pay gaps do not always signal direct discrimination, but remain problematic for a number of reasons. They represent poorer outcomes for women in terms of economic and personal freedoms; lost human capital potential and investment; and an impairment of economic growth for a nation looking to remain competitive on a global scale.

This first report in the **BCEC|WGEA Gender Equity Insights** series seeks to add to and strengthen the evidence base that exists around gender pay gaps throughout Australian workplaces. The report uses unique data reported to WGEA, capturing 4 million workers and more than 12,000 employers in the 2014-15 reporting period.

The report findings draw attention to the greater remuneration men receive compared to women in almost every scenario, but particulary in more senior occupation levels. The large and persistent gender pay gaps among managers highlights the likely evidence of biased behaviours throughout organisations, where men are given preferential pay treatment over women in senior management levels.

These differences in remuneration at the top end of the occupation scale are shown to have severe negative impacts on women's expected career earnings, where women progressing through managerial levels at the same pace as men can expect to earn \$600K less in a ten-year period.

A more positive finding borne out by a special investigation within the report, reveals the benefits of increased representation of females on governing Boards and how this trickles down to reduced gender pay gaps across the organisation.

The report also presents for the first time WGEA part-time and casual pay data. The part-time and casual data adds complexity to our understanding of gender pay gaps across the workforce – with part-time non-management categories in some industries showing a pay gap in favour of women. However, large pay gaps in favour of men exist among more senior positions regardless of full or part-time status.

The insights contained in this report are intended to shine a light on the conditions under which gender pay gaps are most likely to occur and generate discussion and debate about how to promote pay equity in Australian workplaces.

Key Findings

\$100K annual pay gap for top tier managers

Women key management personnel (KMP) working full-time earn on average \$100,000 a year less than male KMPs. WGEA data shows an average total remuneration of \$244,569 for women at KMP level, compared to \$343,296 for men. Gender pay gaps are significant across all management categories and grow in accordance with seniority.

Career-long penalty for women

Gender pay gaps lead to significant earnings shortfalls for women across their careers. Our analysis shows that if women and men move through managerial positions at the same pace, working full-time and reaching a KMP role in their tenth year, men can expect to earn \$2.3 million and women \$1.7 million in base salary over

this period – a difference of \$600,000. Even in a scenario where women move towards a KMP role at a rate twice as fast as men their accumulated earnings would will still be lower than men's – \$1.6 million compared to \$1.7 million.

Women managers fare better in male-dominated industries

Female managers are more likely to be remunerated closer to their male peers if the managerial environment is heavily male-dominated, conversely male managers working in female-dominated organisations can expect to earn considerably more than their female colleagues.

Female Board representation narrows the pay gap

Increased representation of women on Boards is associated with significant reductions in gender pay gaps. Increasing the share of women on Boards from zero to equal representation is associated with a 6.3 percentage point reduction in the gender pay gap for full-time managers and 7.8 percentage point reduction for part-time managers. Gender pay gaps in male-dominant organisations fall more than those in female-dominant organisations when female Board representation rises.

Women remain under-represented on Boards, with the data showing just under one in five Board directors and one in eight Board chairs are women; and nearly four in ten organisations have no female representation on their Boards.

Not all pay gaps favour men

Gender pay gaps are highly variable when looking at part-time employees. The average part-time gender pay gap when assessed at a base salary level is -4.4% (the negative sign indicating the gap is in favour of women). The part-time gender pay gap across industries ranges from -43% to 23.2% when the base salary measure is used, and even more widely from -60.5% to 29.5% when total remuneration is used.

Pay gaps in favour of part-time women tend to be concentrated in low-paid occupations and industries, with the part-time pay gap reverting to favour men as roles become more senior and highly paid. Overall, part-time roles are dominated by women and significantly lower paid (on a full-time equivalent basis) than full-time roles.

Part-time and casual data inflates gender pay gap

Including part-time and casual along with full-time pay data inflates the overall gender pay gap. A full-time equivalent (FTE) gender pay gap of 23.1% is evident across all employees at a base salary level, increasing to 27.5% when taking into account total remuneration including superannuation, overtime, bonus payments and other discretionary pay. This compares to a gender pay gap for full-time employees of 19% on base salary rising to 23.9 % on total remuneration.

The male 'bonus' premium

Both women and men receive additional remuneration beyond their base salary, which can include superannuation, bonuses, share allocations, allowances, overtime and other discretionary pay. However men consistently earn more additional remuneration than women. Women working full-time are paid an average additional 18.1% of their base salary in extras and men an additional 25% of their base salary. That leads to an average male 'bonus' premium of almost 8 percentage points for full-time workers. The male 'bonus' premium is highest in the Financial and Insurance Services industry at 15 percentage points.

WHICH GENDER PAY GAPS MATTER?

A gender pay gap is the difference between the average male full-time equivalent earnings and average female full-time equivalent earnings, expressed as a percentage of male earnings.

Different gender pay gaps can be calculated to reflect different pay equity issues. Gender pay gaps calculated using WGEA data can reflect differences in women's and men's salaries across occupations, industries, management categories or the whole workforce.

Not all gender pay gaps signal direct discrimination. Some can be explained by differences in the way men and women work, the industries they work in and the level of skills and experience that they may have. Gender pay gaps can also often be a sign of more subtle biases within workplaces, where preferential treatment is given to certain workers for career advancement and pay.

All gender pay gaps matter as they are a driver of income inequality and can lead to reduced workforce participation.

INTRODUCTION

Despite major advances for women in both educational attainment and workforce participation, the gender pay gap remains a permanent fixture of the Australian labour market, with the full-time gender pay gap remaining at or around 20% for more than two decades. The full-time gender pay gap currently stands at around 18%, with women earning on average only 82% of a man's pay (ABS 2015). This means that a woman would have to work an additional 65 days each year to earn the same as a man (WGEA 2015).

The persistence of the full-time gender pay gap is surprising given the advancements women have made in education, particularly younger generations. Australian women have achieved parity with men in education and health according to the Global Gender Gap Index, but do not fare as well in economic participation and opportunity or political empowerment. Women currently outnumber men at universities and achieve higher marks across the board throughout their schooling years. The lower labour market returns that women are likely to receive despite the considerable investment in human capital is a concern from both a social justice and an economic perspective.

Persistent gender pay gaps have been shown to affect economic growth negatively through disincentivising labour force participation (Cassells et al. 2009b; KPMG 2009). Gender pay gaps are manifested in other forms of gender inequity, restricting the accumulation of wealth in the form of property and superannuation; increasing the reliance on government assistance over the life-course; and increasing the likelihood of women living in poverty at every life stage.

Numerous actions and initiatives have been implemented by organisations, industries and government to address the gender pay gap. Legislation has been enacted to prohibit discrimination based on gender; government policies have sought to support women's participation in the paid labour force through childcare and the tax/transfer system; and numerous organisations have continued to advocate for gender equity within the workplace. Yet despite all of this activity an inertia exists and the full-time gender pay gap remains stubbornly high.

More recently, the 2012 Workplace Gender Equality Act was legislated to promote and improve gender equality in remuneration and employment within Australian workplaces. The Act requires organisations to report annually against a number of gender equity indicators, including remuneration, and provides each organisation with an individual report that compares their gender equity standing to industry benchmarks.

This first report in the BCEC|WGEA Gender Equity Insights report series seeks to add to, and strengthen, the evidence base that exists around gender pay gaps throughout Australian workplaces. Using the rich and unique data collected by WGEA, capturing 4 million workers and more than 12,000 employers, we investigate how gender pay gaps compare across employment status, occupation and industry sector. The association between gender segregation within organisations and the gender pay gap is also explored.

Four Special Investigations are included in the report to uncover new insights into gender pay gaps in Australia. These include an examination of the differences in pay gaps between managers and nonmanagers, and how the pay gap plays out over a 10-year career trajectory for male and female managers. The relationship between female representation on governing Boards and the gender pay gap is also tested through sophisticated statistical modelling. And finally, the difference between additional remuneration men receive on top of their base salary compared to what women receive is explored, using the concept of a male 'bonus' premium. GENDER EQUITY INSIGHTS 2016: INSIDE AUSTRALIA'S GENDER PAY GAP

THE BIG PICTURE

THE BIG PICTURE

The WGEA Gender Equality data collection captures almost 4 million workers employed in medium to large Australian companies in the private and not for profit sectors. Men and women are generally equally represented, constituting 51% and 49% respectively of employees within the data collection (Table 1).

However, the way in which men and women work can vary considerably. Women are far more likely to be part-time workers than men, making up 75% of all part-time employees. In contrast, men are more likely to be employed full-time, constituting more than two-thirds of all full-time employees. Among the casual workforce, there is a more even spilt between men and women, with 56% of causal workers women and 44% of casual workers men.

TABLE 1

Employee distribution by gender and employment status

Employment	Women	Men	Women	Men	Women	Men
Status	Ν	Ν	column%	column%	row%	row%
Full-time	807,064	1,431,570	41.8%	70.6%	36.1%	63.9%
Part-time	624,271	207,589	32.3%	10.2%	75.0%	25.0%
Casual	500,703	388,062	25.9%	19.1%	56.3%	43.7%
All	1,932,038	2,027,221	100.0%	100.0%	48.8%	51.2%

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

The gender pay gap measures the amount by which women's salaries fall below or exceed men's salaries in percentage terms. While part-time workers are more likely to be women this does not necessarily mean that 'all women work part-time'. Around 42% of women are employed on a full-time basis, one-third of women are employed part-time and just over one-quarter are employed on a casual basis. Men are more likely to work full-time (70.6%), just under one-fifth of men are employed casually and only around 10% work part-time.

The differences in the way men and women work are important in capturing and understanding differences in remuneration between the two genders. It is therefore important to standardise part-time and casual earnings by creating a full-time equivalent (FTE) figure to compare remuneration between genders across all states of employment.

The gender pay gap measures the amount by which women's salaries fall below or exceed men's salaries in percentage terms. Specifically, it is measured as:

Gender pay gap =
$$\begin{bmatrix} 1 - \frac{\text{Female salary}}{\text{Male salary}} \end{bmatrix} \times 100$$

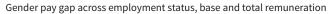
If the average gender pay gap in a particular sector is positive, it indicates that women's salaries are on average lower than men's salaries in the sector. On the other hand, if the average gender pay gap is negative, it indicates that women's salaries exceed men's salaries on average.

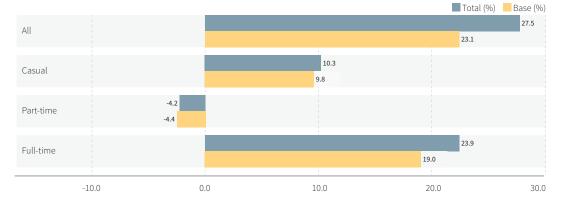
Overall, a gender pay gap of 23.1% is evident when considering FTE base salaries across all employees (Figure 1 and Table 2). Men earn on average \$80,345 per year and women \$61,825 when assessing salaries on a FTE

basis – a difference of \$18,520. When taking into account total remuneration, which include superannuation, overtime, bonus payments and other discretionary pay, the FTE pay gap across all employees increases to 27.5%. These results demonstrate that men are more likely to receive greater remuneration beyond that of a base salary than women.

Confining the analysis to full-time workers, a base salary gender pay gap of 19% exists, increasing to 23.9% when taking into account total remuneration. Men working full-time earn around \$17,000 more than women each year in their base salary, but this extends to \$27,000 when assessing total remuneration.

FIGURE 1





Note: Salaries are provided on a full-time equivalent (FTE) basis across all employment categories. See technical notes and glossary for further information.

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

The part-time gender pay gap is marginally in favour of women (-4.4%) when comparing male and female part-time workers on a FTE basis. When taking into account total remuneration the part-time pay gap in favour of women remains more or less constant (-4.2%) as both women and men earn a FTE total remuneration of around \$8,500 on average.

For casual employees the gender pay gap is again in favour of men – a difference of around 10%. Women working on a casual basis can expect to earn a FTE salary worth \$5,666 less than men each year. This increases very little when taking into account total remuneration, suggesting that, as in the case of part-time employment, access to additional remuneration is only slightly higher for men than women.

The part-time gender pay gap is marginally in favour of women (-4.4%) when comparing male and female part-time workers on a FTE basis.

to greater levels of remuneration beyond their base salaries than do women.

Men have access

TABLE 2Gender pay gap across employment status, base and total

	Base S	alary	Total Remu	uneration	GPG	
Employment Status	Women	Men	Women	Men	Base	Total
	\$	\$	\$	\$	%	%
Full-time	73,251	90,473	86,512	113,739	19.0	23.9
Part-time	54,720	52,397	63,386	60,837	-4.4	-4.2
Casual	52,268	57,934	58,625	65,335	9.8	10.3
All	61,825	80,345	71,812	99,056	23.1	27.5

Note: Salaries are provided on a full-time equivalent (FTE) basis across all employment categories.

See technical notes and glossary for further information.

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

The types of jobs men and women work in as well as the way in which they work within these jobs can play an important role in the remuneration they receive. In the following sections, the gender pay gap among fulltime, part-time and casual workers is explored further. The characteristics of employees are also examined using data from the Household, Income and Labour Dynamics in Australia (HILDA) survey, to see how similar or different men and women really are.

FULL-TIME WORKERS

Among those workers collected within the WGEA dataset, almost two-thirds of all full-time workers are men. Workers are considered 'full-time' if they work 35 hours or more each week, although most men and women who are categorised as full-time employees tend to work well beyond this benchmark (ABS 2013). According to the 2013 HILDA survey, full-time male workers average 45.7 hours each week, compared with 42.6 hours for full-time female workers.

Gender differences in full-time employment can be attributed to a number of factors, including variations in family circumstances and labour market histories. Both full-time male and female workers are on average around 40 years old and are in a couple relationship. However, 16.8% of full-time male workers have young children aged 0 to 4 years, compared to just 7.9% of full-time female workers. These gender differences reflect the fact that child care responsibilities are usually disproportionately borne by women, with men having more opportunities to take on full-time work when children are young. Full-time male workers appear to have more stable labour market histories than full-time female workers, having spent longer periods with their current employer and in their current occupation than women working full-time.

The differences in the characteristics of full-time workers are likely to be driving some of the gender pay gap. The type of occupation, industry and access to over-time work by men compared to women is also likely to impact pay gaps.

As shown in Figure 2, the majority of full-time occupations are male-dominated. Full-time machinery operators and drivers and technicians and trade workers are much more likely to be men than women. There are nine full-time male workers for every full-time woman worker in these two occupations.

Both ends of the occupational spectrum are also dominated by men. Within the labourer occupation class, there are three men for every woman amongst full-time workers. Similarly, amongst executive and key management personnel, men make up three-quarters of full-time workers.

Clerical and administrative workers are dominated by women who make up more than 70% of all employees within this occupation. A number of occupation categories show a more even split between male and female employees, including sales workers, community and personal service workers and professionals.

The majority of full-time occupations are male-dominated.

FIGURE 2

Distribution of full-time male and female workers within occupation classes

							Womer	Men
Non-managers	36.6		(53.4				
Managers	33.7		66.3					
All Occupation Classes	36.1		6	3.9				
Labourers	22.5		77.5					
Machinery Operators and Drivers	9.3	90.7						
Sales Workers	45.3				54.7			
Clerical and Administrative Workers	70.8						29.2	
Community and Personal Service Workers	58.0			ļ		42.0		
Technicians and Trades Workers	7.9	92.1						
Professionals	42.3				57.7			
Other Manager	36.7			63.3				
Senior Manager	30.1		69.9					
Executive	26.8		73.2					
Key Management Personnel	25.8		74.2					
	0%	20%		40%	б (50%	80%	100%

Note: Key management personnel are the top tier of managers who represent at least one of the major functions of the organisation and who participate in organisation-wide decisions with the CEO.

"Executive" is used in this report as shorthand for the grouping 'Other Executives and General Managers'. They hold primary responsibility for the equivalent of a department or business unit. In a large organisation they might not participate in organisation-wide decisions with the CEO. Managers comprise of all occupations from Other Manager to Key Management Personnel.

Non-managers comprise occupations listed from Labourers to Professionals.

See Glossary and Technical Notes for further information.

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

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Full-time Gender Pay Gaps

The average full-time gender pay gap when assessed at a base salary level is 19%. This increases to 23.9% when taking into account the full remuneration that is paid to employees. In dollar terms this amounts to an annual difference of around \$17,000 and \$27,000 respectively. However, significant variations can be observed across different industries and occupations.

Occupations

A comparison of the full-time gender pay gap across occupation categories is shown in Table 3. Generally, the higher paid the occupation the greater the gender pay gap at both base and total remuneration level.

Managerial categories in particular illustrate this hierarchy with the gender pay gap the highest among key management personnel. Women employed full-time as KMPs can expect to earn almost 29% less than their male counterparts on average – an annual difference of almost \$100,000 in total remuneration.

The lowest gender pay gaps for full-time workers are to be found in the community and personal service and clearical and administrative occupations – 9.4 and 8.3% respectively. Both occupation categories are dominated by women, and are relatively low paying.

TABLE 3

Gender pay gap within occupation levels for full-time workers, base and total

		,					
Occuration Class	Base S	alary	Total Remu	uneration	GPG		
Occupation Class	Women	Men	Women	Men	Base	Total	
Managers							
Key Management Personnel	\$190,035	\$249,288	\$244,569	\$343,296	23.8%	28.8%	
Executive	\$172,026	\$214,052	\$219,767	\$293,019	19.6%	25.0%	
Senior Manager	\$132,445	\$162,457	\$162,227	\$210,214	18.5%	22.8%	
Other Manager	\$89,833	\$114,317	\$106,721	\$140,710	21.4%	24.2%	
Non-managers							
Professionals	\$84,810	\$104,458	\$99,003	\$125,646	18.8%	21.2%	
Technicians and Trades Workers	\$64,285	\$79,133	\$76,708	\$101,735	18.8%	24.6%	
Community and Personal Service Workers	\$52,326	\$57,329	\$60,642	\$66,906	8.7%	9.4%	
Clerical and Administrative Workers	\$58,791	\$62,991	\$66,905	\$72,978	6.7%	8.3%	
Sales Workers	\$51,414	\$62,328	\$63,099	\$81,066	17.5%	22.2%	
Machinery Operators and Drivers	\$61,371	\$68,975	\$78,850	\$90,473	11.0%	12.8%	
Labourers	\$47,739	\$56,796	\$56,163	\$71,304	15.9%	21.2%	
All							
Managers	\$108,676	\$144,249	\$132,006	\$185,230	24.7%	28.7%	
Non-managers	\$66,770	\$79,262	\$78,158	\$98,763	15.8%	20.9%	
All Occupation Classes	\$73,251	\$90,473	\$86,512	\$113,739	19.0%	23.9%	

Note: See Glossary and Technical Notes for further information about the occupation classifications.

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

Women KMP working full-time earn on average \$100K less than male KMP.

Industries

Organisations within the Financial and Insurance Services industry record the largest full-time gender pay gap, when measured by both base salary and total remuneration (Table 4). Women employed full-time within these organisations can expect to earn on average around \$30,000 or 27% less each year than men employed within the industry. This gap increases to almost \$54,000 or 35% when taking into account additional remuneration including superannuation, bonuses and other discretionary pay.

Women working C full-time within the fu financial services re industry earn on average 35% less T than men. a

Organisations within the Professional, Scientific and Technical services industry have the second largest full-time gender pay gap when assessed on base salaries and the third highest when taking into account total remuneration – 22 and 27% respectively.

The Administrative and Support Services sector has the third highest gender pay gap when assessed on a base salary level, although the size of the gap does not increase when total remuneration is taken into account.

In all industries men either have the same or greater access to additional remuneration beyond the base salary than women. This gender difference is particularly acute in industries like Rental, Hiring and Real Estate, and Electricity, Gas, Water and Waste Services. This "male bonus premium" is explored further in the Special Investigations section.

Some of the narrowest full-time gender pay gaps are found in the Public Administration and Safety, Wholesale Trade, Education and Training industries. The average gender pay gaps in these industries are between 7 and 10%, with only minor differences between base and total remuneration measures. It may be because these industries that are tied strongly to public funding support and have measures in place to ensure equal access by both men and women to promotion opportunities as well as additional remuneration beyond the base salary.

TABLE 4

Full-time gender pay gap among industries, base and total

Inductor	Base S	Salary	Total Rem	Total Remuneration		GPG		GPG rank	
Industry	Women	Men	Women	Men	Base	Total	Base	Total	
Financial and Insurance Services	\$81,147	\$111,667	\$99,725	\$153,521	27.3%	35.0%	1	1	
Professional, Scientific and Technical Services	\$82,927	\$106,960	\$95,088	\$130,825	22.5%	27.3%	2	3	
Administrative and Support Services	\$61,922	\$78,642	\$73,135	\$92,202	21.3%	20.7%	3	10	
Construction	\$78,283	\$98,315	\$91,734	\$124,518	20.4%	26.3%	4	4	
Information Media and Telecommunications	\$78,469	\$98,355	\$94,286	\$122,912	20.2%	23.3%	5	5	
Rental, Hiring and Real Estate Services	\$77,431	\$96,845	\$90,450	\$126,315	20.0%	28.4%	6	2	
Arts and Recreation Services	\$65,303	\$81,508	\$72,741	\$92,029	19.9%	21.0%	7	8	
Agriculture, Forestry and Fishing	\$60,974	\$75,594	\$69,197	\$87,507	19.3%	20.9%	8	9	
Transport, Postal and Warehousing	\$65,484	\$80,858	\$77,982	\$99,170	19.0%	21.4%	9	7	
Health Care and Social Assistance	\$67,430	\$80,302	\$77,981	\$95,112	16.0%	18.0%	10	12	
Mining	\$101,207	\$119,731	\$135,282	\$164,243	15.5%	17.6%	11	13	
Electricity, Gas, Water and Waste Services	\$85,603	\$100,910	\$100,894	\$128,499	15.2%	21.5%	12	6	
Other Services	\$66,470	\$77,281	\$75,858	\$92,856	14.0%	18.3%	13	11	
Retail Trade	\$55,160	\$62,174	\$63,753	\$75,410	11.3%	15.5%	14	14	
Manufacturing	\$70,131	\$78,803	\$83,828	\$97,540	11.0%	14.1%	15	15	
Accommodation and Food Services	\$57,047	\$63,971	\$64,927	\$72,898	10.8%	10.9%	16	16	
Public Administration and Safety	\$67,278	\$74,280	\$75,463	\$82,659	9.4%	8.7%	17	19	
Wholesale Trade	\$67,591	\$73,713	\$82,277	\$91,895	8.3%	10.5%	18	17	
Education and Training	\$86,470	\$93,264	\$99,088	\$109,229	7.3%	9.3%	19	18	
All Industries	\$73,251	\$90,473	\$86,512	\$113,739	19.0%	23.9%			

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

PART-TIME WORKERS

Part-time managers are twice as likely to be men than women. According to the 2013 HILDA Survey, average weekly part-time hours are similar for both men and women, at 20 and 21.8 hours respectively. The average age of part-time workers is 44.8 and 42.7 years for men and women respectively. Women's greater participation in part-time work reflects to a large extent their heavier caring responsibilities. One-fifth of part-time female workers have young children aged 0 to 4 years, compared to 9.5% of part-time male workers.

Some important distinctions can be observed between the labour market characteristics of men and women working part-time using the HILDA survey. In particular, part-time male workers tend to have poorer human capital characteristics compared to female part-time workers. Men working part-time tend to be older, are less likely to have young children, are more likely to have a long-term disability and to have spent a greater amount of time unemployed.

As shown in Figure 3, most part-time occupations are female-dominated. This is most evident within the clerical and administrative occupation category, in which 90% of part-time workers are women. This figure also shows part-time workers in male-dominated occupations such as machinery operators and drivers are more likely to be men because of their concentration in this class. However, it is interesting that within the key management personnel occupation class, the dominance of female workers is less evident with women comprising 54% and men making up 46% of part-time workers who are key management personnel.

Momon Mon

FIGURE 3

Distribution of part-time male and female workers among occupation classes

Non-managers	75.0				25.0	Women 📃 🛚
Managers	80.5			1		19.5
All Occupation Classes	75.0				25.0	
Labourers	49.8	i		50.2		
Machinery Operators and Drivers	24.4	75.6				
Sales Workers	67.8				32.2	
Clerical and Administrative Workers	90.6					9.4
Community and Personal Service Workers	81.8					18.2
Technicians and Trades Workers	52.8			47.2		
Professionals	85.4					14.6
Other Manager	83.3					16.7
Senior Manager	79.2					20.8
Executive	73.9				26.1	
Key Management Personnel	54.4			45.6		
	0%	20%	40%	60%	80	

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

Part-time Gender Pay Gaps

The average part-time gender pay gap when assessed at a base salary level is -4.4% (the negative sign indicating that the gap is in favour of women). In dollar terms this amounts to a FTE difference of around \$2,300 annually. When total remuneration is assessed, the gender pay gap remains similar at -4.2% in favour of women. However, these broad averages clearly mask sharp variations across industries and occupations.

Occupations

As is the case with full-time workers, there is a noticeable distinction in the gender pay gap between higher and lower occupation levels (Table 5). While the gender pay gap for part-time workers overall is marginally in favour of women (around -4.4%) this pattern reverses among part-time workers in managerial positions. Across all part-time managerial occupations men receive 21% more on average in annual FTE pays each year than women. This increases to 23.1% when taking into account total remuneration.

The executive occupational category has the highest part-time gender pay gap in favour of men, 23.9% at a base level and 31.1% when taking into account total remuneration. However, very few men work part-time as an executive (492).

Clerical and administrative workers have the largest part-time gender pay gap in favour of women, -6.6% at a base FTE salary level and 5.3% when comparing total remuneration. Part-time sales workers also have a small gender pay gap in favour of women.

TABLE 5

Gender pay gap within occupation levels for part-time workers, base and total

Occupation Class	Base S	alary	Total S	alary	GPG	
Occupation Class	Women	Men	Women	Men	Base	Total
Managers						
Key Management Personnel	\$173,409	\$196,984	\$206,195	\$226,406	12.0%	8.9%
Executive	\$160,958	\$211,555	\$195,041	\$282,999	23.9%	31.1%
Senior Manager	\$138,405	\$169,083	\$167,970	\$207,350	18.1%	19.0%
Other Manager	\$99,296	\$113,234	\$118,159	\$138,473	12.3%	14.7%
Non-managers						
Professionals	\$81,646	\$103,842	\$95,434	\$120,262	21.4%	20.6%
Technicians and Trades Workers	\$57,243	\$63,757	\$66,360	\$73,263	10.2%	9.4%
Community and Personal Service Workers	\$45,260	\$45,661	\$52,043	\$52,505	0.9%	0.9%
Clerical and Administrative Workers	\$54,256	\$50,891	\$61,569	\$58,450	-6.6%	-5.3%
Sales Workers	\$40,475	\$39,737	\$47,037	\$46,309	-1.9%	-1.6%
Machinery Operators and Drivers	\$53,578	\$56,186	\$62,255	\$66,875	4.6%	6.9%
Labourers	\$37,304	\$38,820	\$41,792	\$43,758	3.9%	4.5%
All						
Managers	\$113,518	\$143,701	\$135,971	\$176,727	21.0%	23.1%
Non-managers	\$52,754	\$50,223	\$60,959	\$58,084	-5.0%	-4.9%
All Occupation Classes	\$54,720	\$52,397	\$63,386	\$60,837	-4.4%	-4.2%

Note: Salaries are provided on a full-time equivalent (FTE) basis. See technical notes and glossary for further information.

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

A larger pay gap in favour of men exists among more senior positions regardless of full or part-time status.

Industries

The part-time gender pay gap across industries ranges from -43% to 23.2% when the base salary measure is used, and even more widely from -60.5% to 29.5% when total remuneration is used. The gender pay gap favours men in around half of the industries within the part-time sector. In contrast, gender pay gaps favour men in all industries within the full-time sector.

Additional remuneration appears to be lower among part-time male workers than part-time female workers in the Administrative and Support Services industry. Organisations within the Construction industry record the largest part-time gender pay gap favouring men, when measured by both base and total remuneration. The Education and Training and Financial and Insurance Services industries are ranked second and third in terms of part-time gender pay gaps favouring men, though these gaps are significantly narrower than in the Construction industry.

At the other end of the spectrum, the gender pay gap is strongly in favour of women employed part-time in the Mining industry at -43% at the base salary level and -60.5% at the total remuneration level. These results are driven by the occupational segregation among part-time male and female workers within the mining sector. Women working part-time within the mining sector are more likely to be employed as professionals or clerical and service workers, whereas men working part-time are more likely to be labourers.

Other industries where the gender pay gap obviously favours women in part-time employment include Public Administration and Safety, Information Media and Telecommunications and Wholesale Trade, though these gaps are much smaller at -13 to -20%.

The narrowest part-time gender pay gaps are found in the Accommodation and Food Services, Retail Trade and Arts and Recreation Services industries, with gaps of less than between 1 and -1% on a base salary measure.

Almost all industry rankings are similar when comparing gender pay gaps on base salary and total remuneration with the exception of Administrative and Support Services where the gender pay gap ranking drops from fifth to tenth when total remuneration is taken into account. Additional remuneration appears to be lower among part-time male workers than part-time female workers in this industry. On average, part-time male workers receive additional remuneration of \$4,900 on a FTE basis compared to \$6,100 for women.

TABLE 6

Part-time gender pay gap among industries, base and total

Inductor	Base S	alary	Total Rem	Total Remuneration		PG	GPG rank	
Industry	Women	Men	Women	Men	Base	Total	Base	Total
Construction	\$71,820	\$93,568	\$80,346	\$113,932	23.2%	29.5%	1	1
Education and Training	\$72,780	\$83,489	\$81,783	\$96,630	12.8%	15.4%	2	2
Financial and Insurance Services	\$67,975	\$76,276	\$80,734	\$94,204	10.9%	14.3%	3	3
Professional, Scientific and Technical Services	\$84,083	\$91,553	\$95,284	\$103,384	8.2%	7.8%	4	4
Administrative and Support Services	\$45,264	\$47,567	\$51,367	\$52,421	4.8%	2.0%	5	10
Health Care and Social Assistance	\$53,829	\$55,576	\$62,799	\$65,252	3.1%	3.8%	6	7
Rental, Hiring and Real Estate Services	\$65,462	\$67,058	\$74,825	\$79,341	2.4%	5.7%	7	6
Agriculture, Forestry and Fishing	\$52,739	\$53,943	\$59,243	\$63,566	2.2%	6.8%	8	5
Transport, Postal and Warehousing	\$53,787	\$54,480	\$64,631	\$66,423	1.3%	2.7%	9	9
Electricity, Gas, Water and Waste Services	\$88,573	\$89,673	\$103,133	\$106,998	1.2%	3.6%	10	8
Accommodation and Food Services	\$37,232	\$37,009	\$41,565	\$41,052	-0.6%	-1.3%	11	13
Retail Trade	\$41,136	\$40,850	\$47,821	\$48,056	-0.7%	0.5%	12	11
Arts and Recreation Services	\$48,846	\$48,473	\$54,743	\$54,262	-0.8%	-0.9%	13	12
Other Services	\$54,690	\$51,868	\$61,342	\$57,687	-5.4%	-6.3%	14	14
Manufacturing	\$66,276	\$60,374	\$78,266	\$71,511	-9.8%	-9.4%	15	15
Wholesale Trade	\$54,042	\$47,642	\$63,768	\$54,536	-13.4%	-16.9%	16	17
Information Media and Telecommunications	\$64,789	\$55,814	\$76,433	\$66,419	-16.1%	-15.1%	17	16
Public Administration and Safety	\$54,112	\$45,252	\$59,597	\$49,853	-19.6%	-19.5%	18	18
Mining	\$103,393	\$72,324	\$131,130	\$81,681	-43.0%	-60.5%	19	19
All industries	\$54,720	\$52,397	\$63,386	\$60,837	-4.4%	-4.2%		

Note: Salaries are provided on a full-time equivalent (FTE) basis across all employment categories.

See technical notes and glossary for further information

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

CASUAL WORKERS

The casual employment sector has a more balanced mix of male and female workers than either the full-time or part-time sectors. The definition of casual workers will often differ across datasets and institutional bodies. WGEA defines a casual worker as an employee working on an irregular and unsystematic schedule, who has little or no expectation of the continuation of work or guaranteed income, and who has the ability to accept and reject work as they see fit. Other data collections use slightly different definitions, for instance the ABS uses an absence of entitlement to paid sick or holiday leave as the proxy measure for casuals.

The casual employment sector amongst WGEA's reporting organisations has a more balanced mix of male and female workers than either the full-time or part-time sectors (Figure 4). Females make up 56.3% of all casual workers, while males make up 43.7%. White collar occupations are dominated by females in the casual sector, with females making up more than 60% of sales workers, clerical and administrative workers, community and personal service workers and professionals. On the other hand, males make up the majority of blue collar occupations, including labourers, machinery operators and drivers, and technicians and trade workers.

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FIGURE 4

					Wome	n Me
Non-managers	56.5			43.5		
Managers	46.5			53.5		
All Occupation Classes	56.3			43.7		
Labourers	32.6		67.4			
Machinery Operators and Drivers	16.4	83.6				
Sales Workers	61.9			38.1		
Clerical and Administrative Workers	67.4				32.6	
Community and Personal Service Workers	67.4				32.6	
Technicians and Trades Workers	21.1	78.9				
Professionals	62.0			38.0		
Other Manager	50.2			49.8		
Senior Manager	35.3		64.7			
Executive	29.0	7.	1.0			
Key Management Personnel	23.0	77.0				
	0%	20%	40%	60%	80%	1009

Distribution of casual men and female workers among occupation classes

Note: Salaries are provided on a full-time equivalent (FTE) basis across all employment categories.

See technical notes and glossary for further information.

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

According to the 2013 HILDA Survey, casual male and female workers are both aged around 31 years old on average and over half are single and have never been formally married. Hence, they are a younger group than full-time or part-time workers. Partially reflecting their age, casual workers also have weaker labour market histories than full or part-time workers, having spent relatively short periods with their current employer.

Male casual workers have spent more time in the labour force since leaving full-time education than women working casually. However, these workers are also more likely to have spent a greater proportion of their adulthood in unemployment (9.5%) than women (5.5%) in the casual work sector.

While both casual male and female workers appear equally likely to have young children – around 7.5% have children aged 0 to 4 years – casual female workers are more likely to be caring for a disabled or ill spouse or relative than male casual workers.

Casual Workers' Gender Pay Gaps

The average gender pay gap for casual employees is 9.8% (base salary only), increasing slightly to 10.3% when total remuneration is factored in. In FTE dollar terms, the gap between casual male and female workers is around \$5,700 at a base salary level and \$6,700 at a total remuneration level.

Occupations

As is the case with part and full-time workers, a large degree of variation exists across occupation levels when examining the casual gender pay gap (Table 7). The gender pay gap for casual workers ranges from -2.6% to 40.2% and favours men in 10 out of 11 occupations. Managerial workers are again most likely to have the highest gender pay gap, even if working casually. Other managers working casually have the highest gender pay gap, with men earning around 40% more than women.

The smallest gender pay gap among casual workers exists in white collar occupations including community and personal service workers, clerical and administrative workers and sales workers. Gender pay gaps for casual workers in these occupations are almost non-existent.

TABLE 7

Gender pay gap within occupation levels for casual workers, base and total

	,					
Our section of the	Base S	alary	Total Remu	uneration	GI	PG
Occupation Class	Women	Men	Women	Men	Base	Total
Managers		1				
Key Management Personnel	\$75,357	\$118,984	\$84,045	\$131,566	36.7%	36.1%
Executive	\$217,445	\$306,590	\$234,661	\$329,694	29.1%	28.8%
Senior Manager	\$157,048	\$235,515	\$176,171	\$260,432	33.3%	32.4%
Other Manager	\$87,443	\$146,310	\$97,413	\$162,649	40.2%	40.1%
Non-managers						
Professionals	\$88,637	\$109,154	\$99,473	\$120,668	18.8%	17.6%
Technicians and Trades Workers	\$61,240	\$79,878	\$68,518	\$91,247	23.3%	24.9%
Community and Personal Service Workers	\$48,797	\$49,176	\$54,959	\$55,030	0.8%	0.1%
Clerical and Administrative Workers	\$55,480	\$55,784	\$61,922	\$61,758	0.5%	-0.3%
Sales Workers	\$37,753	\$36,786	\$42,243	\$41,331	-2.6%	-2.2%
Machinery Operators and Drivers	\$50,905	\$57,033	\$58,466	\$66,751	10.7%	12.4%
Labourers	\$44,237	\$50,816	\$49,448	\$58,583	12.9%	15.6%
All						
Managers	\$97,142	\$166,972	\$108,143	\$184,771	41.8%	41.5%
Non-managers	\$52,187	\$57,577	\$58,538	\$64,937	9.4%	9.9%
All Occupation Classes	\$52,268	\$57,934	\$58,625	\$65,335	9.8%	10.3%

Note: Very few men and women are employed casually at a KMP or Executive level. Salaries are provided on a full-time equivalent (FTE) basis. See technical notes and glossary for further information.

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

Industries

Overall, the gender pay gap for casual workers favours men across industries, as in the case for the full-time gender pay gap. However, unlike the full-time sector, there are three industries in which the gender pay gap for casual workers is mildly in favour of women (see Table 8).

Organisations within the Professional, Scientific and Technical Services and Mining industries record the largest gender pay gap among casual workers, when measured using both base salaries and total remuneration. Casual female workers in these two industries earn almost one-third less than their male counterparts. Following close behind is the Construction industry, which has the third highest gender pay gap. The gender pay gap for casual workers in this industry is 26.2% at base salary level, widening to 31.3% when total remuneration is used.

At the other end of the spectrum, the gender pay gap for casual workers is mildly in favour of women in the Public Administration and Safety, Accommodation and Food Services and particularly the Rental, Hiring and Real Estate Services industries.

Almost all industry rankings are similar when comparing gender pay gaps at a base and total level. With the exception of the Construction and Electricity, Gas, Waste and Water industries, the gender pay gap widens only slightly when additional remuneration is added on top of base salary on a FTE basis, indicating that access to additional remuneration may not be as great in the casual sector as in the full-time and part-time sectors.

TABLE 8

Casual workers' gender pay gap among industries, base and total

Industry	Base S	Salary	Total Rem	uneration	GF	PG	GPG	rank
industry	Women	Men	Women	Men	Base	Total	Base	Total
Professional, Scientific and Technical Services	\$50,043	\$72,132	\$54,728	\$80,435	30.6%	32.0%	1	2
Mining	\$70,020	\$100,700	\$78,156	\$115,541	30.5%	32.4%	2	1
Construction	\$54,887	\$74,351	\$61,186	\$89,042	26.2%	31.3%	3	4
Information Media and Telecommunications	\$52,402	\$67,395	\$58,636	\$75,740	22.2%	22.6%	4	5
Electricity, Gas, Water and Waste Services	\$62,941	\$80,643	\$71,497	\$104,178	22.0%	31.4%	5	3
Financial and Insurance Services	\$52,472	\$66,496	\$58,016	\$73,248	21.1%	20.8%	6	6
Transport, Postal and Warehousing	\$50,611	\$62,029	\$57,548	\$71,740	18.4%	19.8%	7	7
Administrative and Support Services	\$57,493	\$69,190	\$64,010	\$78,254	16.9%	18.2%	8	8
Health Care and Social Assistance	\$56,336	\$62,436	\$65,803	\$73,248	9.8%	10.2%	9	9
Other Services	\$48,941	\$53,339	\$54,134	\$59,415	8.2%	8.9%	10	10
Education and Training	\$80,517	\$87,414	\$88,079	\$95,727	7.9%	8.0%	11	12
Agriculture, Forestry and Fishing	\$43,280	\$46,635	\$47,598	\$51,488	7.2%	7.6%	12	14
Manufacturing	\$48,454	\$52,123	\$54,689	\$59,871	7.0%	8.7%	13	11
Wholesale Trade	\$44,589	\$47,650	\$49,502	\$53,721	6.4%	7.9%	14	13
Arts and Recreation Services	\$52,574	\$53,217	\$57,493	\$58,425	1.2%	1.6%	15	15
Retail Trade	\$38,390	\$38,582	\$43,281	\$43,812	0.5%	1.2%	16	16
Public Administration and Safety	\$51,237	\$50,852	\$56,396	\$55,804	-0.8%	-1.1%	17	17
Accommodation and Food Services	\$36,267	\$35,529	\$40,020	\$39,113	-2.1%	-2.3%	18	18
Rental, Hiring and Real Estate Services	\$48,775	\$46,682	\$55,648	\$52,565	-4.5%	-5.9%	19	19
All industries	\$52,268	\$57,934	\$58,625	\$65,335	9.8%	10.3%		

Note: Salaries are provided on a full-time equivalent (FTE) basis across all employment categories.

See technical notes and glossary for further information

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

Women working in casual jobs earn over 30% less than men in the Professional, Scientific and Technical Services, Mining and Construction industries.

INTERSECTION OF INDUSTRY AND OCCUPATION

Female KMP working full-time within the Health Care and Social Assistance sector earn 24% less than their male peers. The previous analysis demonstrates how remuneration can vary across industries and occupations and whether men and women work full-time, part-time or on a casual basis. This type of analysis provides important information about gender pay gaps at a broad industry and occupation level and is important when assessing how industries and occupations fare overall.

In this section, we analyse the gender pay gap for separate occupations within each industry. This disaggregation can help to further understand the gender pay gap and offers a more 'like for like' comparison between the remuneration that men and women receive. The analysis is further restricted to full-time workers only, with gender pay gaps assessed at a base and total remuneration level.

Base Salary

Table 9 presents the base salary gender pay gap for full-time workers by occupational class within each industry group. The gender pay gap is colour coded, with green tones indicating a gender pay gap that is in favour of men and blue representing gender pay gaps that are in favour of women. Very small gender pay gaps, either in favour of men or women (i.e. between -5% and 5%) have not been highlighted.

Within managerial occupations, most industries show an increasing gender pay gap as the level of seniority increases. There are some exceptions to this pattern. Within the Agriculture, Forestry and Fishing sector, management levels below KMP level have higher gender pay gaps than those observed at the KMP level. Gender pay gaps for lower tier managers within the Financial and Insurance Services are higher or the same as those for KMP.

Mining and Financial and Insurance Services have lower gender pay gaps among their key management personnel when compared to the overall industry average. For the key management personnel occupational class, gender pay gaps across industries range from 5% (Agriculture, Forestry and Fishing) to 36% (Arts and Recreation Services). Two industries report a base salary gender pay gap that is well above the overall industry average of 24% for this occupation class. These include Arts and Recreation (36%) and Administrative and Support Services (29%). Female KMP working full-time within the Health Care and Social Assistance sector earn 24% less than their male peers.

A number of industries fare better than the overall industry average when examining gender pay gaps among KMP. Manufacturing; Electricity, Gas, Water and Waste Services; Education and training and Wholesale trade; Information Media and Telecommunications all have KMP gender pay gaps below 12%. Mining and the Financial and Insurance Services sectors also have reasonably lower gender pay gaps among their key management personnel when compared to the overall industry average – around 15% each.

		Mani	Managers				Ň	Non-managers	rs			
Industry	Key Management Personnel	Executive Manager	Senior Manager	Other Manager	Professionals	Technicians and Trades Workers	Community and Personal Service Workers	Clerical and Administrative Workers	Sales Workers	Machinery Operators and Drivers	Labourers	All occupation classes
Agriculture, Forestry and Fishing	5%	19%	11%	11%	12%	14%	(a)	12%	24%	14%	13%	19%
Mining	15%	12%	12%	10%	16%	20%	-3%	17%	33%	10%	15%	15%
Manufacturing	12%	4%	4%	6%	13%	12%	10%	12%	11%	12%	11%	11%
Electricity, Gas, Water and Waste Services	11%	7%	5%	8%	14%	9%6	1%	15%	14%	10%	11%	15%
Construction	20%	20%	12%	18%	20%	14%	22%	21%	16%	-9%	13%	20%
Wholesale Trade	11%	3%	1%	6%	10%	8%	-3%	10%	3%	4%	4%	8%
Retail Trade	15%	3%	19%	14%	14%	-1%	4%	6%	6%	10%	3%	11%
Accommodation and Food Services	17%	12%	3%	10%	13%	16%	5%	11%	-8%	-1%	1%	11%
Transport, Postal and Warehousing	20%	18%	10%	11%	32%	28%	15%	9%6	11%	9%6	14%	19%
Information Media and Telecommunications	12%	10%	10%	12%	17%	3%	(a)	1%	26%	11%	14%	20%
Financial and Insurance Services	15%	20%	18%	15%	16%	6%	8%	2%	15%	(a)	18%	27%
Rental, Hiring and Real Estate Services	16%	10%	12%	10%	16%	-2%	5%	-3%	16%	-7%	16%	20%
Professional, Scientific and Technical	16%	14%	12%	15%	18%	18%	10%	1%	26%	15%	31%	22%
Administrative and Support Services	29%	18%	18%	26%	33%	4%	-2%	%0	23%	6%	8%	21%
Public Administration and Safety	17%	23%	24%	8%	17%	9%6	%6-	20%	21%	12%	-6%	9%6
Education and Training	11%	11%	10%	8%	8%	-22%	8%	7%	7%	4%	-2%	7%
Health Care and Social Assistance	24%	18%	13%	11%	23%	3%	6%	9%6	14%	4%	1%	16%
Arts and Recreation Services	36%	22%	14%	14%	24%	12%	15%	4%	6%	18%	-8%	20%
Other Services	18%	8%	9%6	13%	10%	34%	24%	7%	21%	8%	12%	14%
All Industry	24%	20%	18%	21%	19%	19%	9%6	7%	18%	11%	16%	19%

lager category comprises those employed in the follow occupation classes: Key Management Personnel (KMPs), company executives, senior managers and other management positions. The non-manager category comprises all other occupation ют теротт пампд а воага ог герогт опly опе classes. See Glossary for further details. es: Urgar 101

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

TABLE 9

BCEC WGEA GENDER EQUITY SERIES

No gender pay gap in favour of women exists within any of the managerial occupations across the 19 industry groups. While variation exists within industries among managerial categories outside key management personnel, the variation is generally less pronounced when comparing gender pay gaps to the overall occupation average. For most industries, the average executive¹ gender pay gap is close to the overall average of 20%. Manufacturing (4%), Electricity, Gas, Water and Waste Services (7%) along with the Wholesale Trade (3%) and Retail Trade (3%) sectors are exceptions, recording very low gender pay gaps for Executives when assessed on a base salary level.

There are only two industries that have a higher gender pay gap at the Executive level when compared to the overall occupational average of 20% – these include Public Administration and Safety (23%) and Arts and Recreation services (22%). A very small number of both male and female executives exist within the Public Administration and Safety sector (121 and 31 respectively). Arts and Recreation services have a much higher count – 149 women executives, and 464 male executives.

Among the non-managerial workforce, the base salary gender pay gap for the Sales Workers' occupational class is of note. For this occupation, a gender pay gap of 20% or greater is reported for seven out of the 19 industries, with a further ten industries reporting a gender pay gap of 15% or greater.

In terms of a gender pay gap in favour of women, most that exist for full-time workers are relatively low, with the magnitudes averaging between 1% and 9%. No gender pay gap in favour of women exists within any of the managerial occupations across the 19 industry groups.

Among community and personal service workers, a relatively modest gender pay gap in favour of women exists across four industries – Mining (-3%), Wholesale Trade (-3%), Administrative and Support Services (-2%) and more notably Public Administration and Safety (-9%).

For technicians and trades workers, a particularly high gender pay gap in favour of women exists within the Education and Training sector (-22%). Here, full-time male technicians and trade workers can expect to earn on average \$48,532 each year and females \$58,993. This finding is linked to the prevalence of male apprentices within the Education and Training sector who are earning very low salaries while training.

Female key management personnel within the Rental, Hiring and Real Estate Services sector can expect to earn 40% less than their male peers when taking into account total remuneration. Three industries record a gender pay gap in favour of women for machinery operators and drivers – Construction (-9%) and Rental, Hiring and Real Estate (-7%) in particular stand out. Very few female machinery operators and drivers exist within both these industries relative to men. Three industries also report gender pay gaps in favour of women for labourers – Arts and Recreation Services (-8%); Public Administration and Safety (-6%); and Education and Training (-2%). Finally, women employed full-time as sales workers within the Accommodation and Food Services can expect to earn 8% more than their male peers within this sector.

1 Executives refers to Other executives/general managers and does not include KMP.

		Managers	gers				N	Non-managers	rs			
Industry	Key Management Personnel	Executive Manager	Senior Manager	Other Manager	Professionals	Technicians and Trades Workers	Community and Personal Service Workers	Clerical and Administrative Workers	Sales Workers	Machinery Operators and Drivers	Labourers	All occupation classes
Agriculture, Forestry and Fishing	4%	20%	13%	12%	13%	13%	(a)	12%	26%	13%	15%	21%
Mining	17%	11%	12%	8%	17%	19%	5%	19%	37%	7%	16%	18%
Manufacturing	14%	4%	5%	6%	14%	16%	18%	14%	11%	16%	12%	14%
Electricity, Gas, Water and Waste Services	11%	11%	8%	10%	16%	17%	1%	17%	17%	16%	12%	21%
Construction	19%	20%	11%	20%	22%	20%	24%	21%	18%	-4%	4%	26%
Wholesale Trade	11%	4%	1%	5%	11%	14%	-26%	11%	5%	3%	8%	10%
Retail Trade	23%	11%	25%	18%	16%	1%	7%	8%	9%6	14%	2%	15%
Accommodation and Food Services	19%	11%	3%	9%6	14%	15%	5%	11%	-9%	-1%	1%	11%
Transport, Postal and Warehousing	18%	19%	8%	12%	36%	33%	15%	13%	16%	12%	16%	21%
Information Media and Telecommunications	18%	15%	15%	13%	18%	11%	(a)	3%	31%	12%	12%	23%
Financial and Insurance Services	23%	34%	27%	20%	22%	7%	9%6	2%	22%	(a)	21%	35%
Rental, Hiring and Real Estate Services	40%	16%	22%	12%	19%	2%	4%	-3%	32%	-6%	15%	28%
Professional, Scientific and Technical	15%	14%	15%	17%	20%	31%	12%	2%	28%	16%	42%	27%
Administrative and Support Services	33%	20%	16%	21%	32%	7%	%0	1%	22%	15%	12%	21%
Public Administration and Safety	17%	26%	22%	7%	16%	9%6	-9%	19%	21%	12%	-6%	9%6
Education and Training	12%	13%	13%	9%6	10%	-21%	11%	8%	9%6	5%	-3%	9%6
Health Care and Social Assistance	25%	20%	15%	20%	23%	3%	8%	10%	23%	5%	%0	18%
Arts and Recreation Services	35%	23%	13%	15%	24%	14%	16%	4%	%6	17%	-6%	21%
Other Services	21%	13%	11%	18%	14%	40%	23%	10%	32%	11%	14%	18%
All Industry	29%	25%	23%	24%	21%	25%	%6	8%	22%	13%	21%	24%

Note: (a) Denotes cell sizes that have less than 10 employees. Employees that do not have an assigned occupation have been excluded from this table.

See Glossary and Technical Notes for further information.

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Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

Total remuneration

Industries that have the highest gender pay gaps in base salaries generally tend also to have the highest pay gaps in total remuneration. However, there are some notable exceptions.

The Rental, Hiring and Real Estate Services record a base salary gender pay gap of 16% among their KMP (Table 10). This climbs to 40% when additional remuneration such as bonuses, superannuation and other discretionary pay is taken into account. Women KMP within this industry can expect to earn on average \$200,000 less than their male peers.

The gender pay gap for sales workers employed full-time in the Rental, Hiring and Real Estate Services doubles when total remuneration is taken into account – from 16 to 32%. For the Financial and Insurance Services industry, a 14 percentage point increase is observed for the executive occupational class (taking the total remuneration gender pay gap to 34%).

Retail Trade, Information, Media and Telecommunications, and Other Services show similarly large gender pay gap increases for the 'managerial' occupational classes, along with the sales workers' class. For example, for the Other Services industry group, executives see a 5 percentage point increase in the gender pay gap, with sales workers reporting an 11 percentage point gender pay gap increase.

GENDER SEGREGATION

The Australian labour market is highly segregated – both in relation to how men and women participate (for example, full-time or part-time) and the occupations and industries that men and women work in. In terms of the role that gender segregation plays in contributing to the gender pay gap, the impact of occupational and industry segregation is one where varying results have been found.

In order to test the impact of gender segregation on pay outcomes for men and women, here we assess the relative dominance of male or female employees at an organisational level. Taking advantage of the WGEA Gender Equality data collection framework, each organisation is categorised as either "male-dominated", "female-dominated" or "mixed". Male-dominated organisations are those where 60% or more of the workforce are men, female-dominated organisations are those were 60% or more of employees are women and mixed organisations otherwise.

The distribution of the number of organisations and male and female employees by each gender dominance category is shown in Table 11. Among the 4,670 WGEA reporting organisations, just over half (2,465) are categorised as male-dominated, with more than 60% of employees men. These organisations have around 1.23 million male workers and 450,000 female workers. A further 27% of organisations (1,299) are classified as female-dominated, constituting just over 895,000 female employees and 318,000 male employees. Reporting organisations with a more even balance of men and women number 906 within the WGEA data, and constitute around 584,000 female employees and 478,000 male employees.

TABLE 11

Gender dominance across WGEA reporting organisations

Gender Dominance	Male Employees	Female Employees	Organisations
Gender Dominance	Ν	Ν	Ν
Female-dominated	318,375	895,416	1,299
Male-dominated	1,230,079	452,951	2,465
Mixed	478,767	583,671	906
All	2,027,221	1,932,038	4,670

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

Gender Segregation and Gender Pay Gaps

The following analysis separates organisations according to the three gender dominance classifications and provides an assessment of the gender pay gap across full-time, part-time and casual workers. This is first provided for all employees (Table 12), for managers only (Figure 5) and for the non-managerial workforce (Figure 6).

The average base salary and total remuneration of all men and women across WGEA reporting organisations by the prevalence of men and women working within those organisations is shown in Table 12. In general, female-dominated organisations tend to have lower pays (both base and total remuneration) when compared to male-dominated organisations. This pattern exists across full-time, part-time and casual workers. Femaledominated organisations include those that primarily exist in Health Care and Social Assistance; Education and Training; and Arts and Recreation sectors. These sectors are renowned for lower pay compared with Men working full-time in any organisation (whether dominated by women, men or more evenly distributed) will on average, earn more than a woman working full-time. male-dominated industries of mining and construction, which are more likely to remunerate higher but also tend to be more exposed to the economic cycle.

Male-dominated organisations have the lowest gender pay gap when assessing base salaries, but the highest gender pay gap when comparing total remuneration – 16.4% and 21.0%. Men working full-time in any organisation (whether dominated by women, men or more evenly distributed) will on average earn more than a woman working full-time. The gender pay gap using base full-time salaries as a comparator is similar between male-dominated organisations and those that have a more even distribution of men and women – at 16.4% and 16.6% respectively. The base salary gender pay gap in female-dominated organisations is higher than male-dominated and mixed organisations (17.5%), although the gap is the lowest when comparing total full-time salaries (18.9%).

Performance pay and other additional remuneration plays a lesser role within female-dominated organisations, with the gender pay gap based on total remuneration increasing slightly when comparing total and base salaries. For male-dominated organisations, however, men working full-time are more likely to receive higher additional salary benefits (more than \$25,000 per year) than women (around \$15,000 per year). Consequently, the gender pay gap within male-dominated organisations is much higher when comparing total remuneration rather than base components.

For part-time workers, the gender pay gap is slightly in favour of men within female-dominated organisations, with men earning on average 4.4% more than women at a base salary level and 4.9% more when taking into account total remuneration. For part-time workers in male-dominated and mixed organisations, the gender pay gap reverts to being in favour of women. Men working part-time within male-dominated organisations can expect to earn around 13% less than female part-time employees. Similar patterns appear for part-time workers within mixed organisations, with men working part-time earning on average \$6,846 less than women.

Among casual employees, the gender pay gap is in favour of men across all organisations regardless of gender dominance. The pay gap is more prominent within male-dominated organisations – with casual male workers earning 21.6% more than female casual workers when assessed at a base salary. This gap increases to 23.6% when taking into account total pay. Gender pay gaps for casual workers within female-dominated and mixed organisations are relatively low, yet still in favour of men.

TABLE 12

Gender segregation within organisations and the gender pay gap – all employees

	Average Ba	se Salary	Average Total R	Remuneration	Gender	Pay Gap	
Gender Dominance	Women	Men	Women	Men	Base	Total	
	\$	\$	\$	\$	%	%	
Full-time							
Female-dominated	67,808	82,181	77,734	95,871	17.5%	18.9%	
Male-dominated	76,702	91,774	92,317	116,802	16.4%	21.0%	
Mixed	73,445	88,094	86,509	107,494	16.6%	19.5%	
All	73,251	90,473	86,512	113,739	19.0%	23.9%	
Part-time							
Female-dominated	53,320	55,751	61,405	64,536	4.4%	4.9%	
Male-dominated	66,784	59,166	78,305	68,232	-12.9%	-14.8%	
Mixed	52,248	46,101	60,784	53,938	-13.3%	-12.7%	
All	54,720	52,397	63,386	60,837	-4.4%	-4.2%	
Casual							
Female-dominated	51,386	54,388	57,620	60,735	5.5%	5.1%	
Male-dominated	52,634	67,100	59,185	77,478	21.6%	23.6%	
Mixed	54,217	56,140	60,806	62,838	3.4%	3.2%	
All	52,268	57,934	58,625	65,335	9.8%	10.3%	

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

Managers

The gender pay gap is wide and in favour of male managers regardless of employment status or gender dominance within organisations (Figure 5). Male managers will consistently out-earn female managers in both base and total remuneration and for female-dominated organisations the gap is even wider. Full-time male managers earn 22.4% (base) more than their female counterparts within female-dominated organisations.

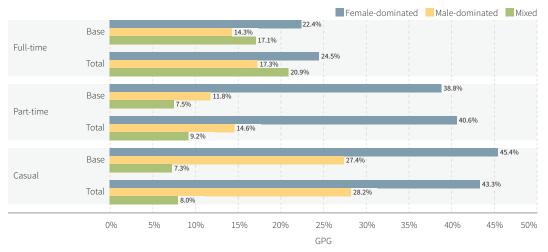
Male managers working part-time can expect a considerably greater financial reward than female part-time managers. Looking at total remuneration (FTE basis), male managers will earn on average \$171,346 per year and females only \$101,715 – a difference of 40.6%.

Female managers working in male-dominated organisations are more likely to earn salaries closer to their male colleagues, whether working full or part-time. A gender pay gap within male-dominated organisations is still evident for full and part-time workers, but lower than gender pay gaps that exist among female-dominated organisations.

Male managers working in femaledominated organisations can expect to earn considerably more than their female colleagues.

FIGURE 5

Managerial gender pay gap by gender dominance and employment status



Note: Managers comprise of all occupations from Other Manager to Key Management Personnel. Non-managers comprise occupations listed from Labourers to Professionals. See Glossary and Technical Notes for further information.

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

Female managers are better remunerated in male-dominated organisations and are more likely to earn salaries closer to those of their male peers. For casual workers, the gender pay gap among managers appears to be more pronounced in femaledominated organisations, at around 45% when assessed at a base salary level. However, this result should be treated with a degree of caution, given that very few managers work in a casual capacity (see Appendix Table 16). Large gender pay gaps also exist among managers in male-dominated organisations, some 27.4% when looking at base salaries. For mixed organisations, the gender pay gap is smaller, at around 8.3% of base salary.

Non-managers

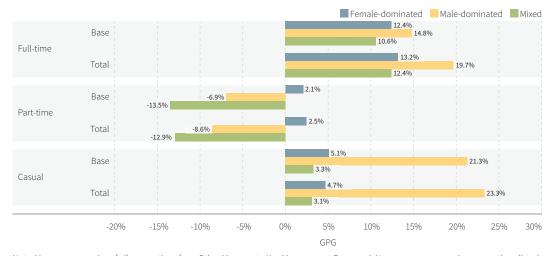
Patterns of gender pay gaps among the non-managerial workforce are similar to those observed for all workers, due to the heavy representation this group has within the WGEA reporting data (Figure 6). Of the 3.9 million employees captured within the WGEA reporting data, 10% are managers and 90% are non-managers.

Full-time non-managerial workers generally have higher gender pay gaps than the part-time and casual non-managerial workforce with the exception of casual workers in male-dominated organisations. For non-managers, the gender pay gap is highest within male-dominated organisations, particularly when considering total remuneration (19.7%), which extends the base salary gender pay gap of 14.8%. This pattern is likely to be related to gender segregation within the non-managerial workforce. Women tend to congregate in lower paying clerical and administrative roles and men in technicians and trades, which typically attract a higher salary and access to over-time.

For non-managerial part-time workers in female-dominated organisations, the gender pay gap is marginally in favour of men when considering both base and total remuneration, 2.1% and 2.5% respectively. For non-managerial part-time workers within male-dominated and mixed organisations, the gender pay gap is in favour of women. Women working part-time in a male-dominated organisation can expect to earn on average 8.6% more than men in total remuneration, and those in mixed organisations 12.9% more.

The gender pay gap for non-managerial casual workers in male-dominated organisations is considerable, reaching 21.3% at a base salary level and 23.4% when taking into account total remuneration. Non-managerial men working on a casual basis in male-dominated organisations will average a FTE salary of \$76,635 annually and women \$58,744 (see Appendix Table 17). Occupational segregation and access to overtime are likely to be driving these patterns to some degree.

FIGURE 6



Non-managerial gender pay gap by gender dominance and employment status

Note: Managers comprise of all occupations from Other Manager to Key Management Personnel. Non-managers comprise occupations listed from Labourers to Professionals. See Glossary and Technical Notes for further information. Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

GENDER EQUITY INSIGHTS 2016: INSIDE AUSTRALIA'S GENDER PAY GAP BCEC WGEA GENDER EQUITY SERIES

SPECIAL INVESTIGATIONS

MANAGERS AND NON-MANAGERS

Male managers systematically receive higher salaries than female managers indicating a 'glass ceiling' within the Australian labour market. A number of Australian studies have shown that the gender pay gap increases along the income distribution, with women in higher paid occupations more likely to earn much less than their male counterparts (see for example Kee 2006; and Watson 2010). The WGEA data show similar trends, with larger gender pay gaps among higher level occupations, indicating a 'glass ceiling' effect.

The WGEA Gender Equality data collection offers a unique opportunity to assess the representation and remuneration of men and women in managerial roles at a more granular level than what is generally available in other data sources in Australia. Generally, managers are grouped together in one category under standard occupation classifications. The WGEA Gender Equality data collection has four managerial categories, enabling career progression and the existence of glass ceilings in the upper echelons of organisations to be captured. These categories include other managers, senior managers, executives and key management personnel. Key management personnel are the top tier of managers who represent at least one of the major functions of the organisation and who participate in organisation-wide decisions with the CEO.

"Executive" is used in this report as shorthand for the grouping 'Other Executives and General Managers'. They hold primary responsibility for the equivalent of a department or business unit. In a large organisation they might not participate in organisation-wide decisions with the CEO.

The WGEA reporting data consists of 404,767 managers and 3,503,281 non-managers. The majority of managers are men (63%) and most male and female managers work full-time (93%). A sizeable number of female managers work in a part-time capacity (14% of all female managers).

In 2014-15 the total remuneration gender pay gap among all managers was 28.5%, compared with 22.9% for non-managers. Managers employed on a casual basis had the highest gender pay gap, with women earning over 41% less than men – a full-time equivalent total remuneration difference of \$76,628. Casual managers represent a relatively small number of employees within medium to large Australian companies, with around 1,400 women and 1,600 men employed in this capacity.

Managers employed full-time have a gender pay gap of almost 29%, compared with a non-managerial pay gap of 21%. Male managers working full-time earn on average \$53,000 more than female full-time managers when assessing total remuneration.

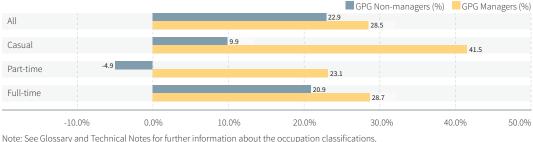


FIGURE 7

Managerial and non-managerial gender pay gap by employment status, total remuneration

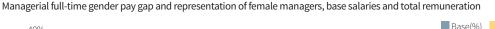
Note: See Glossary and Technical Notes for further information about the occupation classificat Source: Authors' calculations based on WGEA Gender Equality data, 2014-15. Part-time managers also show a considerable gender pay gap, despite an employee wide pay gap in favour of women. Female part-time managers earn 23.1% less than their male counterparts, whereas the pay gap is in favour of women for non-managerial part-time workers (-4.9%).

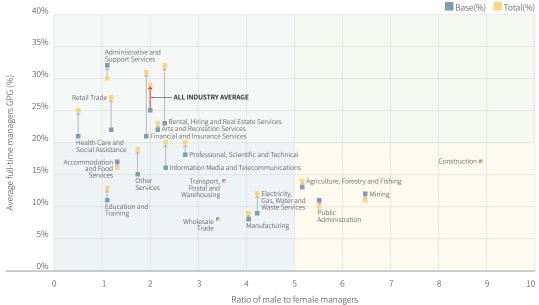
Separating out the gender pay gap by managerial and non-managerial workers Figure 8 and Figure 9 show the relationship between the gender distribution of managers and non-managers and the average remuneration of full-time workers across industries. A number of observations are of note. First, for the majority of industries there is a negative relationship between the managerial gender pay gap and the ratio of male to female managers (Figure 8). That is, the more even the balance of male to female managers, the greater the managerial gender pay gap.

Second, the difference between the base salary and total remuneration gender pay gap is negligible for industries with a higher ratio of male to female managers yet lower lower gender pay gap. For example, organisations in the construction industry employ around nine male managers for every one female manager. Yet the managerial gender pay gaps are both relatively low for this sector, and relatively similar in base salary and total remuneration, at 16.5% and 17.3% respectively. Mining, Public Administration, Manufacturing, Wholesale Trade, Agriculture, Forestry and Fishing, and Transport, Postal and Warehousing sectors which all have relatively dominant male managerial workforce are among those industries with the lowest managerial gender pay gap and with the smallest distance between base and total managerial gender pay gaps. This suggests that female managers working in a dominant male managerial environment are more likely to be paid closer to their male counterparts than female managers working in industries with a more balanced representation of male and female managers.

Female managers are more likely to be remunerated closer to their male peers if the managerial environment is heavily male-dominated.

FIGURE 8





Note: See Glossary and Technical Notes for further information about the occupation classifications. Source: Authors' calculations based on WGEA Gender Equality data, 2014-15. For non-managers, the gender pay gap is more closely clustered when distributed against the ratio of male to female non-managers across industries (Figure 9). Gender segregation is less pronounced among non-managers but still evident, particularly among the construction, mining and public administration sectors.

The difference between base salary and total remuneration is greater for non-managerial workers within a number of industries when compared to the managerial base and total remuneration gap.

FIGURE 9





Note: See Glossary and Technical Notes for further information about the occupation classifications. Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

MANAGEMENT TRAJECTORIES AND 10-YEAR CAREER EARNINGS

As shown above, larger gender pay gaps exist at managerial levels when compared with non-managerial workers. Within the managerial grouping, the gender pay gap widens as the management level increases. Differences in the average base and total remuneration of male and female managers across management categories are shown in Figure 10. Male total remuneration is the highest amongst all managerial categories, reaching an average of almost \$350,000 annually for key management personnel. This compares starkly with the average total remuneration of female key management personnel, which stands at \$250,000 – \$100,000 less. A notable feature of these comparisons is that the average total remuneration for female managers is equal to the base salary for male managers across all managerial groupings.

The gender pay gap widens as the management level increases

FIGURE 10

Average annual salary by management level, base salary and total remuneration



Note: See Glossary and Technical Notes for further information about the occupation classifications. Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

These gaps in remuneration can result in significant differences in earnings not only on an annual basis, but also as men and women progress through their careers. Here, three plausible scenarios are tested spanning a 10-year managerial career trajectory to assess the longer-term differences in remuneration that men and women in management roles receive.

The first scenario assumes that male and females progress through management categories at the same pace, spending 3 years in each of the management categories (other, senior and executive) before moving to a key management position in the final year of a 10-year career pathway. The second scenario assumes that men move towards a key management position at a rate that is twice as fast as women, spending only 1.5 years in each management category and reaching a KMP level within 4.5 years. And lastly, the third scenario assumes a more unlikely trajectory, with women moving to a KMP position at twice the rate of men.

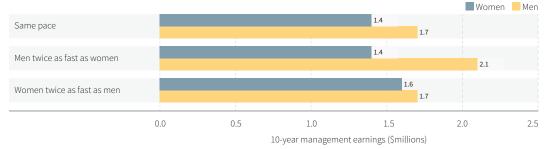
If men and women climb the managerial ladder at the same rate, reaching a KMP role in their tenth year, men can expect to earn \$2.3 million and women \$1.7 million over this period – a difference of \$600K. Using information about the average annual salary men and women can expect at each managerial level, career earnings over a ten-year period for full-time workers are calculated through amalgamating annual earnings given the expected tenure within each management category. An underlying assumption of the modelling is that men's and women's salaries within managerial occupations do not increase at different rates. The outcomes of these 10-year managerial career earnings across the three scenarios are depicted in Figure 11 and Figure 12.

If men and women move through managerial positions at the same pace, working full-time along the way, and reaching a KMP role in their tenth year, men can expect to earn \$1.7 million and women \$1.4 million over this period in their base salary – a difference of \$300K. When taking into account total remuneration, average 10-year earnings increase to \$2.3 million for men and \$1.7 million for women – a difference of \$600K.

Taking an alternate scenario, where men move to a key management role at a rate twice as fast as women, the 10-year managerial career earnings gap widens substantially, with men working full-time earning on average \$2.1 million over the ten year period and women earning \$1.4 million – a difference of 33%. When total remuneration is taken into account the difference increases to 42%.

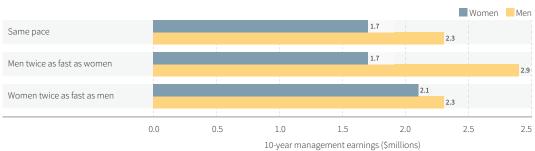
FIGURE 11

10-year managerial career earnings - base salary



Note: See Glossary and Technical Notes for further information about the occupation classifications. Source: Authors' calculations based on WGEA Gender Equality data, 2014-15. A third example shows the outcome of a less likely management trajectory scenario, where women move at a rate twice as fast as men reaching a key management role within 4.5 years. If women on this management pathway take home the average base salary within each managerial occupation they will still end up with lower earnings over a 10 year period than men – \$1.6 compared to \$1.7 million. In terms of total remuneration, this equates to a difference of \$200K, where women managers can still expect to earn around 10% less than men.

FIGURE 12



10-year managerial career earnings - total remuneration

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

FEMALE BOARD REPRESENTATION

Female representation on governing bodies and Boards speaks to basic considerations of gender equity in recognising the achievements of women in senior leadership positions. Female representation on governing bodies and Boards (referred to as Boards hereafter) speaks to basic considerations of gender equity in recognising the achievements of women in senior leadership positions. Yet there are many additional benefits from achieving gender balance in Board representation. The role model effect from seeing women on Boards gives powerful encouragement to talented women in management positions. Achieving gender balance in organisational governance structures is both reflective of, and can lead to, a broader recognition of equity and diversity in core business values. And there is strong evidence to show that improved gender diversity leads to better decision-making and business outcomes. A number of studies have shown a positive effect of Board gender diversity on outcomes such as corporate performance (see for example Adams and Ragunathan, 2013; Anderson et al., 2011), fraud (Capezio and Mavisakalyan 2015), and social responsiveness (e.g. Galbreath 2011; Williams 2003).

This special investigation looks at the issue of gender balance on Australian organisational Boards. We look at the share of women currently serving in governance roles for businesses and organisations in different industry sectors, and seek to identify whether female Board membership varies according to organisational size, or the gender dominance of employees.

To provide context to our findings, we report the number of organisations, the total number of employees, and the average number of employees in each employment type and occupational category alongside the level of female Board representation. We also explore whether female representation on company Boards – either as Directors or Board Chairs – is related to reduced gender pay gaps for women.

Women on Boards in Australia - the current picture

The 2014-15 WGEA Gender Equality data collection provides us with a comprehensive picture of women's representation on governance Boards in medium to large private businesses and organisations in Australia. Specifically, the WGEA data report the number of women and men serving as Directors – either as Board Chairs or non-Chairing Board members².

Figure 13 shows the gender balance in Board representation for organisations, both overall and broken down by industry sector. We represent women on Boards using the following categories:

- no female Board members
- up to a quarter of Board members are female
- more than a quarter and up to a third of Board members are female
- more than a third and up to a half of Board members are female
- more than a half of Board members are female

² The data on Board representation used in this report are provided at an organisational unit level, so that larger organisations that operate with more than one Board will typically report overall counts for Board representation only, rather than separate figures for the gender make-up of each Board within their governance structure. Where appropriate, the research findings in this report include average measures of gender composition for those organisations with more than one Board. Data on Board representation are missing for a small proportion (2.8 per cent) of organisations.

Overall, around 37% of organisations in the WGEA Gender Equality data collection have no female representation on their Boards (Figure 13). For 29.8% of organisations, women directors make up no more than a quarter of all Board members. Around 12.7% of organisations have up to a third of female Board members, and a further 14.1% up to a half. Only 6.3% of organisations have more women than men serving on Boards.

There is a huge gap between the best and worst performing industry sectors when it comes to achieving gender equity in Board representation. For example, there are no women sitting on Boards for at least half of all organisations in Retail (50.7%), Mining (54.2%), Wholesale (55%), Manufacturing (56.8%), Construction (61.3%), Public Administration and Safety (64.7%), and Agriculture, Forestry and Fishing (69.6%).

In contrast, nearly two in five organisations in Health Care and Social Assistance (17.3%) and one in eight in Education and Training (12.4%) have over 50% female representation on their Boards. Our findings indicate a clear gender-industry gradient in the share of women serving on Boards.

FIGURE 13

Proportion of women on Boards and governing bodies, by industry

All industries	37.1			2	9.8		2	6.8		6.3	
Education and Training	8.0	28.9		50).8				1	.2.4	
Health Care and Social Assistance	9.8	25.4		47.	5				17.3		
Arts and Recreation Services	22.5		50.0					20.4		7.1	
Other Services	24.8		29.0			32.4			13	.8	
Financial and Insurance Services	26.9		41.5	5				28.6			3.0
Administrative and Support Services	35.2			24.8	3		32.2			7.8	
Electricity, Gas, Water and Waste Services	39.2				39.2			1	19.6		2.0
Professional, Scientific and Technical Services	40.3				39.2				18.1		2.0
Accommodation and Food Services	42.6				33.1			21.	1		3.0
Information Media and Telecommunications	42.6				32.8			19.7	7	4.9	
Rental, Hiring and Real Estate Services	44.3				37.1				15.7		2.9
Retail Trade	50.7					25.3		17.	9	6.1	
Transport, Postal and Warehousing	54.2					29.2			16.2		0.5
Mining	55.0					33.1				11.3	0.0
Wholesale Trade	55.5					21.8	3	18	8.0	4.7	7
Manufacturing	56.8					24	.5		18.0		0.8
Construction	61.3						28.3			10.0	0.5
Public Administration and Safety	64.7						23.	5		11.8	0.0
Agriculture, Forestry and Fishing	69.6							19.6		8.7	2.0

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100% Notes: For industry figures, percentages refer to the proportion of companies in each industry sector who report female Board representation of at least one third, or at least one half.

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

Overall, around 37% of organisations have no female representation on their governance Boards.

TABLE 13

Female Board representation by industry and gender dominance

		Proport	tion of compan	y Boards	with	
	At least one female mer		At least on female me		Female B Chairs	
Industry						
Health Care and Social Assistance	60.2%	1	30.7%	1	21.5%	2
Education and Training	53.6%	2	21.4%	2	27.2%	1
Other Services	42.9%	3	20.4%	3	19.7%	3
Administrative and Support Services	31.4%	4	17.4%	4	16.1%	5
Retail Trade	22.1%	7	11.9%	5	9.3%	9
Public Administration and Safety	10.5%	18	10.5%	6	0.0%	19
Financial and Insurance Services	26.9%	5	10.1%	7	12.2%	6
Wholesale Trade	20.7%	9	9.5%	8	7.2%	13
Accommodation and Food Services	18.2%	12	9.3%	9	8.5%	10
Transport, Postal and Warehousing	15.5%	15	9.3%	10	7.7%	12
Arts and Recreation Services	19.4%	10	9.2%	11	17.3%	4
Information Media and Telecommunications	21.6%	8	8.8%	12	12.0%	7
Rental, Hiring and Real Estate Services	22.2%	6	8.3%	13	4.2%	16
Professional, Scientific and Technical Services	18.9%	11	8.1%	14	7.9%	11
Agriculture, Forestry and Fishing	13.0%	16	6.5%	15	4.3%	15
Manufacturing	17.5%	13	6.2%	16	3.6%	17
Electricity, Gas, Water and Waste Servic	17.0%	14	5.7%	17	11.3%	8
Mining	8.9%	19	4.2%	18	3.6%	18
Construction	10.9%	17	3.5%	19	5.0%	14
Gender dominance						
Female-dominated companies	49.0%		25.9%		21.5%	
Mixed gender companies	34.1%		13.1%		14.7%	
Male-dominated companies	17.0%		6.8%		6.5%	
All industries	29.1%		13.3%		12.2%	

Notes: For industry figures, percentages refer to the proportion of companies in each industry sector who report female Board representation of at least one third, or at least one half. Companies are categorised as female (male) dominant if they employ at least 60% of women (men), and as 'mixed gender' otherwise.

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

Table 13 presents a summary and ranking across industries of the proportion of Boards chaired by women. The analysis is for two purposes – first to report on the prevalence of female Chairs using the latest WGEA Gender Equality data collection, and second, to examine the strength of association between gender balance in Board membership and the share of female Board Chair appointments.

Just over 12% of Boards across all industries are chaired by women – significantly below the share of women serving as Board directors, at just under 20% overall. However, if we look underneath these averages, we find some industries rate relatively highly in terms of appointing women to Board chair roles. Around 27% of Boards in the Education and Training sector are chaired by women, followed by 21.5% for organisations in the Health Care and Social Assistance sector. On the other hand, none of the Public Administration and Safety organisations in the WGEA Gender Equality data collection have women Board Chairs, despite more than 10% of Boards in the sector having at least as many female as male Board Directors.

Gender pay gaps and women's representation on company Boards

How do relative gender pay gaps vary for companies in different industry sectors? And how do these vary according to the average female Board representation by industry? Is there an association between gender pay gaps and the proportion of women serving on company Boards? Using the 2014-15 WGEA dataset, we compare gender pay gaps across organisations with different levels of female representation on their Boards and governing bodies. To provide more insight, we look separately at gender pay gaps for managers and non-managers; and for those in full-time, part-time and casual employment.

Figure 14 shows combinations of the relative gender pay gap and the relative proportion of women on Boards for each of the nineteen 1-digit ANZSIC industry classifications. Industry sectors in the north-west segment of Figure 14 – principally Health Care and Social Assistance, and Education and Training (female-dominated industries) – combine relatively high female Board representation with relatively low (full-time) gender pay gaps. Conversely, industry sectors in the south-east segment – Construction, Rental, Hiring and Real Estate Services, and Professional, Scientific and Technical Services – have a combination of relatively low female Board representation and representation and relatively high gender pay gaps. Companies in the Financial and Insurance Services sector have a greater proportion of women on Boards, but relatively high gender pay gaps.

Just over 12% of Boards across all industries are chaired by women – significantly below the share of women serving as Board directors, at just under 20% overall.

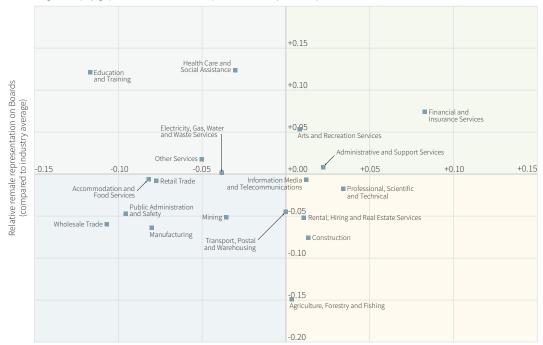


FIGURE 14 Relative gender pay gaps and female Board representation by industry

Relative gender pay gap (compared to industry average)

Notes: Relative female Board representation for companies in each industry sector is calculated by subtracting the overall share of women on Boards (all industries) from the average share of women on Boards among companies in each industry. Similarly, the relative gender pay gap for each industry is calculated by subtracting the overall gender pay gap (all industries) from each industry-specific average. Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

Gender pay gaps and women on Boards: are they linked?

Does female representation on company Boards influence the size of the gender pay gap? To test for such an association, it would be tempting to rely purely on a comparison of average pay gaps for companies with different shares of women on Boards. However, if such patterns do exist, they may not be driven directly by the effects of women on Boards, but more by other compositional differences between organisations that have high or low female Board representation.

We apply regression methods to separate the association between female Board representation and gender pay gaps from other factors that may be contributing to gender pay differences.³ Specifically, regression

³ Regression is a statistical approach that provides a basis for modelling multiple associations between explanatory factors and an outcome of key interest (in our case, gender pay gaps). A brief description of the benefits, limitations and assumptions for this modelling method is provided in the Glossary section of this report.

techniques are used to capture the drivers of average gender pay gaps for workers employed in full-time, parttime and casual manager and non-manager positions. Along with the share of female Board members, we control additionally for industry sector, firm size, gender segregation, and whether firms follow performancerelated pay processes in general, and gender pay equity policies in particular.

Table 14 reports a benchmark set of estimates for the association between gender pay gaps and the proportion of women serving on company Boards. These results are striking, and provide the strongest evidence to date that increased female Board representation is associated with reductions in gender pay gaps. The effects are highly significant and especially pronounced for full-time and part-time managers, and for part-time employees in non-managerial positions.

An increase in women's representation on company Boards from zero (no women on Boards) to 50% (an equal proportion of women and men) is associated with:

- a 6.3 percentage point reduction in the gender pay gap for full-time managers
- a 7.8 percentage point reduction in the gender pay gap for part-time managers
- insufficient data to estimate any change in the gender pay gap for casual managers
- a 2.6 percentage point reduction in the gender pay gap for full-time non-managers
- a 4.6 percentage point reduction in the gender pay gap for part-time non-managers
- a 1.8 percentage point reduction in the gender pay gap for casual non-managers

Why is this so? There are several possible explanations for these findings. A greater representation of women in senior leadership and Board positions is likely to signify that an organisation is fairer overall, with better internal human resource strategies, a greater awareness of gender and potentially stronger policies in place to promote gender equality.

Results from the regression analysis in Table 14 provide compelling evidence of a strong (and statistically highly significant) association between achieving gender balance on Boards and improved gender pay equity. By controlling for other factors that could prospectively explain the variation in observed gender pay differentials, this approach allows us to identify the link between pay gaps and gender balance on Boards with more accuracy.

Increasing the share of women on Boards from zero to equal representation is associated with a 6.3 percentage point reduction in the gender pay gap for full-time managers.

TABLE 14

Gender pay gaps by employment status and occupation class: multivariate regressions

Dradistar		Manager		Non-manager			
Predictor	Full-time	Part-time	Casual	Women	Men	Casual	
Firm size (base: <250)							
250-499	-0.0076	-0.0536	-0.0536	-0.0074	-0.0028	0.0144	
500-999	-0.0266 ***	-0.1170 **	-0.1170	-0.0218 **	-0.0281 *	0.0058	
1000-4999	-0.0249 ***	-0.1580 ***	-0.1580	-0.0134	-0.0221	-0.0059	
5000+	-0.0032	-0.1641 ***	-0.1641	-0.0268 ***	-0.0638 ***	-0.0368 **	
Industry (base=Agriculture)							
Mining	-0.0727 ***	-0.0942	-	-0.0544 **	-0.1034	-0.1910 **	
Manufacturing	0.0084	0.0321	0.1352	0.0288	0.0215	-0.0034	
Electricity, Gas, Water and Waste Services	-0.0115	-0.1150	-	-0.0148	-0.0461	-0.0859 *	
Construction	-0.0644 **	-0.1334	0.5193	-0.0560 **	-0.0837	-0.0847 **	
Wholesale Trade	0.0053	-0.1518	-	0.0590 **	-0.0220	-0.0371	
Retail Trade	-0.0144	0.3221	0.1683	0.0725 ***	0.0187	0.0124	
Accommodation and Food Services	0.0439	0.0714	0.2713	0.0761 ***	-0.0593	-0.0093	
Transport, Postal and Warehousing	-0.0379	-0.0197	0.2057	-0.0283	-0.0156	-0.0250	
Information Media and Telecommunications	-0.0192	0.0564	-	-0.0259	0.0844	-0.0509 **	
Financial and Insurance Services	-0.0506 **	-0.1357	0.1033	-0.0054	0.0187	-0.0886 **	
Rental, Hiring and Real Estate Services	-0.0906 ***	-0.2188	0.4559	0.0233	0.0703	0.0551	
Professional, Scientific and Technical	-0.0367	-0.1584	0.1450	-0.0190	-0.0712	-0.0853 **	
Administrative and Support Services	0.0034	0.0473	0.1667	0.0537 **	-0.0355	-0.1089 **	
Public Administration and Safety	0.0403	-0.1166	-	0.0711 **	-0.0637	0.0403	
Education and Training	0.0625 **	-0.1746	0.1681	0.0800 ***	-0.0474	-0.0330 *	
Health Care and Social Assistance	0.0373	-0.1834	0.0294	0.0881 ***	-0.0097	-0.0445 **	
Arts and Recreation Services	-0.0513 *	0.0051	0.0235	0.0278	-0.0387	0.0085	
Other Services	0.0187	-0.0557	1.5034	0.0150	-0.0455	-0.0464 *	
Gender dominance (base: female-dominant)							
Male-dominated	-0.0020	0.0404	-0.2109	-0.0210 *	-0.0208	-0.0295 **	
Mixed	-0.0018	0.0446	-0.0269	-0.0211 **	0.0046	0.0082	
Remuneration Policies and strategies							
Has remuneration policy/strategy	-0.0139	0.0139	0.0171	-0.0318 ***	0.0149	0.0172	
Has specific pay equity objectives	0.0065	0.0847 ***	0.1662	0.0024	0.0171 *	-0.0157 **	
Has standalone policy	0.0142 *	-0.0406	-0.0687	0.0141 *	-0.0233 *	-0.0121	
Has policy within another policy	0.0163 *	-0.1147 ***	-0.1445	0.0105	0.0019	-0.0342 **	
Has standalone strategy	0.0007	-0.0403	-0.1136	0.0192 ***	-0.0158	-0.0208 **	
Has strategy within another strategy	0.0053	-0.0536	-0.0792	0.0106	-0.0639 ***	-0.0386 **	
Governing bodies							
Proportion of female Board members	0.1253 ***	0.1550 ***	-0.0012	0.0512 ***	0.0921 ***	0.0355 **	
Missing female Board membership	0.0148	-0.0301	-0.0592	0.0018	-0.0258	0.0205 *	
Proportion of female Board Chairs	0.0141 **	-0.0252	0.1169	0.0092	0.0021	0.0016	
Proportion of female employees	-0.2839 ***	-0.0713	0.1819	-0.1839 ***	-0.2308 ***	0.0736 **	
Administrative and Support Services	0.0034	0.0473	0.1667	0.0537 **	-0.0355	-0.1089 **	
Constant	0.9549 ***	1.1131 ***	0.9327	0.9794 ***	1.2101 ***	0.9725 **	

Notes: Organisations that do not report Board membership or report one Board member are excluded from the analysis.

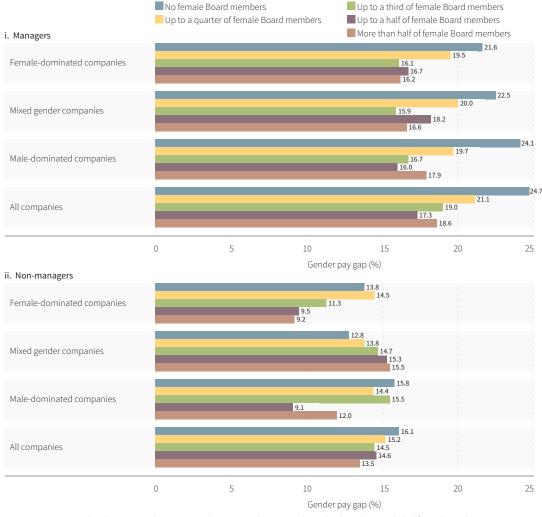
Source: Authors' estimates based on WGEA Gender Equality data, 2014-15.

Further regressions (Appendix Table 21 and Table 22) differentiate the drivers of gender pay gaps in two dimensions – organisational gender dominance and Board gender balance – alongside controls for other sources of variation in pay differentials. Our findings show that gender pay gaps in male-dominant organisations fall more than those in female-dominant organisations when female Board representation rises (Figure 15). Relative to male-dominant organisations with no women on Boards, the gender pay gaps among male-dominant organisations with half female Board representation are lower by an average of 8.2% compared with those organisations with no women on Boards. For female-dominant organisations, the comparable figure is under 5%.

Gender pay gaps in male-dominant organisations fall more than those in female-dominant organisations when female Board representation rises.

FIGURE 15

Full-time gender pay gaps by female Board representation and gender dominance



Notes: Organisations that do not report having a Board or report only one Board member have been excluded from the analysis. Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

THE MALE 'BONUS' PREMIUM

Is there a male 'bonus' premium in Australia? Men and women typically receive additional remuneration beyond their base salaries. A total remuneration package might include extra payments from employers in the form of superannuation, bonuses, commissions, share allocations, allowances, overtime or other discretionary pay. This begs an important question: are gender pay gaps larger when total remuneration is taken into account? In other words, is there a male 'bonus' premium in Australia?

Superannuation is expected to be more or less the same in proportionate terms for both men and women, although industry variations do exist. Beyond this, differential access to other forms of discretionary pay can lead to gender variations in the additional remuneration received.

This section examines the difference between additional remuneration men receive on top of their base salary compared to what women receive, using the concept of a male 'bonus' premium, which measures the percentage point difference between how much extra men and women receive beyond their base salary. Table 15 shows the male 'bonus' premium by employment status. For both women and men, the male 'bonus' premium is greatest for full-time workers. Women working full-time are paid an additional 18.1% of their base salary in total and men an additional 25% of their base salary, resulting in a difference of 7.6 percentage points.

The male 'bonus' premium is greatest amongst full-time employees, where men's additional remuneration exceeds women's by almost 8 percentage points. The male 'bonus' premium for part-time and casual workers is very small at less than 1 percentage point. Part-time male and female workers both receive additional remuneration worth around 16% of their base salary. For casual male and female workers, this additional remuneration is just over 12% of their base salary.

TABLE 15

Male 'bonus' premium by employment status

En la contra de la c		Women			Men		Male 'bonus'	
Employment Status	Base	Total	Total/Base a*	ase a* Base Total Total/B		Total/Base b*	premium (b*-a*)	
Full-time	\$73,251	\$86,512	118.1%	\$90,473	\$113,739	125.7%	7.6%	
Part-time	\$54,720	\$63,386	115.8%	\$52,397	\$60,837	116.1%	0.3%	
Casual	\$52,268	\$58,625	112.2%	\$57,934	\$65,335	112.8%	0.6%	
All	\$61,825	\$71,812	116.2%	\$80,345	\$99,056	123.3%	7.1%	

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

Male Bonus Premium by Occupation

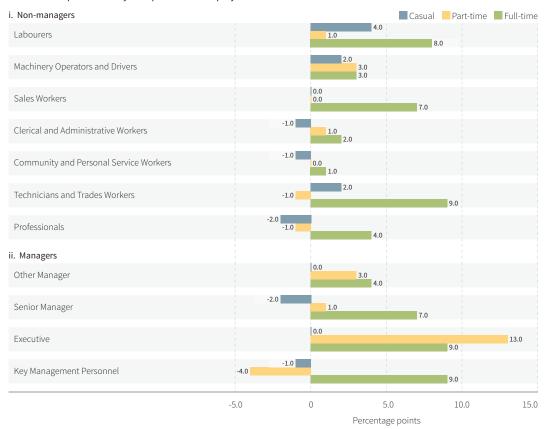
In general, the male 'bonus' premium is mostly in favour of men with the exception of some occupations and employment status categories (Figure 16). Among full-time workers, the premium is highest at 9 percentage points in the key management personnel, executive, and technicians and trades workers occupations, followed by labourers (8 percentage points). Hence, it would appear that the male 'bonus' premium in the full-time sector is highest in either high-level managerial roles or male-dominated blue collar jobs. The full-time premium is lowest at 1 percentage point in the female-dominated community and personal service workers occupation.

For part-time workers, the male 'bonus' premium is highest at 13 percentage points among executives. There is strong variation within the broad managerial occupation class, with the premium in key management personnel occupations favouring women. In most part-time non-managerial occupations, the male 'bonus' premium is negligible indicating that men and women receive similar proportions of additional remuneration beyond their base pay in most cases.

For casual workers, the male bonus premium is very small, with the possible exception of the maledominated labourers occupation in which the premium is 4 percentage points.

FIGURE 16

Male 'bonus' premium - by occupation and employment status



Note: Employees that do not have an assigned occupation have been excluded from this table. See Glossary and Technical Notes for further information about occupation classifications.

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

Male Bonus Premium by Industry

Figure 17 shows the male 'bonus' premium across industries and employment status. For full-time workers, the premium is greatest in the Financial and Insurance Services industry. In this sector women working full-time are paid on average an additional 23% on top of their base salary, whereas men can expect to earn an additional 37% beyond their base level, resulting in a difference of 14.6 percentage points. The second largest premium is found in Rental, Hiring and Real Estate Services (13.6 percentage points), followed by the Electricity, Gas, Water and Waste Services and Construction industries (each at 9.5 percentage points).

In the part-time sector, the largest premiums in favour of men are found in the male-dominated Construction industry at 9.9 percentage points, followed by the Agriculture, Forestry and Fishing industry at 5.5 percentage points. Like the full-time sector, the Financial and Insurance Services and Rental, Hiring and Real Estate Services industries also feature relatively strong premiums favouring men at 4.7 and 4 percentage points respectively.

However, among part-time workers, the premium favours women across a larger number of industries than in the full-time sector. This is especially prominent in the Mining industry in which the premium is -13.9 percentage points. In this industry, women working part-time are paid on average an additional 26.8% on top of their base salary, whereas men are paid an additional 12.9%, resulting in a difference of -13.9 percentage points. As discussed earlier, men and women working part-time in the mining sector are likely to be doing very different jobs. Men are more likely to be employed as labourers and women as professionals or clerical and service workers. Male part-time labourers in the mining sector receive an additional 12% in remuneration beyond their base salaries, whereas women employed part-time as professionals in the mining sector receive on average an extra 26%.

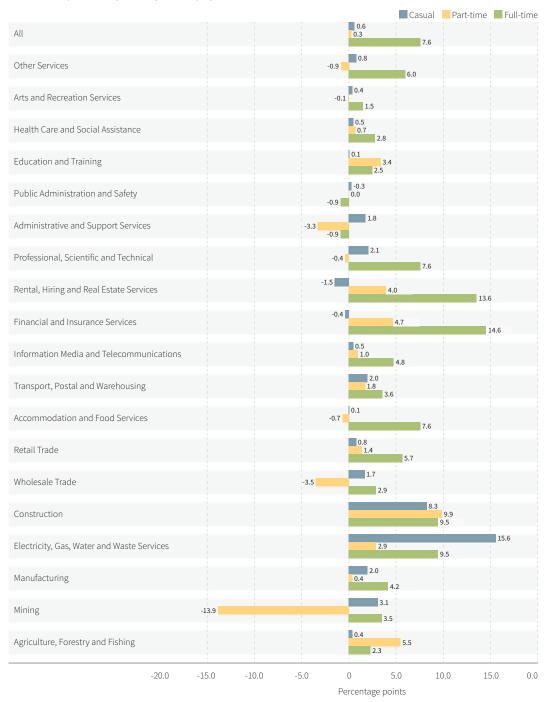
It is noteworthy that for seven of the 19 main industry divisions, the male 'bonus' premium is between -1 and 1 percentage points for part-time workers, indicating little to no gender variation in the receipt of additional remuneration on top of the base salary. This trend is even more pronounced in the casual sector where ten out of 19 industries have a premium that falls between -1 and 1 percentage points.

For full-time workers, the male 'bonus' premium is greatest in the Financial and Insurance Services industry. The casual sector tends to offer small male 'bonus' premiums, with the exception of the Electricity, Gas, Water and Services (15.6 percentage points) and Construction (8.3 percentage points) industries. In the Electricity, Gas, Water and Services industry, casual female workers are paid on average an additional 13.6% on top of their base salary, whereas men are paid an additional 29.2%, resulting in a difference of 15.6 percentage points.

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FIGURE 17

Male 'bonus' premium by industry and employment status



Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

Male 'Bonus' Premium and the Gender Pay Gap

The relationship between the gender pay gap and the male 'bonus' premium for full-time workers is shown in Figure 18. Overall, the figure highlights several key trends. Firstly, industries with the largest premiums also have the largest full-time gender pay gap at base salary level. This points to the double disadvantage experienced by full-time female workers in some industries, in which they receive a lower base salary relative to men, and are also less likely to receive additional remuneration than their male counterparts. These include the Financial and Insurance Services, Rental, Hiring and Real Estate Services, Electricity, Gas, Water and Waste Services, and Construction industries.

On the other hand, there are some industries in which both the base gender pay gap and the male 'bonus' premium are relatively low, indicating greater equality between men and women in terms of their base salary and access to additional remuneration beyond this amount. These include the Public Administration and Safety and Education and Training sectors.

A third category of industries have reasonably high full-time gender pay gaps at base salary level but low male 'bonus' premiums. In these industries, men's base salaries are noticeably higher than women's, but both genders have similar access to additional remuneration. These include the Administrative and Support Services and Arts and Recreation Services industries.

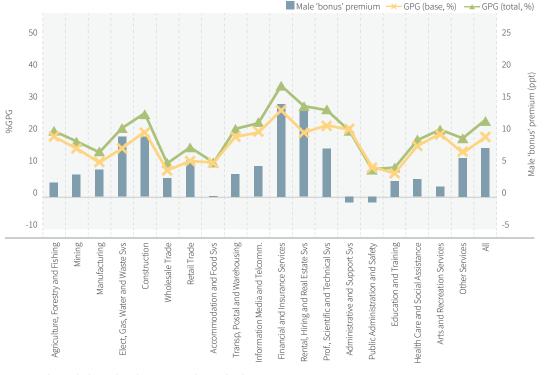


FIGURE 18

Full-time gender pay gap and male 'bonus' premium

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

BCEC WGEA GENDER EQUITY SERIES

DISCUSSION AND SUMMARY

DISCUSSION AND SUMMARY

The persistent gender pay gap is an economic, political and social issue. Gender pay gaps remain a permanent feature of the Australian labour market, having barely shifted in the last twenty years despite the advances women have made in both educational attainment and workforce participation and the introduction of legislation prohibiting discriminatory behaviours.

Gender pay gaps can be a sign of both direct and indirect biases, both of which are problematic for a number of reasons. They signal inequity in a society that has been built on the concept of a 'fair go'. They result in poorer outcomes for women in terms of economic and personal freedoms. They impair and stunt economic growth for nations looking to remain competitive on a global scale. Furthermore, they represent a lost opportunity in human capital investment and potential.

The new WGEA Gender Equality data creates an opportunity to provide valuable insights into gender pay gaps across Australian organisations, and to use this information to better target policy for governments and the business sector. The report looks in detail at how gender pay inequalities differ across industry sectors and occupational seniority and presents part-time and casual gender pay data for the first time.

The report's findings draw attention to the greater remuneration men receive compared to women in almost every scenario but particularly among more senior occupation levels, where award agreements play a lesser role and pay setting is more discretionary in nature.

Large and persistent gender pay gaps among managers highlight the likely evidence of biased organisational behaviours, where men are given preferential recruitment and pay treatment over women at senior management levels. This is further evidenced by the greater additional remuneration that men receive compared to women beyond their base salary in the form of bonuses, superannuation and other discretionary pay.

These differences in remuneration at the top end of the occupation scale are shown to have severe negative impacts on women's expected career earnings, where women progressing through managerial levels at the same pace as men can expect to earn \$600K less in a ten-year period. These gaps are also likely to disincentivise career progression for many women, as even if they do make it to a managerial role, they can expect to be remunerated far less than their male peers once there.

At the other end of the occupation spectrum, the protection that awards and collective workplace agreements afford lower paid workers is apparent. Gender pay gaps among sales, service and clerical workers are very low or non-existent, with some marginally in favour of women. This is the case for part-time workers, where women dominate low paid occupations, which results in an overall part-time gender pay gap in favour of women of -4.4%. However, a larger pay gap in favour of men exists among more senior positions regardless of full or part-time status.

A more positive finding borne out by a special investigation in this report reveals the benefits of increased female representation on governing Boards and how this trickles down to reduced gender pay gaps across the organisation.

The report shows that a greater representation of women on Boards is associated with significant reductions in gender pay gaps, even after taking account of other factors that are likely to influence pay gaps at an organisational level. Specifically, increasing the share of women on Boards from zero to equal representation is associated with a 6.3 percentage point reduction in the gender pay gap for full-time managers and a 7.8 percentage point reduction for part-time managers.

The evidence within this report highlights a number of opportunities to target and reduce gender pay gaps across Australian organisations. Decisions related to recruitment and remuneration, (especially at the managerial level) are one such opportunity. Ensuring that new hires are drawn from a diverse pool, and that any tendencies to recruit in one's own image are minimised. Critically auditing the current employee pool and their remuneration and levels is also likely to result in better outcomes for gender pay gaps.

Achieving greater female representation on Boards at one level reflects a basic consideration of equity in access to governance roles between men and women. Yet this BCEC|WGEA Gender Equity Insights report has uncovered some of the strongest evidence yet that appointing more women to serve on Boards leads to improved gender outcomes, specifically, reduced gender pay gaps,

These findings are important in the sense that they add strength to the business case for greater female Board representation. The stronger this evidence becomes, the more likely it is that organisations will make the business decision to increase female representation on Boards.

In another key finding, the report finds that gender pay gaps increase when measured in terms of total remuneration rather than base salary alone. This may reflect an issue in equity of access to performance-related or bonus pay, and provides a signal to organisations to consider how performance is assessed, and how contracts and work assignments that attract bonuses are shared across genders.

GENDER EQUITY INSIGHTS 2016: INSIDE AUSTRALIA'S GENDER PAY GAP

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GLOSSARY AND TECHNICAL NOTES

About the WGEA Gender Equality Data

This report uses the 2014-15 WGEA Gender Equality dataset, which is a unique data collection within Australia. The dataset came to existence through the introduction of the Workplace Gender Equality Act 2012, which was legislated to promote and improve gender equality in remuneration and employment within Australian workplaces. The Act requires relevant ¹ employers to report annually against a number of Gender Equity indicators. The dataset is effectively a Census of all private businesses and organisations that have 100 or more employees and can be considered population level data. The first reporting year of the WGEA data was 2013-14.

The 2014-15 WGEA Gender Equality dataset is based on 4,670 reports submitted on behalf of 12,229 employers in accordance with the Act for reporting period 1 April 2014 to 31 March 2015. The dataset captures around 4 million employees – which equates to approximately 40% of all employees in Australia.

The WGEA Gender Equalty data collection does not cover public sector organisations, and is therefore likely to demonstrate different patterns because of this, particularly when assessing the characteristics of these organisations within industry groupings that have a large public sector presence. It also does not cover small businesses and a significant proportion of medium sized businesses that have less than 100 employees.

Measurement of Pay

Two principal measurements of remuneration are captured within the WGEA data, with organisations reporting both the average 'base' salary and 'total' remuneration each employee receives.

Base salary is considered to be the annual salary, including salary sacrificed items, but excluding allowances, superannuation and any other additional payments. Total remuneration includes base salary plus any additional benefits whether payable directly or indirectly, whether in cash or in a form other than cash. Includes among other things, bonus payments (including performance pay), superannuation, discretionary pay, other allowances, and other (for example share allocations). Overtime is included as the actual overtime amount paid.

Part-time remuneration data collected within the WGEA Workplace profile dataset is based upon a full-time equivalent (FTE) annualised value that is estimated by each reporting organisation. A calculator is provided to organisations as a support tool to convert part-time wages and salaries to annual FTE values.

1 See Definitions for further information.

Definitions

Relevant Employer

(a) a registered higher education provider that is an employer; or (b) a natural person, or a body or association (whether incorporated or not), being the employer of 100 or more employees in Australia; but does not include the Commonwealth, a State, a Territory or an authority.

Base Salary

The annual salary, including salary sacrificed items, but excluding allowances, superannuation and any other additional payments.

Total Remuneration

Includes base salary plus any additional benefits whether payable directly or indirectly, whether in cash or in a form other than cash. Includes among other things, bonus payments (including performance pay), superannuation, discretionary pay, other allowances, and other (for example share allocations). Overtime is included as actual overtime amount paid.

Part-time Employees

Employees who are engaged to work a minimum number of hours per week, that is, less than what constitutes full-time hours in a specific reporting organisation. These are reasonably predictable hours with a guaranteed number of hours of work.

Full-time Employees

Employees who are engaged to work a minimum number of hours per week defined as full-time by a specific reporting organisation. Hours are reasonably predictable with a guaranteed number of hours of work per week. Please refer to what constitutes full-time hours in your specific organisation, for example 37.5, 38 or 40 hours per week.

Casual Employees

An employee working on an irregular and unsystematic schedule, who has little or no expectation of the continuation of work or guaranteed income, and who has the ability to accept and reject work as they see fit.

Occupations

Within the WGEA Gender Equality data collection, information about both managerial and non-managerial occupations is collected and allows for comparisons of the representation of men and women among different occupation levels and the remuneration of each within these levels.

Among the managerial occupations, five hierarchical sub-categories exist. These categories range from CEO (highest) to other managers (lowest), with progression to CEO denoting a higher level of responsibility and expected remuneration.

The non-managerial classifications primarily consist of the Australian and New Zealand Standard Classification of Occupations (ANZSCO), which is also a skill-based classification, used to classify all occupations and jobs in the Australian and New Zealand labour markets. The non-managerial occupation scale is also hierarchical, ranging from professionals to labourers and general reflects a greater level of skill and training the higher the occupation level.

Managers

Managers comprise of all occupations from other manager to key management personnel.

Non-managers

Non-managers comprise occupations listed from labourers to professionals.

CEO (or equivalent)

The Chief Executive Officer (CEO) (or equivalent, however named) is the highest ranking corporate officer (executive) or an administrator in charge of management of an organisation. The CEO (or equivalent) is reported on separately to other key management personnel. Examples of the CEO could (depending upon the nature of the organisation) also be the managing director, general manager, managing partner, principal or vice chancellor.

Key management personnel (KMP)

Have authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, in accordance with Australian Accounting Standards Board AASB124.

The KMP is a manager who represents at least one of the major functions of the organisation and participates in organisation-wide decisions with the CEO.

Other executives/general managers

An 'other executive/general manager' holds primary responsibility for the equivalent of a department or a business unit. In a large organisation, this manager might not participate in organisation-wide decisions with the CEO.

Senior managers

'Senior managers' are charged with one or more defined functions, departments or outcomes. They are more likely to be involved in a balance of strategic and operational aspects of management. Some decision making at this level would require approval from either of the two management levels above it. 'Senior managers' are responsible for resourcing, a budget and assets (capital expenditure).

Other managers

'Other managers' plan, organise, direct, control and coordinate an operational function. They usually oversee day to day operations, working within and enforcing defined company parameters.

An 'other manager' is accountable for a defined business outcome which usually involves the management of resources that also includes time management, coordination of different functions or people, financial resources, and other assets (for example facilities or IT infrastructure). Line managers would be included in this category.

Professionals

Perform analytical, conceptual and creative tasks through the application of theoretical knowledge and experience in the fields of the arts, media, business, design, engineering, the physical and life sciences, transport, education, health, information and communication technology, the law, social sciences and social welfare.

Technicians and trades employees

Perform a variety of skilled tasks, applying broad or in-depth technical, trade or industry specific knowledge, often in support of scientific, engineering, building and manufacturing activities.

Community and personal service employees

Assist health professionals in the provision of patient care, provide information and support on a range of social welfare matters, and provide other services in the areas of aged care and childcare, education support, hospitality, defence, policing and emergency services, security, travel and tourism, fitness, sports and personal services.

Clerical and administrative employees

Provide support to managers, professionals and organisations by organising, storing, manipulating and retrieving information.

Sales employees

Sell goods, services and property, and provide sales support in areas such as operating cash registers and displaying and demonstrating goods.

Machinery operators and drivers

Operate machines, plant, vehicles and other equipment to perform a range of agricultural, manufacturing and construction functions, and move materials.

Labourers

Perform a variety of routine and repetitive physical tasks using hand and power tools, and machines either as an individual or as part of a team assisting more skilled workers such as trades workers, and machinery operators and drivers.

Other

Employees whose work is not defined by above categories.

Graduate

Any person employed/recruited by an employer as a graduate (for example a graduate lawyer, graduate accountant etcetera). This does not refer to employees who may have a degree but who are not employed specifically as a graduate.

Apprentice

Any person employed by an employer as an apprentice. A trainee is not considered an apprentice so should not be included in this category.

GENDER EQUITY INSIGHTS 2016: INSIDE AUSTRALIA'S GENDER PAY GAP

APPENDIX

APPENDIX

TABLE 16

Gender segregation within organisations and the gender pay gap – managers

	Average Ba	ise Salary	Average Total F	Remuneration	Gender I	Pay Gap
Gender Dominance	Women	Men	Women	Men	Base	Total
	\$	\$	\$	\$	%	%
Full-time						
Female-dominated	86,224	111,048	99,872	132,357	22.4%	24.5%
Male-dominated	132,091	154,104	165,122	199,778	14.3%	17.3%
Mixed	109,049	131,511	132,958	168,097	17.1%	20.9%
All	108,676	144,249	132,006	185,230	24.7%	28.7%
Part-time						
Female-dominated	87,113	142,387	101,715	171,346	38.8%	40.6%
Male-dominated	138,623	157,254	169,715	198,775	11.8%	14.6%
Mixed	124,243	134,335	148,560	163,678	7.5%	9.2%
All	113,518	143,701	135,971	176,727	21.0%	23.1%
Casual						
Female-dominated	83,576	153,095	93,985	165,732	45.4%	43.3%
Male-dominated	145,924	200,968	162,190	225,902	27.4%	28.2%
Mixed	109,886	118,554	119,517	129,843	7.3%	8.0%
All	97,142	166,972	108,143	184,771	41.8%	41.5%

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

TABLE 17

Gender segregation within organisations and the gender pay gap – non-managers

	Average Ba	se Salary	Average Total F	Remuneration	Gender l	Pay Gap	
Gender Dominance	Women	Men	Men Women		Base	Total	
	\$	\$	\$	\$	%	%	
Full-time							
Female-dominated	63,258	72,209	72,230	83,166	12.4%	13.2%	
Male-dominated	68,796	80,732	81,872	102,019	14.8%	19.7%	
Mixed	66,896	74,865	77,970	89,018	10.6%	12.4%	
All	66,770	79,262	78,158	98,763	15.8%	20.9%	
Part-time							
Female-dominated	52,517	53,665	60,439	61,964	2.1%	2.5%	
Male-dominated	60,567	56,634	70,390	64,832	-6.9%	-8.6%	
Mixed	50,101	44,150	58,184	51,537	-13.5%	-12.9%	
All	52,754	50,223	60,959	58,084	-5.0%	-4.9%	
Casual							
Female-dominated	51,298	54,061	57,512	60,371	5.1%	4.7%	
Male-dominated	52,199	66,338	58,744	76,635	21.3%	23.3%	
Mixed	54,261	56,126	60,879	62,842	3.3%	3.1%	
411	52,187	57,577	58,538	64,937	9.4%	9.9%	

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

Women Men Women Men Momen Men Momen	Base S	Salary	Total remuneration	neration	No. of employees	ployees	11 C 1000	Employees	Gender		Pay gap
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\$55,254 \$51,567 \$65,756 \$61,897 173,000 \$57,889 \$60,638 \$66,802 \$71,119 104,925 \$53,511 \$49,311 \$61,498 \$56,680 181,092 \$53,512 \$49,311 \$61,498 \$56,680 181,092 \$53,511 \$49,311 \$61,498 \$56,680 181,092 \$58,386 \$62,381 \$65,720 \$70,759 51,379 \$47,118 \$41,482 \$53,262 \$46,111 22,662 \$47,118 \$41,482 \$53,262 \$60,837 624,271 2 \$54,720 \$52,386 \$65,083 \$62,662 148,241 1 \$56,026 \$55,723 \$55,066 148,241 1 1 \$56,026 \$55,723 \$56,066 \$48,42 \$64,655 \$148,42 16,954 \$56,026 \$55,433 \$64,655 \$51,128 10,011 10,011 \$56,026 \$55,433 \$64,655 \$64,656 \$64,656 148,43 38,170 \$58,339 \$56,466 \$55,736 \$56,466 \$56,766 10,011	\$52,806	\$54,821	\$60,341	\$61,941	86,078	41,863	1,543	83	0.49	4%	3%
\$57,689 \$60,638 \$66,802 \$71,119 104,925 \$53,511 \$49,311 \$61,498 \$56,680 181,092 \$58,386 \$62,381 \$65,720 \$70,759 51,379 \$58,386 \$62,381 \$65,720 \$70,759 51,379 \$58,386 \$62,381 \$65,720 \$70,759 51,379 \$54,710 \$52,397 \$53,262 \$46,111 22,662 \$54,720 \$52,386 \$60,837 \$62,471 2 \$54,720 \$55,386 \$60,837 \$62,471 2 \$54,720 \$55,386 \$60,837 \$62,471 2 \$54,920 \$55,463 \$55,463 \$62,867 1 \$55,033 \$55,463 \$55,770 \$55,066 148,241 1 \$55,039 \$561,665 \$1,482 \$64,679 \$10,911 1 \$55,030 \$561,165 \$55,466 \$55,466 \$148,241 1 \$55,030 \$561,465 \$564,679 \$56,467 \$64,679	\$55,254	\$51,567	\$65,756	\$61,897	173,000	64,739	1,128	211	0.37	-7%	-6%
\$53,511 \$49,311 \$61,498 \$56,680 181,092 \$58,366 \$62,381 \$65,720 \$70,759 51,379 \$54,718 \$41,482 \$55,720 \$70,759 51,379 \$54,718 \$41,482 \$53,366 \$60,837 \$24,671 2 \$54,720 \$52,397 \$63,386 \$60,837 \$62,622 2 2 \$55,4720 \$55,482 \$65,013 \$9,322 2 2 2 \$55,433 \$55,468 \$55,733 \$65,066 148,241 1 1 \$55,433 \$56,765 \$57,273 \$65,066 148,241 1 1 \$55,433 \$56,1655 \$71,284 76,954 10,911 1 \$55,433 \$64,461 \$65,066 10,911 1 1 1 \$55,433 \$64,465 \$61,665 \$71,284 76,954 1 1 \$56,026 \$51,764 \$62,367 \$64,679 10,911 1 1 \$56,038 </td <td>\$57,689</td> <td>\$60,638</td> <td>\$66,802</td> <td>\$71,119</td> <td>104,925</td> <td>22,701</td> <td>557</td> <td>229</td> <td>0.22</td> <td>5%</td> <td>6%</td>	\$57,689	\$60,638	\$66,802	\$71,119	104,925	22,701	557	229	0.22	5%	6%
558,386 56,2,381 56,720 570,759 51,379 54,718 54,1482 553,262 54,111 22,662 554,720 552,397 563,386 56,011 22,662 554,720 552,397 563,386 56,012 22,662 5 554,230 555,468 565,013 89,322 5 556,030 555,468 565,066 148,241 1 556,033 557,289 561,665 571,284 76,954 1 555,433 564,595 561,665 571,284 76,954 1 1 556,026 557,704 562,367 564,679 10,911 1 1 558,039 561,135 564,461 563,473 38,170 1 38,170 558,039 553,454 554,353 559,784 19,399 38,170 548,485 553,454 554,353 559,784 19,399 38,170	\$53,511	\$49,311	\$61,498	\$56,680	181,092	56,142	691	343	0.31	%6-	%6-
\$47,118 \$41,482 \$53,262 \$46,111 22,662 \$54,720 \$52,397 \$63,386 \$60,837 624,271 2 \$54,720 \$55,468 \$65,013 624,271 2 \$55,470 \$55,468 \$65,013 89,322 2 \$50,363 \$55,239 \$55,468 \$65,016 148,241 1 \$55,0363 \$57,289 \$57,273 \$65,066 148,241 1 \$55,033 \$56,056 \$61,655 \$71,284 76,954 1 \$55,032 \$64,595 \$61,665 \$71,284 76,954 1 \$55,032 \$561,665 \$57,704 \$62,367 \$64,461 76,954 \$58,039 \$61,135 \$64,461 \$68,143 10,911 \$48,485 \$53,454 \$54,353 \$59,784 19,399	\$58,386	\$62,381	\$65,720	\$70,759	51,379	8,631	340	177	0.17	6%	7%
\$54,720 \$52,397 \$63,386 \$60,837 \$24,271 s \$49,230 \$56,809 \$55,468 \$65,013 \$9,322 \$50,363 \$57,289 \$57,273 \$65,066 148,241 \$50,363 \$57,289 \$57,273 \$65,066 148,241 \$55,433 \$64,595 \$61,665 \$71,284 76,954 \$56,026 \$54,704 \$62,367 \$64,679 110,911 \$58,039 \$61,135 \$64,461 \$68,143 38,170 \$58,039 \$51,135 \$54,361 \$54,363 \$38,170 \$58,039 \$51,135 \$54,363 \$59,784 19,399	\$47,118	\$41,482	\$53,262	\$46,111	22,662	11,547	251	136	0.51	-14%	-16%
s \$49,230 \$56,809 \$55,468 \$65,013 89,322 \$50,363 \$57,289 \$57,273 \$65,066 148,241 \$55,433 \$64,595 \$61,665 \$71,284 76,954 \$55,433 \$64,595 \$61,665 \$71,284 76,954 \$56,026 \$57,704 \$62,367 \$64,679 110,911 \$58,039 \$61,135 \$64,461 \$68,143 38,170 \$48,485 \$53,454 \$54,353 \$59,784 19,399	\$54,720	\$52,397	\$63,386	\$60,837	624,271	207,589	4,634	180	0.33	-4.4%	-4.2%
s \$49,230 \$56,809 \$55,468 \$65,013 89,322 \$50,363 \$57,289 \$57,273 \$65,066 148,241 \$55,433 \$64,595 \$61,665 \$71,284 76,954 \$55,026 \$57,704 \$62,367 \$64,679 110,911 \$58,039 \$61,135 \$64,461 \$68,143 38,170 \$58,039 \$51,135 \$64,461 \$68,143 38,170 \$58,039 \$51,135 \$54,353 \$59,784 19,399											
\$50,363 \$57,289 \$57,273 \$65,066 148,241 \$55,433 \$64,595 \$61,665 \$71,284 76,954 \$55,026 \$57,704 \$62,367 \$64,679 110,911 \$58,039 \$61,135 \$64,461 \$68,143 38,170 \$58,039 \$61,135 \$64,461 \$68,143 38,170 \$48,485 \$53,454 \$54,353 \$55,784 19,399	\$49,230	\$56,809	\$55,468	\$65,013	89,322	86,294	1,543	114	76.0	13%	15%
\$55,433 \$64,595 \$61,665 \$71,284 76,954 \$56,026 \$57,704 \$62,367 \$64,679 110,911 \$58,039 \$61,135 \$64,461 \$68,143 38,170 \$48,485 \$53,454 \$54,353 \$59,784 19,399	\$50,363	\$57,289	\$57,273	\$65,066	148,241	142,662	1,128	258	0.96	12%	12%
\$56,026 \$57,704 \$62,367 \$64,679 110,911 \$58,039 \$61,135 \$64,461 \$68,143 38,170 \$48,485 \$53,454 \$54,353 \$59,784 19,399	\$55,433	\$64,595	\$61,665	\$71,284	76,954	46,800	557	222	0.61	14%	13%
\$58,039 \$61,135 \$64,461 \$68,143 38,170 \$48,485 \$53,454 \$54,353 \$59,784 19,399	\$56,026	\$57,704	\$62,367	\$64,679	110,911	73,513	691	267	0.66	3%	4%
\$48,485 \$53,454 \$54,353 \$59,784 19,399	\$58,039	\$61,135	\$64,461	\$68,143	38,170	14,274	340	154	0.37	5%	5%
	\$48,485	\$53,454	\$54,353	\$59,784	19,399	13,441	251	131	0.69	9%6	9%6
\$65,335 500,703	\$52,268	\$57,934	\$58,625	\$65,335	500,703	388,062	4,634	192	0.78	9.8%	10.3%

 TABLE 18
 Gender pay gaps, female Board representation and employment status: all occupations

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

Gender pay gaps, female Board representation and employment status: managers	oard represent	ation and en	iployment sta	tus: manage	ers						
Managem	Base Salary	alary	Total Remuneration	neration	No. of employees	oloyees	*Civero	Employees	Gender		Pay gap
Mallagers	Women	Men	Women	Men	Women	Men	#LIIIIS	per firm	ratio	Base salary	Total remuneration
Full-time											
No women on Boards	\$100,366	\$140,734	\$119,089	\$173,960	22,903	66,129	1,543	58	2.89	29%	32%
Up to one quarter	\$115,411	\$153,765	\$142,145	\$198,780	35,853	81,221	1,128	104	2.27	25%	28%
Up to one third	\$116,517	\$150,749	\$144,658	\$206,055	21,978	39,113	557	110	1.78	23%	30%
Up to one half	\$108,902	\$132,945	\$131,641	\$169,788	29,733	43,120	691	105	1.45	18%	22%
More than one half	\$104,525	\$142,005	\$123,007	\$179,898	9,353	9,365	340	55	1.00	26%	32%
No Board members	\$76,209	\$111,323	\$89,994	\$134,547	4,948	6,759	251	47	1.37	32%	33%
Mean for occupation class	\$108,676	\$144,249	\$132,006	\$185,230	126,722	249,257	4,634	81	1.97	24.7%	28.7%
Part-time											
No women on Boards	\$100,254	\$137,354	\$118,965	\$161,488	3,031	757	1,543	2	0.25	27%	26%
Up to one quarter	\$121,204	\$154,165	\$146,955	\$191,084	5,950	1,121	1,128	9	0.19	21%	23%
Up to one third	\$123,382	\$144,716	\$151,277	\$188,744	4,128	1,220	557	10	0.30	15%	20%
Up to one half	\$112,606	\$130,325	\$133,207	\$157,682	4,816	1,390	691	6	0.29	14%	16%
More than one half	\$108,442	\$190,429	\$124,424	\$223,315	1,964	386	340	7	0.20	43%	44%
No Board members	\$69,816	\$95,592	\$80,435	\$109,572	621	115	251	m	0.19	27%	27%
Mean for occupation class	\$113,518	\$143,701	\$135,971	\$176,727	20,706	5,029	4,634	9	0.24	21.0%	23.1%
Casual											
No women on Boards	\$102,385	\$176,087	\$113,696	\$198,711	248	401	1,543	0	1.62	42%	43%
Up to one quarter	\$115,403	\$187,081	\$130,424	\$204,103	226	433	1,128	1	1.92	38%	36%
Up to one third	\$91,194	\$163,019	\$101,365	\$184,048	241	182	557	1	0.76	44%	45%
Up to one half	\$80,736	\$96,032	\$89,635	\$107,167	479	368	691	1	0.77	16%	16%
More than one half	\$129,189	\$189,675	\$142,896	\$209,595	141	88	340	1	0.62	32%	32%
No Board members	\$101,263	\$156,486	\$112,390	\$176,832	38	76	251	0	2.00	35%	36%
Mean for occupation class	\$97,142	\$166,972	\$108,143	\$184,771	1,419	1,634	4,634	1	1.15	41.8%	41.5%
		-									

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TABLE 19

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

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BCEC WGEA GENDER EQUITY SERIES

	Base remur	uneration	Total Salary	alary	No. of employees	ployees	11 C. 1000 C	Employees	Gender		Pay gap
Non-managers	Women	Men	Women	Men	Women	Men	#FILMS	perfirm	ratio	Base salary	Total remuneration
Full-time											
No women on Boards	\$62,825	\$75,739	\$73,033	\$94,793	130,304	350,527	1,543	312	2.69	17%	23%
Up to one quarter	\$67 , 123	\$82,145	\$79,479	\$103,672	224,428	424,311	1,128	575	1.89	18%	23%
Up to one third	\$68,361	\$81,024	\$79,597	\$99,510	97,275	130,878	557	410	1.35	16%	20%
Up to one half	\$68,703	\$78,985	\$80,657	\$97,522	150,055	176,907	691	473	1.18	13%	17%
More than one half	\$70,363	\$85,674	\$80,447	\$102,988	41,399	35,732	340	227	0.86	18%	22%
No Board members	\$62,192	\$69,659	\$71,116	\$81,742	18,166	28,500	251	186	1.57	11%	13%
Mean for occupation class	\$66,770	\$79,262	\$78,158	\$98,763	671,445	1,163,090	4,634	396	1.73	15.8%	20.9%
Part-time											
No women on Boards	\$51,202	\$53,414	\$58,303	\$60,206	81,403	40,312	1,543	62	0.50	4%	3%
Up to one quarter	\$52,948	\$49,887	\$62,926	\$59,796	165,762	62,975	1,128	203	0.38	-6%	-5%
Up to one third	\$55,066	\$56,325	\$63,407	\$64,994	100,258	21,025	557	218	0.21	2%	2%
Up to one half	\$51,891	\$47,125	\$59,557	\$53,993	173,548	53,544	691	329	0.31	-10%	-10%
More than one half	\$56,484	\$57,011	\$63,482	\$64,334	48,935	8,013	340	167	0.16	1%	1%
No Board members	\$46,507	\$40,959	\$52,531	\$45,498	21,925	11,349	251	133	0.52	-14%	-15%
Mean for occupation class	\$52,754	\$50 , 223	\$60,959	\$58,084	596,768	199,137	4,634	172	0.33	-5.0%	-4.9%
Casual											
No women on Boards	\$49,091	\$56,508	\$55,291	\$64,593	87,576	83,427	1,543	111	0.95	13%	14%
Up to one quarter	\$50,262	\$56,852	\$57,162	\$64,615	146,671	140,498	1,128	255	0.96	12%	12%
Up to one third	\$55,281	\$64,278	\$61,506	\$70,930	76,145	46,072	557	219	0.61	14%	13%
Up to one half	\$56,065	\$57,603	\$62,423	\$64,587	108,864	72,134	691	262	0.66	3%	3%
More than one half	\$57,943	\$60,605	\$64,359	\$67,522	37,535	13,956	340	151	0.37	4%	5%
No Board members	\$48,424	\$52,971	\$54,288	\$59,239	19,263	13,242	251	130	0.69	%6	8%
Mean for occupation class	\$52,187	\$57,577	\$58,538	\$64,937	493,125	379,716	4,634	188	0.77	9.4%	9.6%

occupation classes: Key Management Personnel (KMPs), company executives, senior managers and other management positions. The non-manager category comprises all other occupation

classes. See Glossary for further details.

Source: Authors' calculations based on WGEA Gender Equality data, 2014-15.

TABLE 21

Gender pay gap regressions	by occupation and employ	vment status: additional	controls for female Board repr	esentation
ochider pay gap regressions	by occupation and empto	ymene status, adamonat	controls for fernate board repr	cocification

Occupation class	Α	ll occupatio	ns	Man	agers	N	on-manage	rs
Predictor	Full-time	Part-time	Casual	Full-time	Part-time	Full-time	Part-time	Casual
Firm size (base: <250)								
250-499	-0.0022	-0.0166	0.0036	-0.0083	-0.0587	-0.0076	-0.0047	0.0136
500-999	-0.0155 *	-0.0199	0.0197	-0.0261 ***	-0.1199 **	-0.0220 **	-0.0288 *	0.0068
1000-4999	-0.0061	-0.0321 **	0.0110	-0.0276 ***	-0.1635 ***	-0.0135	-0.0253 *	-0.0082
5000+	-0.0055	-0.0741 ***	-0.0263	-0.0092	-0.1668 ***	-0.0266 ***	-0.0659 ***	-0.0337
Industry (base=Agriculture)		1						
Mining	-0.0324	-0.0928	-0.2615 ***	-0.0757 ***	-0.0739	-0.0539 **	-0.0963	-0.2040
Manufacturing	0.0511 **	0.0578	-0.0867 *	0.0018	0.0356	0.0280	0.0182	-0.0152
Electricity, Gas, Water and Waste Svs	0.0128	-0.0624	-0.2442 ***	-0.0203	-0.1009	-0.0152	-0.0587	-0.0980
Construction	-0.0595 **	-0.1044	-0.1225 **	-0.0691 ***	-0.1338	-0.0555 **	-0.0792	-0.1013
Wholesale Trade	0.0502 **	0.0017	-0.0471	0.0006	-0.1493	0.0576 **	-0.0131	-0.0376
Retail Trade	0.0827 ***	0.0453	-0.0331	-0.0240	0.3064	0.0700 ***	0.0311	0.0242
Accommodation and Food Services	0.1154 ***	-0.0280	-0.0363	0.0365	0.0685	0.0721 ***	-0.0359	0.0067
Transport, Postal and Warehousing	0.0100	0.0178	-0.0688	-0.0439 *	-0.0106	-0.0293	-0.0240	-0.0374
Information Media and Telecoms	0.0149	0.1161	-0.0663	-0.0292	0.0681	-0.0289	0.0885	-0.0432
Financial and Insurance Services	-0.0109	-0.0268	-0.2045 ***	-0.0604 **	-0.1328	-0.0094	0.0237	-0.0872
Rental, Hiring and Real Estate Services	0.0014	0.0202	-0.0738	-0.0966 ***	-0.2039	0.0195	0.0816	0.0596
Professional, Scientific and Technical	-0.0145	-0.1224	-0.2165 ***	-0.0438 *	-0.1509	-0.0214	-0.0643	-0.0807
Administrative and Support Services	0.1043 ***	-0.0222	-0.1157 **	-0.0014	0.0386	0.0547 **	-0.0196	-0.0943
Public Administration and Safety	0.1097 ***	-0.0632	0.0082	0.0429	-0.0979	0.0717 **	-0.0612	0.0341
Education and Training	0.1452 ***	-0.0413	-0.0995 *	0.0505 *	-0.1839	0.0815 ***	-0.0346	-0.0206
Health Care and Social Assistance	0.1763 ***	0.0102	-0.1683 ***	0.0302	-0.2145	0.0974 ***	0.0032	-0.0382
Arts and Recreation Services	0.0465 *	-0.0123	-0.0683	-0.0584 **	0.0050	0.0289	-0.0259	0.0156
Other Services	0.0703 ***	-0.0245	-0.1177 *	0.0085	-0.0614	0.0145	-0.0274	-0.0414
Dominance (base: no female Board me	mbers)							
Up to quarter female Board members	0.0229 ***	0.0324 ***	0.0323 **	0.0360 ***	0.0028	0.0092 *	0.0176 *	0.0020
Up to third female Board members	0.0233 ***	0.0100	-0.0139	0.0575 ***	0.0544	0.0158 **	0.0032	-0.0123
Up to half female Board members	0.0419 ***	0.0655 ***	0.0596 ***	0.0744 ***	0.0586 *	0.0147 **	0.0589 ***	0.0204
More than half female Board members	0.0447 ***	0.0439 ***	0.0216	0.0606 ***	0.0857 **	0.0260 **	0.0504 ***	0.0225
Proportion of female Board Chairs	0.0234 ***	0.0129	-0.0018	0.0188 ***	-0.0279	0.0099	-0.0014	0.0008
Proportion of female employees	-0.3406 ***	-0.2584 ***	0.3938 ***	-0.2792 ***	-0.0817	-0.1634 ***	-0.2092 ***	0.0905
Remuneration Policies and strategies								
Has remuneration policy or strategy	-0.0258 ***	-0.0193	0.0379 *	-0.0132	0.0233	-0.0335 ***	0.0114	0.0173
Has specific pay equity objectives	-0.0052	0.0021	-0.0010	0.0044	0.0879 ***	0.0023	0.0204 **	-0.0135
Has standalone policy	0.0098	-0.0054	-0.0538 ***	0.0113	-0.0530	0.0144 *	-0.0191	-0.0110
Has policy within another policy	0.0180 **	0.0406 **	-0.0418 **	0.0184 **	-0.1182 ***	0.0110	0.0039	-0.0363
Has standalone strategy	0.0114 *	0.0128	-0.0703 ***	0.0002	-0.0426	0.0194 ***	-0.0175	-0.0254
Has strategy within another strategy	0.0090	-0.0536 ***	-0.0864 ***	-0.0012	-0.0571	0.0123	-0.0712 ***	-0.0454
Constant	0.9225 ***	1.2129 ***	0.8295 ***	0.9531 ***	1.1662 ***	0.9565 ***	1.1829 ***	0.9573

Notes: Organisations that do not report having a Board or report only one Board member have been excluded from the analysis. The manager category comprises those employed in the following occupation classes: Key Management Personnel (KMPs), company executives, senior managers and other management positions. The non-manager category comprises all other occupation classes. See Glossary for further details. Source: Authors' estimates based on WGEA Gender Equality data, 2014-15

TABLE 22

Gender pay gap regressions by occupation and employment status: additional controls for gender dominance and female Board representation

Occupation class		l occupation		Mana			on-manage	rs
Predictor	Full-time	Part-time	Casual	Full-time	Part-time	Full-time	Part-time	Casual
Firm size (base: <250)								
250-499	-0.0018	-0.0159	0.0051	-0.0083	-0.0385	-0.0061	-0.0020	0.0161
500-999	-0.0166 *	-0.0231	0.0216	-0.0272 ***	-0.1116 **	-0.0210 **	-0.0320 *	0.0075
1000-4999	-0.0064	-0.0355 **	0.0171	-0.0291 ***	-0.1536 ***	-0.0105	-0.0265 *	-0.0043
5000+	-0.0058	-0.0837 ***	-0.0302	-0.0105	-0.1587 ***	-0.0222 **	-0.0737 ***	-0.0327 *
Industry (base=Agriculture)								
Mining	-0.0351	-0.0770	-0.2666 ***	-0.0796 ***	-0.0616	-0.0569 **	-0.0804	-0.1931 *
Manufacturing	0.0532 **	0.0365	-0.0967 *	0.0012	0.0670	0.0274	0.0001	-0.0030
Electricity, Gas, Water and Waste Svs	0.0098	-0.0847	-0.2462 ***	-0.0215	-0.0882	-0.0239	-0.0751	-0.0590
Construction	-0.0645 ***	-0.1239	-0.1331 **	-0.0748 ***	-0.1125	-0.0603 **	-0.0980	-0.0844 *
Wholesale Trade	0.0540 **	-0.0152	-0.0596	0.0012	-0.1194	0.0594 **	-0.0356	-0.0248
Retail Trade	0.0798 ***	0.0184	-0.0586	-0.0277	0.3660	0.0696 ***	-0.0075	0.0209
Accommodation and Food Services	0.1121 ***	-0.0516	-0.0799	0.0386	0.1125	0.0709 **	-0.0767	0.0007
Transport, Postal and Warehousing	0.0150	-0.0194	-0.0669	-0.0455 *	0.0104	-0.0298	-0.0552	-0.0185
Information Media and Telecoms	0.0205	0.0742	-0.0846	-0.0309	0.0898	-0.0282	0.0449	-0.0400 *
Financial and Insurance Services	-0.0028	-0.0593		-0.0604 **	-0.1197	-0.0002	-0.0105	-0.0870 *
Rental, Hiring and Real Estate Services	0.0059	0.0132	-0.1072	-0.0967 ***		0.0211	0.0672	0.0667 *
Professional, Scientific and Technical	-0.0110	-0.1469 *	-0.2325 ***		-0.1186	-0.0204	-0.0916	-0.0726 *
Administrative and Support Services	0.1021 ***		-0.1284 **		0.1010	0.0518 **	-0.0479	-0.1026 *
Public Administration and Safety	0.1023 ***		-0.0009	0.0354	-0.0977	0.0630 *	-0.0428	0.0380
Education and Training	0.1424 ***		-0.1200 **	0.0568 **	-0.0786	0.0841 ***		-0.0272
Health Care and Social Assistance	0.1633 ***		-0.1578 ***		-0.1236	0.0898 ***		-0.0388 *
Arts and Recreation Services	0.0460 *	-0.0338	-0.0658	-0.0610 **	0.0467	0.0305	-0.0551	0.0142
Other Services	0.0688 ***		-0.1312 **	0.0062	0.0020	0.0156	-0.0626	-0.0424
Dominance (base: male-dominant, no			0.1312	0.0002	0.0020	0.0150	0.0020	0.0424
Female dominant organisation	Wonnen on De	urus)						
No female Board members	0.0627 ***	0.1006 ***	-0.0222 **	0.0257 *	-0.1655 **	0.0195	0.1075 ***	0.0193
Up to quarter female Board		0.0882 ***		0.0468 ***		0.0135	0.0840 ***	
Up to third female Board		0.1128 ***				0.0120		
Up to half female Board		0.1128		0.0747 ***		0.0430		
More than half female Board		0.1205 ***		0.0747		0.0629		
Mixed gender organisation	0.1134	0.1203	0.0201	0.0150	0.0301	0.0001	0.1415	0.0110
No female Board members	0.0306 **	0.0442 *	0.0351	0.0167	-0.1532 *	0.0302 *	0.0616 ***	0.0212
		0.0442				0.0302	0.0956 ***	
Up to quarter female Board		0.1548 ***				0.0195	0.1507 ***	
Up to third female Board		0.0879 ***		0.0592 ***		0.0109	0.0830 ***	
Up to half female Board More than half female Board	0.0515		-0.0010	0.0392		0.0047	0.0830	0.0484
	0.0375	0.0120	-0.0010	0.0156	-0.0612	0.0033	0.0425	0.0437
Male dominant organisation	0.0268 ***	0.0695 ***	0.0251	0.0442 ***	0.0010	0.0145 **	0.0537 ***	0.0254 *
Up to quarter female Board		0.0695						
Up to third female Board				0.0748 ***		0.0032	0.1775 ***	
Up to half female Board		0.1467 ***		0.0817 ***		0.0670 ***		
More than half female Board	0.0674	0.1855 **	0.0775	0.0625 ***	-0.0809	0.0380 *	0.1166	0.0054
Other governance								
Administrative and Support Services	0.0095	-0.0043	-0.0147	-0.0078	-0.0533 *	0.0029	-0.0195 *	-0.0164
Public Administration and Safety	-0.4007 ***	-0.3029 ***	0.4091 ***	-0.2867 ***	-0.0524	-0.1835 ***	-0.2533 ***	0.0675
Remuneration Policies and strategies								
Has remuneration policy/strategy	-0.0210 ***		0.0240	-0.0149 *	0.0170	-0.0287 ***		0.0101
Has specific pay equity objectives	-0.0037	0.0055	0.0037	0.0063	0.0857 ***	0.0028	0.0246 ***	
Has standalone policy	0.0077	-0.0025	-0.0487 ***	0.0133 *	-0.0310	0.0116	-0.0220 *	-0.0039
Has policy within another policy	0.0172 **	0.0386 **	-0.0214	0.0169 *	-0.1076 **	0.0087	-0.0004	-0.0250
Has standalone strategy	0.0096		-0.0556 ***		-0.0403	0.0162 **	-0.0058	-0.0128
Has strategy within another strategy	0.0070	-0.0616 ***	-0.0722 ***	0.0007	-0.0536	0.0095	-0.0756 ***	-0.0369 *
Constant	0.9289 ***	1.2090 **	0.8244	0.9532 ***	1.1727	0.9548 *	1.1745	0.9516

Notes: Organisations that do not report having a Board or report only one Board member have been excluded from the analysis. The manager category comprises those employed in the following occupation classes: Key Management Personnel (KMPs), company executives, senior managers and other management positions. The non-manager category comprises all other occupation classes. See Glossary for further details.

Source: Authors' estimates based on WGEA Gender Equality data, 2014-15

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Further Reading and Resources

WGEA released the key findings from the 2014-15 reporting data in a Scorecard report and an online Data Explorer in November 2015. These products showed gender pay gaps for full-time employees only. This new report provides much more detailed breakdowns and analysis and for the first time presents the gender pay gap results for part-time and casual employees as well as a measure of the gender pay gap for all combined employement categories.

A number of pay equity resources and publications are available on the WGEA website: www.wgea.gov.au

• WGEA Data Explorer

The WGEA Data Explorer is a comprehensive data visualisation tool that allows users to 'drill down' into the Agency's aggregated dataset. data.wgea.gov.au

• Australia's gender equality scorecard

This report showcases the key results from the Workplace Gender Equality Agency's 2014-15 reporting data.

• Gender pay gap calculator

The gender pay gap calculator has been developed by Mercer and the Workplace Gender Equality Agency to help organisations identify and analyse the causes of any pay gaps in their workplace.

• Developing a pay equity strategy

This resource provides practical steps to improve pay equity between women and men in organisations.

• Including gender pay equity in your remuneration policy

This briefing note outlines the characteristics of a good remuneration policy, which includes gender pay equity objectives.

• Pay equity for small businesses

The WGEA, in collaboration with economic Security4Women, has developed a three step guide for small businesses to address pay equity.

• Parenting, work and the gender pay gap

This paper explores the relationship between parenting, work and the gender pay gap and provides insights into the ways organisations can address the gender pay gap by supporting parents in the workforce.

• In Your Hands website

This website provides information on the gender pay gap, as well as an employer search function that allows users to find out whether their organisation has taken action on pay equity. inyourhands.org.au

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