

## MEDIA RELEASE

Thursday 18 August 2022

### Hard choices on necessities for Australian women as gender pay gap persists

The new national gender pay gap is **14.1 per cent**, which is an increase of **0.3 percentage points** over the last 6 months.

Today's average weekly earnings data, released by the Australian Bureau of Statistics (ABS), shows that men are earning an average of **\$263.90** more than women a week.

To earn the same average annual salary earned by a man, women must work **60 more days** after the end of the financial year, making this year's national Equal Pay Day **29 August**.

In a time of ballooning inflation, the Workplace Gender Equality Agency (WGEA) is calling attention to the disproportionate effect this persistent pay gap has for Australian women as they juggle the increased costs of daily living.

WGEA Director Mary Wooldridge said the substantial difference in pay impacts Australian women's financial freedom and ability to build their future financial independence.

"As a result of the gender pay gap, many Australian women have to work harder to make ends meet with very little room for discretionary spending or saving once they've covered the cost of daily essentials," Ms Wooldridge said.

The latest ABS figures from June show a skyrocketing cost-of-living for all Australians, with inflation now at 6.1 per cent over the past year.

"Looking at regular expenses like food, petrol, electricity and rent, the \$264 less in a woman's weekly pay makes a big difference," Ms Wooldridge said.

"When you're finding it tough to meet the essential costs of today it leaves little room to plan for tomorrow. Prioritising daily essentials means that putting money aside in case of an emergency, for children's education or saving for a house deposit is forced to take a backseat."

Ms Wooldridge said today's persistent gender pay gap outcome, in times of significantly increasing consumer prices, highlights the disproportionate impact that inflation has on Australian women.

"When women earn an average of \$264 less than men, the increasing price of everyday items consumes a larger portion of her income and makes it harder to make ends meet," Ms Wooldridge said.

"This *#Sheflation* impacts all Australians. It's placing increased stress on Australian households, particularly single parent households, as they struggle to pay for basic necessities like food and rent. It also reduces the purchasing power of Australian women, which is bad for Australian businesses and the economy.

"Fixing the gender pay gap requires leadership and commitment.



“We are calling on employers to take immediate action to reduce the gender pay gap by conducting a pay gap audit. This will give them a clear picture of what’s driving their pay gaps and the opportunities for improvement, that will benefit their employees and their business over time.”

Taking into account the large number of women working part-time, the gender pay gap for all employees is far higher.

“The traditional gender pay gap calculation is based on the ABS’s ordinary full-time average weekly earnings. If we include average weekly earnings data for part-time and full-time workers, the pay gap widens to 29.7 per cent,” Ms Wooldridge said.

New data for each State and Territory has also been released, revealing the date of Equal Pay Day and those performing best and worst with **Western Australia recording the highest gender pay gap** and **South Australia the lowest**.

WGEA has also calculated the gender pay gap by industry. The results reveal every industry still has a significant gender pay gap with the highest in **professional, scientific and technical services** at 25.3 per cent.

Explore the full dataset at [www.wgea.gov.au/pay-and-gender/gender-pay-gap-data](http://www.wgea.gov.au/pay-and-gender/gender-pay-gap-data)

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## Media Notes: Background information on the new national gender pay gap

### KEY FACTS

- The national gender pay gap is 14.1 per cent
- This is a 0.3pp rise from the previous gender pay gap of 13.8 per cent
- On average, women working full-time earned \$1,609.00 while men working full-time earned \$1,872.90
- Full-time average weekly earnings difference between women and men is \$263.90

### What is the difference between the gender pay gap and equal pay?

The national gender pay gap measures the difference between the average weekly full-time base salary earnings of women and men, 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.

**Equal pay** is the concept of women and men being paid the same for performing the same role or different work of equal or comparable value. In Australia, this has been a legal requirement since 1969.

The **gender pay gap** is different to equal pay. It measures the difference between the average earnings of women and men in the workforce. It is not the difference between two people being paid differently for the same or similar job, which is unlawful.

When we talk about the gender pay gap, we are talking about the difference between what men and women are paid, on average, across organisations, industries, and the workforce as a whole.

### The Gender Pay Gap based on base salary or total remuneration?

WGEA calculates the national gender pay gap using the ABS Average Weekly Earnings data. This survey estimates adult average weekly ordinary time earnings (base salaries) and excludes information on a person's total remuneration, such as overtime, bonuses, pay that is salary sacrificed and superannuation. WGEA calculates a gender pay gap on base salaries and total remuneration from our census of companies with over 100 employees. The total remuneration gender pay gap is consistently 5% greater than the one for base salary.

### Which Average Weekly Earnings data is used?

Traditionally, 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 survey.

However, due to the impact of COVID-19 on the labour market, in 2020 the ABS has suspended the use of trend data until more certainty emerges in the underlying trend in earnings estimates over the COVID-19 period.

Instead, for the past 2 years WGEA has used the ABS's seasonally adjusted average weekly earnings data to calculate the gender pay gap during the COVID-19 period.

Read the ABS's explanation [here](#) about why they have suspended trend estimates during the COVID-19 period and find out more [here](#) about the difference between trend estimates and seasonally adjusted estimates.

### Gender pay gap (by State and Territory)

|          | Gender pay gap<br>May 2022 | Difference between male<br>and female average<br>weekly full-time<br>earnings<br>(\$) | Equal Pay Day<br>(2022 Date) |
|----------|----------------------------|---|------------------------------|
| WA       | 22.4%                      | \$471.70  | 14 October                   |
| QLD      | 15.6%                      | \$283.20  | 5 September                  |
| VIC      | 14.2%                      | \$263.60  | 30 August                    |
| NSW      | 12.4%                      | \$233.40  | 21 August                    |
| NT       | 12%                        | \$217.90  | 19 August                    |
| ACT      | 11.3%                      | \$237.80  | 16 August                    |
| TAS      | 7.5%                       | \$121.60  | 30 July                      |
| SA       | 7.4%                       | \$123.70  | 29 July                      |
| National | 14.1%                      | \$263.90  | 29 August                    |

### Industry gender pay gaps

| Industry   | Gender pay gap<br>May 2022 | Difference between male and<br>female average weekly full-<br>time earnings<br>(\$) |
|--|----------------------------|---|
| Professional, Scientific and<br>Technical Services | 25.3%                      | \$585.60  |
| Health Care and Social<br>Assistance               | 22.2%                      | \$454.50  |
| Financial and Insurance Services                   | 19.0%                      | \$448.00  |
| Construction                                       | 18.8%                      | \$337.90  |
| Rental, Hiring and Real Estate<br>Services         | 17.4%                      | \$302.40  |
| Mining   | 16.0%                      | \$443.80  |

**About the Agency:** The Workplace Gender Equality Agency is an Australian Government statutory agency charged with promoting and improving gender equality in Australian workplaces. More at [www.wgea.gov.au](http://www.wgea.gov.au)