

MEDIA RELEASE

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The national gender pay gap is now 14.0% Equal Pay Day will be 28 August 2020

The new national gender pay gap for the six months to May 2020 is **14.0%**. This year, Equal Pay Day will be on **28 August 2020**, marking the 59 additional days from the end of the previous financial year that women, on average, must work to earn the same as men earned that year.

Using the latest Average Weekly Earnings seasonally adjusted series data released by the Australian Bureau of Statistics (ABS), the Workplace Gender Equality Agency (WGEA) has calculated the national gender pay gap as **14.0% for full-time employees, a difference of \$253.60 per week.**

WGEA Director Libby Lyons said that the COVID-19 crisis has had a disproportionate impact on women. “Data would suggest that the COVID-19 pandemic has affected women and men differently. More Australian women than men have lost their jobs since COVID-19 struck. A number of female-dominated industries have suffered the worst of the job losses. All the evidence we have suggests that COVID 19 is seriously jeopardising women’s long-term economic and financial security and workforce participation.

“This is why I am again urging employers to ensure that gender equality is a top business priority in their organisations. I know many employers are doing it tough right now. However, it is critical that the COVID-19 crisis does not see a decline in the many gains we have all worked so hard to achieve over the last few years, such as more women in leadership roles. Women now comprise 39.4% of all managers in WGEA’s dataset.

“Over the period of the GFC, our last economic downturn, the gender pay gap shot up 2.0 percentage points from 15.6% in November 2007 to 17.6% in November 2009. It took us 10 years to bring that pay gap back down to where it is today. We cannot afford to see a repeat of this as we face our first economic recession in almost 30 years. It will be a disaster for the economy and a calamity for Australian women.

“Gender equality IS good for business. The [2020 Gender Equity Insights Report](#) we recently released in collaboration with the Bankwest Curtin Economics Centre (BCEC) proved beyond all doubt that more gender-balanced leadership in an organisation delivers better company performance, improved productivity and greater profitability. We now know categorically that gender equality is a commercial imperative and provides organisations with a competitive edge over their business rivals. This report shows that reverting to previous work habits and ways is not an option. Gender equality is central to our economic recovery. Women and men must have an equal opportunity to re-engage and participate in the workforce as we move into the recovery phase.

“Pursuing improved gender equality outcomes in Australian workplaces is also one of the fastest ways to close this nation’s persistent gender pay gap. This Equal Pay Day, I implore all Australian employers to not only continue the drive but to step up the action for gender quality. Addressing pay equity and ensuring the work of female employees is valued and rewarded equitably is a great place to start,” she said.

About the national gender pay gap

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.

Key facts

- The national gender pay gap is 14.0%.
- On average, women working full-time earned \$1558.40 while men working full-time earned \$1812.00.
- Full-time average weekly earnings difference between women and men is \$253.60.

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About the Agency: The Workplace Gender Equality Agency is an Australian Government statutory agency charged with promoting and improving gender equality in Australian workplaces. www.wgea.gov.au.



Background information on the new national gender pay gap

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

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 get paid, on average, across organisations, industries, and the workforce as a whole.

What are the changes to this instalment of Average Weekly earnings data?

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, 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 has suspended the use of trend data.

Instead, WGEA has used seasonally adjusted data to calculate average weekly earnings during the COVID-19 period.

This means the Agency will not compare this year's gender pay gap statistics to previous years.

Read the ABS's explanation [here](#) about why they have suspended trend estimates during the COVID-19 period.

What is the difference between trend data and seasonally adjusted data?

Understanding the difference between trend estimates and seasonally adjusted estimates is important when you are examining a series of data points and comparing data points to each other.

Seasonally adjusted estimates are produced by removing the seasonal (intra-year) patterns from a dataset. They provide useful information on the effects of short-term, major events.

The trend estimates are less sensitive to sampling variations which can make the data 'noisy'. Trend estimates smooth out the noise from the seasonally adjusted estimates and can give a better overview of the long-term behaviour of the data.

Find out more [here](#) about the difference between trend estimates and seasonally adjusted estimates.

What does the AWE data tell us about the current labour market situation?

The biannual AWE data is a snapshot in time. This survey was in May 2020 and there have obviously been significant changes since May as a result of COVID-19. It is not a complete reflection of what has been happening in the Australian labour market.

This survey also only captures full time workers. It does not include part time workers or those out of the workforce. People who were usually employed full-time but have had their hours reduced as a result of COVID-19 will have left this cohort.

What is the impact of the JobKeeper program on AWE data?

JobKeeper payments, which came into effect from 1 May, are included in the ABS Average Weekly Earnings data. This has increased the average weekly earnings of some workers to \$750 per week. Data shows that more men are receiving JobKeeper payments than women.

Employees and business participants receiving JobKeeper Payments by gender for April 2020 JobKeeper fortnights

Gender	Individuals
Male	52.9 %
Female	47.1 %