



Australia's gender pay gap

Date of publication: July 2024

What is the gender pay gap?

The **gender pay gap** is the difference in average or median earnings between women and men in the workforce, or in an individual workplace.

It is an important measure of gender inequality that affects women at all stages of their life and career. It is a reflection of limitations on women's earnings and financial freedom—from the day they join the workforce, throughout their careers, before financially compromising their retirement. Expressed as a percentage or a dollar figure, it is a measure of women's overall position in the paid workforce and does not compare like roles.

It is not a calculation of equal pay for equal work.

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. Instead, a gender pay gap shows the difference between the pay of women and men at an employer, across industries or the workforce as a whole.

How is the gender pay gap calculated?

The gender pay gap is a simple calculation that always stays the same. It is the difference between the average or median pay for men and women, expressed as a percentage of men's pay. As an equation, that is:

$$\frac{(\text{Remuneration of men} - \text{remuneration of women})}{\text{Remuneration of men}} \times 100$$

You may see different results for the gender pay gap. The calculation doesn't change. What changes is how people define 'pay' or 'remuneration'.

Pay can be defined as base salary or total remuneration, which includes super and bonuses. It could be what someone earns in an hour, a week or a whole year. It can be full-time workers only or include part-time and casual workers too.

Regardless of what measure of pay you use, there is always a gender pay gap in favour of men in Australia.

Australia reports two gender pay gaps at a national level. The gender pay gaps are different because of the way 'pay' is measured in the different datasets that are used to calculate these numbers.

WGEA uses:

- the annual WGEA Employer Census data to calculate the **the WGEA gender pay gap**
- the Australian Bureau of Statistics (ABS) Survey of Average Weekly Earnings to calculate the **the national gender pay gap**

Using this data, the gender pay gap can also be broken down by state and industry. Calculating the gender pay gap from both data sets allows us to track trends and differences that will lead to more equal workplaces for all employees. The Australian Bureau of Statistics provides a helpful **guide to all the different approaches to measuring a gender pay gap in Australia**. You can also find out more about what the ABS data includes and excludes when it defines 'pay' on the WGEA website under '**How to calculate a gender pay gap**'.

What causes the gender pay gap?

The gap between women's and men's earnings is the result of social and economic factors that combine to reduce women's earning capacity over their lifetime. Often, it is the indirect forms of discrimination which limit women's earning ability, including biases in progression and promotion opportunities. These factors include:

- conscious and unconscious 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
- lack of workplace flexibility to accommodate caring and other responsibilities, especially in senior roles
- high rates of part-time work for women
- women's greater time out of the workforce for caring responsibilities impacting career progression and opportunities
- women's disproportionate share of unpaid caring and domestic work.

Learn more about the drivers of the gender pay gap in our [She's Price\(d\)less: The economics of the gender pay gap](#) research with Diversity Council Australia and KPMG.

Are employer gender pay gaps published?

WGEA published gender pay gaps for private sector employers with 100 or more employees on 27 February 2024. We published:

- base salary and total remuneration median gender pay gaps
- gender composition per pay quartile.

Employer gender pay gaps are available on [WGEA's Data Explorer](#). Our online tool provides deeper insights into individual employer's workplace gender equality performance and outcomes. You can also compare results across:

- the private sector (The National Picture)
- private sector industries (Industry pages)
- Commonwealth public sector employers (Employer results)
- private sector employers (Employer results)

What will WGEA publish in early 2025?

WGEA will publish the second round of employer gender pay gaps for the private sector in early 2025. Early in 2025, we will also publish the first set of Commonwealth public sector employer gender pay gaps. We will publish:

- gender pay gaps **individually for all relevant employers**, this includes those who submit their data as part of a submission group
- base salary and total remuneration **average** gender pay gaps, as well as base salary and total remuneration **median** gender pay gaps
- **gender composition and average remuneration per pay quartile**

Similar to last year, employers can provide context to their gender pay gap by submitting a link to an Employer Statement that is published alongside their results on the WGEA website.

Visit WGEA's [publishing employer gender pay gaps FAQ](#) for more information.

Drivers of the gender pay gap



Source: [She's Price\(d\)less: The economics of the gender pay gap](#) research with Diversity Council Australia and KPMG.