



# Australia's Gender Pay Gap Statistics

August 2021

# Australia's full-time gender pay gap

Average weekly earnings, May 2021

Gender pay gap by state and territory

Gender pay gap by industry

Lowest	Highest
South Australia	Western Australia
7.0%	21.9%

Lowest	Highest
7.3% Public Administration	<b>25.3%</b> Professional, Scientific and
and Safety	Technical Services

14.2% **\***0.8 p.p.

Full-time average weekly earnings of women \$1,575.50 Women earn on average \$261.50 per week less than men

\$1,837.00

Full-time average weekly earnings of men



# About the Gender Pay Gap

The gender pay gap (GPG) is the difference between women's and men's average weekly full-time equivalent earnings, expressed as a percentage of men's earnings. It is a measure of women's overall position in the paid workforce and does not compare like roles.

The gender pay gap is influenced by a number of factors, including:

- discrimination and bias in hiring and pay decisions
- women and men working in different industries and different jobs, with female-dominated industries and jobs attracting lower wages
- women's disproportionate share of unpaid caring and domestic work
- lack of workplace flexibility to accommodate caring and other responsibilities, especially in senior roles
- women's greater time out of the workforce impacting career progression and opportunities.

Gender pay gaps are an internationally established measure of women's position in economy. Directly comparing international gender pay gaps is problematic due to differences in sources, definitions and methods used to calculate the gender pay gap in different countries.

However, it is clear that gender pay gaps in favour of men are a common feature of economies worldwide.

#### Calculating the gender pay gap

Australian gender pay gaps are calculated by the Workplace Gender Equality Agency (WGEA, the Agency). The GPG is derived as the difference between women's and men's average weekly full-time equivalent earnings, expressed as a percentage of men's earnings.

GPG = 100% Male Average Earnings - Female Average Earnings

Male Average Earnings

The data used by WGEA for calculating the national gender pay gap is the Australian Bureau of Statistics (ABS) Full-Time Adult Average Weekly Ordinary Time Earnings Trend series from the Australian Weekly Earnings (AWE) survey. The survey estimates the full-time adult average weekly ordinary time earnings (trend/seasonal) before tax, excluding overtime, pay that is salary sacrificed, junior and part-time employees.

Data is also sourced from the ABS Employee Earnings and Hours employer survey<sup>2</sup> (age group and method of setting pay) and from the Agency's own gender pay gap data (occupation and overall).<sup>3</sup> Gender pay gap calculations derived from each of these data sources vary due to differences in timing and scope.

ABS and WGEA data both show a gender pay gap favouring full-time working men over full-time working women in every industry and occupational category in Australia.

#### The national gender pay gap

Currently, Australia's national gender pay gap is 14.2%.

The national gender pay gap is calculated by WGEA using data from the ABS.

At May 2021, women's average weekly ordinary full-time earnings across all industries and occupations was \$1,575.00 compared to men's average weekly ordinary full-time earnings of \$1,837.00. This means that on average, women earn \$261.50 less than men.

The full-time total earnings gender pay gap, which includes overtime payments is 16.8%. This means women's average weekly total full-time earnings are \$323.30 less per week compared to men.

Adding the part-time workforce, the total earnings gender pay gap for all employees widens to 31.3%. This means women's average weekly total earnings are \$486.20 less per week than men.<sup>4</sup>



#### Changes to the data since 2020

Traditionally, the data used by WGEA for calculating the national gender pay gap is the ABS Full-Time Adult Average Weekly Ordinary Time Earnings Trend series from the Australian Weekly Earnings survey.<sup>5</sup>

However, given the impact of COVID-19 on the labour market and that it is currently not known whether this impact will be short, medium or long-term, the ABS have suspended the use of trend data.<sup>6</sup>

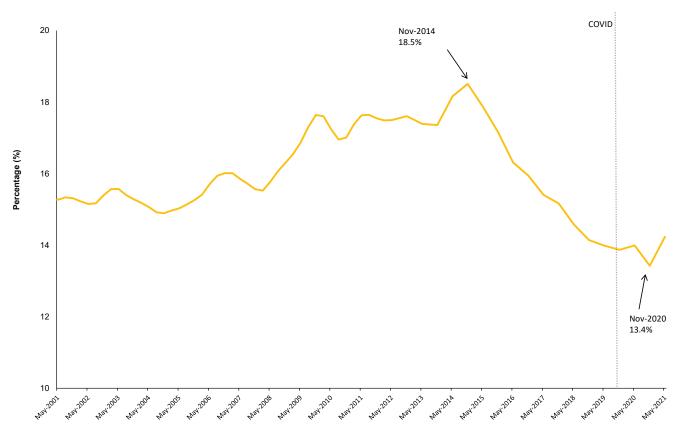
Instead, seasonally adjusted data has been used to calculate average weekly earnings during the COVID-19 period. Given the extent of change in the labour market and the impact of COVID-19 is ongoing, it will be important to continue monitoring the data to further understand the impact of COVID-19 on Australia's workforce.

## The national gender pay gap over time

Australia's national gender pay gap has hovered between 13% and 19% for the past two decades.<sup>7</sup> There has been an increase of 0.8 percentage points (pp) to 14.2% in the gender pay gap since November 2020 (13.4%).<sup>8</sup>

Between November 2020 and May 2021, average weekly ordinary full-time earnings increased more for men than for women. This is due, in part, to the growth in earnings in the Construction industry, a male-dominated sector of employment. In addition, the average weekly earnings for May 2021 accounts for the pay period prior to the recent COVID-19 outbreaks and lockdowns in Australia and a time when many restrictions were eased. Therefore, increases in average weekly earnings between November 2020 and May 2021 are more similar to increases that were seen pre-pandemic.

Figure 1: The Australian gender pay gap, May 2001-May 2021<sup>10</sup>



Data: ABS (2021), Average Weekly Earnings, May 2021, cat. no. 6302.0, viewed 19 August 2021, Table 2 <a href="https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release#data-download">https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release#data-download</a>

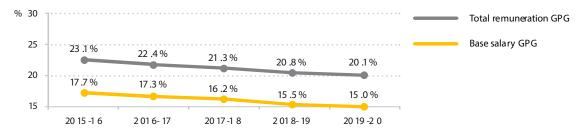
Note: Between November 2000 and November 2019 the national gender pay gap calculations were based on trend data. Due to Covid-19, seasonal data has been used in Figure 1 for all figures after November 2019.

#### WGEA data

WGEA collects pay data annually from non-public sector organisations with 100 or more employees, covering more than 4 million employees in Australia. This data includes superannuation, bonuses and other additional payments.

The full-time total remuneration gender pay gap based on WGEA data is 20.1%, meaning men working full-time earn nearly \$25,679 a year more than women working full-time.

Figure 2: Full-time base salary and total remuneration, 2015-16 - 2019-2011

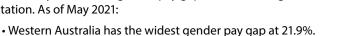


Source: WGEA (2020), Australia's gender equality scorecard, <a href="https://www.wgea.gov.au/sites/default/files/documents/2019-20%20Gender%20Equality%20Scorecard\_FINAL.pdf">https://www.wgea.gov.au/sites/default/files/documents/2019-20%20Gender%20Equality%20Scorecard\_FINAL.pdf</a>
Note: Total remuneration of full-time employees includes full-time base salary plus any additional benefits payable directly or indirectly, whether in cash or in a form other than cash. Includes: bonus payments (including performance pay), superannuation, discretionary pay, overtime, other allowances and other benefits (for example share allocations).

## The gender pay gap by state and territory

The full-time average weekly base salary gender pay gap differs across Australian states and territories. The differences in the gender pay gap can be partly explained by industry profiles of each state and territory. For example, the full-time workforce in Western Australia is concentrated in Mining and Construction sectors, industries with relatively high earnings and low representation of women. In contrast, the majority of the full-time workforce in the Australian Capital Territory (ACT) is employed in the Public Administration and Safety sector, which traditionally has a lower gender pay gap and balanced gender representation. As of May 2021:

• South Australia has the smallest gender pay gap at 7.0%.



Between May 2020 and 2021 the gender pay gap has decreased in ACT, Tasmania, New South Wales, Western Australia and South Australia. The pay gap in South Australia decreased by -1.5pp, while the pay gap in Victoria increased by 2.6pp.

Tasmania, New South Wales, Western Australia and

Table 1: Full-Time Adult Weekly Ordinary Time Earnings gender pay gap by state and territory, May 2020 - May 2021<sup>12</sup>

State/Territory	May-20	May-21	Difference (pp)
Western Australia	22.7%	21.9%	-0.8
Queensland	15.3%	15.8%	0.5
New South Wales	15.3%	14.5%	-0.8
Northern Territory	12.2%	12.7%	0.5
Victoria	9.6%	12.2%	2.6
Tasmania	8.5%	8.4%	-0.1
Australian Capital Territory	8.0%	7.9%	-0.1
South Australia	8.5%	7.0%	-1.5

Data source: ABS (2021), Average Weekly Earnings, May 2021, cat. no. 6302.0, viewed 19 August 2021, Table 12 A to Table 12, <a href="https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release#data-download">https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release#data-download</a>

Note: Based on Full-Time Adult Average Weekly Ordinary Time Earnings with May as the reference period. States and territories are ranked from highest gender pay gap to lowest gender pay gap in May 2021. A minus sign indicates that the gender pay gap has decreased from the previous period.

# The gender pay gap by industry

The differences between women's and men's average weekly full-time earnings across all industries, including the private and public sectors, shows that across Australia the gender pay gap is:

- highest in Professional, Scientific and Technical Services at 25.3%, followed by Financial and Insurance Services at 24.1% and Health Care and Social Assistance at 20.7%. These industries also had the highest gender pay gaps in May 2020.
- lowest in Other Services at 0.9% and Public Administration and Safety at 7.3%.

Between May 2020 and May 2021:

- the largest gender pay gap increase was in Manufacturing (+4.1 pp)
- the largest gender pay gap reductions were in Electricity, Gas, Water and Waste Services (-2.5 pp) and, Administrative and Support Services (-1.8pp)

Table 2: Full-Time Adult Weekly Ordinary Time Earnings gender pay gap by industry, May 2020 - May 2021<sup>13</sup>

Industry	May-20	May-21	Difference (pp)
Professional, Scientific and Technical Services	24.1	25.3	1.3
Financial and Insurance Services	22.6	24.1	1.5
Health Care and Social Assistance	21.3	20.7	-0.7
Rental, Hiring and Real Estate Services	19.0	19.1	0.1
Mining	15.9	17.2	1.3
Construction	15.7	16.6	1.0
Information Media and Telecommunications	17.5	16.6	-0.9
Transport, Postal and Warehousing	15.5	15.2	-0.3
Wholesale	13.3	15.0	1.7
Administrative and Support Services	16.5	14.8	-1.8
Manufacturing	9.2	13.3	4.1
Education and Training	12.3	11.4	-0.8
Arts and Recreation Services	10.7	10.8	0.2
Retail	9.1	10.8	1.7
Accommodation and Food Services	9.6	10.5	0.8
Electricity, gas, water and waste services	10.1	7.6	-2.5
Public Administration and Safety	5.8	7.3	1.5
Other Services	-0.6	0.9	1.5

ABS (2021), Average Weekly Earnings, May 2021, viewed 19 August 2021, Table 10 A and Table 10 D,

https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release#data-download

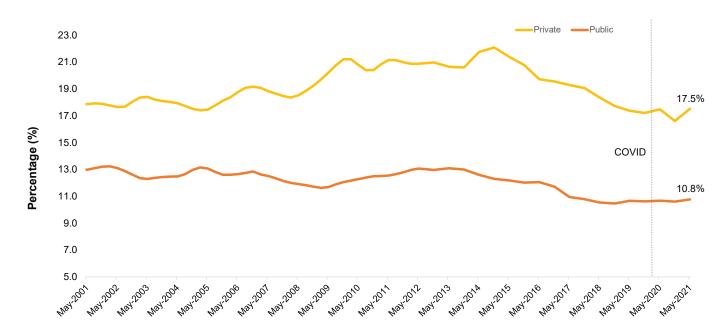
Note: Based on Full-Time Adult Average Weekly Ordinary Time Earnings with May as the reference period. Industries are ranked from highest gender pay gap to lowest gender pay gap in May 2021. A minus sign indicates that the gender pay gap has decreased from the previous period.

## Gender pay gaps in the public and private sectors

In May 2021, the gender pay gap was 17.5% in the private sector and 10.8% in the public sector. Figure 3 shows that since 2001 the gender pay gap in the public sector has been lower than in the private sector.

During that time, the gender pay gap has hovered between 16.6% and 22.1% in the private sector and between 10.5% and 13.5% in the public sector.

Figure 3: Gender pay gaps over time in the private and public sectors, May 2001 to May 2021<sup>14</sup>



Data Source: ABS (2021), Average Weekly Earnings, May 2021, viewed 19 August 2021, Table 5 and Table 8 <a href="https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release#data-download">https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release#data-download</a>

Note: Based on full-time adult average weekly ordinary time earnings. Between May 2001 and November 2019 the national gender pay gap calculations were based on trend data. Due to Covid 19, seasonally adjusted data has been used in Figure 3 for all data points after November 2019.

# Method of setting pay and the gender pay gap

The method of setting pay describes how salaries are established, usually by award, collective or individual agreement. Table 3 shows that the gender pay gap was higher when pay was set by individual arrangement, compared to when pay was set by award or collective agreement.

The data shows that, on average, men have higher weekly total cash earnings than women regardless of the method by which pay is set.

Table 3: Average weekly total cash earnings (full-time) by gender and gender pay gap by method of setting pay (2018)<sup>15</sup>

Method of Setting Pay	Women	Men	Gender Pay Gap (%)
Award or Collective agreement	\$1,492.80	\$1,732.80	13.9
Individual arrangement	\$1,549.60	\$1,898.40	18.4
Overall	\$1,515.60	\$1,810.90	16.3

Data source: ABS (2019), Employee Earnings and Hours, Australia , Data cube 2, table 1, Jan 2019, viewed 24 August 2021, <a href="https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/employee-earnings-and-hours-australia/latest-release">https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/employee-earnings-and-hours-australia/latest-release</a>

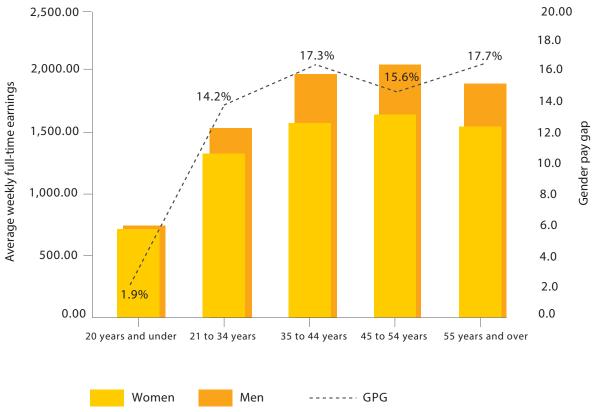
## The gender pay gap by age group

The average gender pay gap between women and men working full-time increases with age up to the mid-30s before decreasing slightly to 15.6% in favour of men.

The average gender pay gap is smallest for employees aged 20 years and under and sharply increases for those aged between 21 and 34 years. The gender pay gap is at its widest for the 35 to 44 years age group and for those over 55 years.

The average gender pay gap increases to its highest point at 17.7% for the over 55 years and over age group. Women in this age group are more likely than men to have spent time out of the workforce to care for children and other family members. As a result of the extra time women spend in unpaid care work, they have fewer promotion opportunities and are less likely than men to hold highly compensated jobs.

Figure 4: Average weekly full-time earnings and gender pay gap by age, August 2020<sup>16</sup>



Data source: ABS (2019), Employee Earnings and Hours, Australia, Data cube 1, table 4, Jan 2019, viewed 24 August 2021, <a href="https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/employee-earnings-and-hours-australia/latest-release">https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/employee-earnings-and-hours-australia/latest-release</a>

Note: Based on full-time average weekly total cash earnings and inclusive of ordinary and overtime earnings.

# Gender pay gaps by occupation

Occupational full-time gender pay gaps are calculated across the WGEA dataset by management and non-management occupational categories. The calculations are based on the annualised base salary and total remuneration of employees in non-public sector organisations.

Overall, WGEA data shows that in 2019-20 the gender pay gap was higher among managers compared to non-managers. The smaller gender pay gap is largely due to less discretionary pay and greater reliance on awards and collective agreements among non-managers. In 2019-20:

- the gender pay gap for managers was 23.2% with an average total remuneration dollar difference of \$46,578
- the gender pay gap for non-managers was 18.5% with an average total remuneration dollar difference of \$20,458.

#### The gender pay gap by manager category

WGEA data across manager categories shows that gender pay gaps increase at higher levels of management. The gender pay gap in total remuneration in part reflects the role of non-salary benefits in management, including bonuses.

In 2019-20:

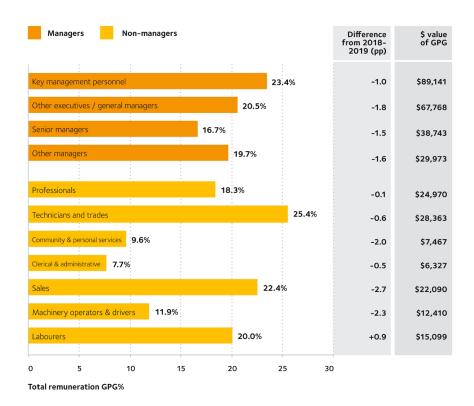
• the highest average full-time total remuneration gender pay gap was for key management personnel at 23.4%. This means that, on average, women earn \$89,141 less than men.

#### The gender pay gap by occupational category

WGEA data for non-manager occupations shows a gender pay gap in favour of men across all occupational categories. The gender pay gap in total remuneration partly reflects the role of non-salary benefits, including bonuses across specific occupations. For example, Technicians, which includes engineers, are likely to receive bonuses upon completion of projects. In 2019-20:

- the highest gender pay gap by occupation was for Technicians and trade, at 25.4% full-time total remuneration
- the lowest gender pay gap by occupation was for Clerical and administrative, at 7.7% full-time remuneration.

Figure 5: Gender pay gaps by manager category and non-manager category (full-time total remuneration gender pay gap by manager category and non manager category), 2019-2020<sup>17</sup>



Source: WGEA (2020), Australia's gender equality scorecard, <a href="https://www.wgea.gov.au/sites/default/files/documents/2019-20%20Gender%20Equality%20Scorecard\_FINAL.pdf">https://www.wgea.gov.au/sites/default/files/documents/2019-20%20Gender%20Equality%20Scorecard\_FINAL.pdf</a>

Note: Based on total remuneration of full-time employees, which includes full-time base salary plus any additional benefits payable directly or indirectly, whether in cash or in a form other than cash. Includes bonus payments (for example, performance pay), superannuation, discretionary pay, overtime, other allowances and other benefits (for example, share allocations).

#### **WGEA Resources**

<u>WGEA Data Explorer</u>: displays gender pay gap data (based on a census of non-public sector organisations with 100 or more employees that are required to report to the Agency and representing over 40% of Australian employees)

Australia's gender equality scorecard: released in November 2019

<u>Gender Equity Insights Reports</u>: Inside Australia's Gender Pay Gap: released March 2017 for a more detailed analysis of the Agency's gender pay gap data (such as by governing boards' gender composition and by whether organisations are more female-dominated, male-dominated or mixed).

# References

1) ABS (2021), Average Weekly Earnings, November 2020, viewed 25 February 2021,

https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release#data-download

2) Data source: ABS (2019), Employee Earnings and Hours, Australia , Jan 2019, viewed 24 August 2021,

https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/employee-earnings-and-hours-australia/latest-release

3) WGEA (2020), WGEA Data Explorer: http://data.wgea.gov.au/

4) ABS (2021), Average Weekly Earnings, November 2020, viewed 25 February 2021,

https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release#data-download 5) ABS (2021), Average Weekly Earnings, May 2021, viewed 19 August2021,

https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release#data-download

6) ABS (2020) Methods changes during the COVID-19 period, June 2020, cat. no. 1359.0, viewed August 2020,

https://www.abs.gov.au/articles/methods-changes-during-covid-19-period

7) Unless otherwise stated, all measures of the gender pay gap are expressed as a percentage (%) based on average weekly ordinary time earnings for full-time employees (trend data), with changes over time provided as the percentage point (pp) difference.

8) ABS (2021), Average earnings growth in May similar to pre-pandemic.

https://www.abs.gov.au/media-centre/media-releases/average-earnings-growth-may-similar-pre-pandemic.

9) ABS (2021), Average Weekly Earnings, May 2021, cat. no. 6302.0, viewed 19 August 2021, <a href="https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release#survey-impacts-and-changes;">https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release#survey-impacts-and-changes;</a>; ABS (2021), Average earnings growth in May similar to pre-pandemic, <a href="https://www.abs.gov.au/media-centre/media-releases/average-earnings-growth-may-simi-lar-pre-pandemic">https://www.abs.gov.au/media-centre/media-releases/average-earnings-growth-may-simi-lar-pre-pandemic</a>

10) Data: ABS (2021), Average Weekly Earnings, May 2021, cat. no. 6302.0, viewed 19 August 2021, Table 2 <a href="https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release#data-download">https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release#data-download</a> 11) Source: WGEA (2020), Australia's gender equality scorecard,

https://www.wgea.gov.au/sites/default/files/documents/2019-20%20Gender%20Equality%20Scorecard FINAL.pdf

Note: Total remuneration of full-time employees includes full-time base salary plus any additional benefits payable directly or indirectly, whether in cash or in a form other than cash. Includes: bonus payments (including performance pay), superannuation, discretionary pay, overtime, other allowances and other benefits (for example share allocations). Data: ABS (2021), Average Weekly Earnings, May 2021, cat. no. 6302.0, viewed 19 August 2021, Table 2

https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release#data-download 12) Data source: ABS (2021), Average Weekly Earnings, May 2021, cat. no. 6302.0, viewed 19 August 2021, Table 12 A to Table 12, https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/average-weekly-earnings-australia/latest-release#data-download

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13) ABS (2021), Average Weekly Earnings, May 2021, viewed 19 August 2021, Table 10 A and Table 10 D,

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14) Data Source: ABS (2021), Average Weekly Earnings, May 2020, viewed 19 August 2021, Table 5 and Table 8

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15) Data source: ABS (2019), Employee Earnings and Hours, Australia, Data cube 2, table 1, Jan 2019, viewed 24 August 2021, <a href="https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/employee-earnings-and-hours-australia/latest-release">https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/employee-earnings-and-hours-australia/latest-release</a>

16) Data source: ABS (2019), Employee Earnings and Hours, Australia, Data cube 1, table 4, Jan 2019, viewed 24 August 2021, <a href="https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/employee-earnings-and-hours-australia/latest-release">https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/employee-earnings-and-hours-australia/latest-release</a> Note: Based on full-time average weekly total cash earnings and inclusive of ordinary and overtime earnings.

17) Data source: WGEA (2020), Australia's gender equality scorecard,

https://www.wgea.gov.au/sites/default/files/documents/2019-20%20Gender%20Equality%20Scorecard FINAL.pdf

Note: Based on total remuneration of full-time employees, which includes full-time base salary plus any additional benefits payable directly or indirectly, whether in cash or in a form other than cash. Includes bonus payments (for example, performance pay), superannuation, discretionary pay, overtime, other allowances and other benefits (for example, share allocations).





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