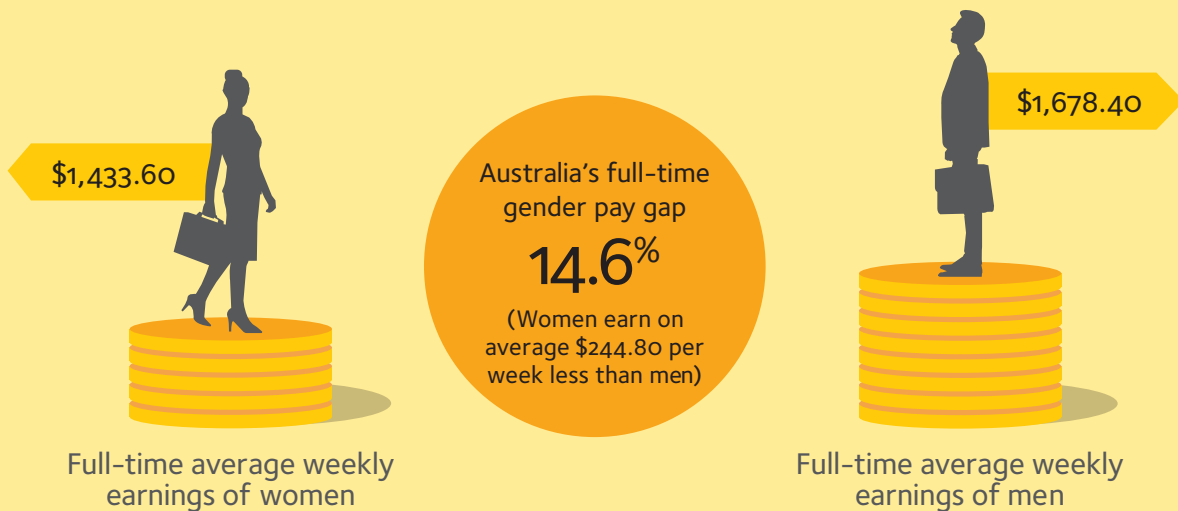




Factsheet Series

# Australia's Gender Pay Gap Statistics

August 2018



## Gender pay gap by state and territory

Lowest	Highest
Tasmania 9.7%	Western Australia 22.4%

## Gender pay gap by industry

Lowest	Highest
5.8% Public Administration and Safety	26.6% Financial and Insurance Services

# About the Gender Pay Gap

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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

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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.

$$\text{GPG} = 100\% \star \frac{\text{Male Average Earnings} - \text{Female Average Earnings}}{\text{Male Average Earnings}}$$

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) before tax, excluding factors such as overtime, pay that is salary sacrificed and junior and part-time employees.

Data is also sourced from the ABS Employee Earnings and Hours employer survey\*\* (age group and method of setting pay) and from the Agency's own gender pay gap data (occupation and overall).\*\*\* Gender pay gap calculations derived from each of these data sources vary due to differences in timing and scope, and reflect different gender equality issues.

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.

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\* ABS (2018), Average Weekly Earnings, May 2018, cat. no. 6302.0, viewed 16 August 2018, <http://www.abs.gov.au/ausstats/abs@.nsf/mf/6302.0>

\*\* ABS (2017), Employee Earnings and Hours, Australia, May 2016, cat. no. 6306.0, viewed 23 February 2017, <http://www.abs.gov.au/AUSSTATS/abs@.nsf/mf/6306.0>

\*\*\* WGEA (2017), WGEA Data Explorer: <http://data.wgea.gov.au/>

# The national gender pay gap

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

Currently, Australia's national gender pay gap is 14.6%.

At May 2018, women's average weekly ordinary full-time earnings across all industries and occupations was \$1,433.60 compared to men's average weekly ordinary full-time earnings of \$1,678.40.



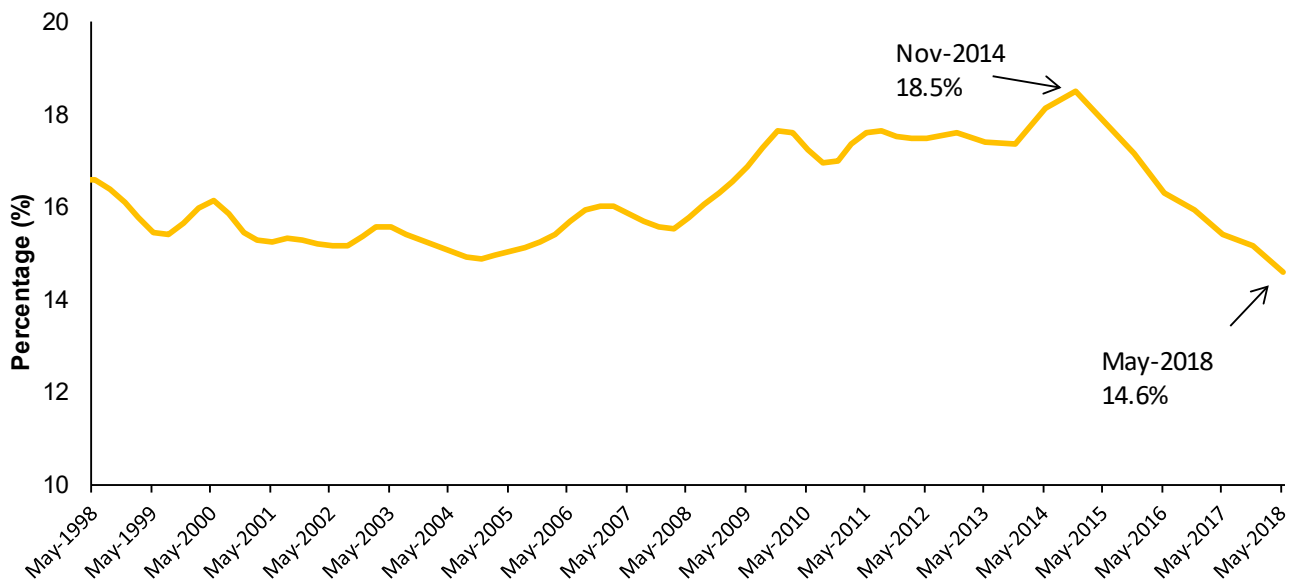
## The national gender pay gap over time

Australia's national gender pay gap has hovered between 14% and 19% for the past two decades.\* There has been a decrease of 0.7 pp in the gender pay gap since May 2017 (15.3%).

Between 1998 and 2018 the gender pay gap was:

- lowest in May 2018, at 14.6%
- highest in November 2014, at 18.5%.

Figure 1: The Australian gender pay gap, May 1998 – May 2018\*\*



Data source: ABS (2018), Average Weekly Earnings, May 2018, cat. no. 6302.0, viewed 16 August 2018, <<http://www.abs.gov.au/ausstats/abs@.nsf/mf/6302.0>>

Note: Based on full-time adult average weekly ordinary time earnings, trend series.

\* 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.

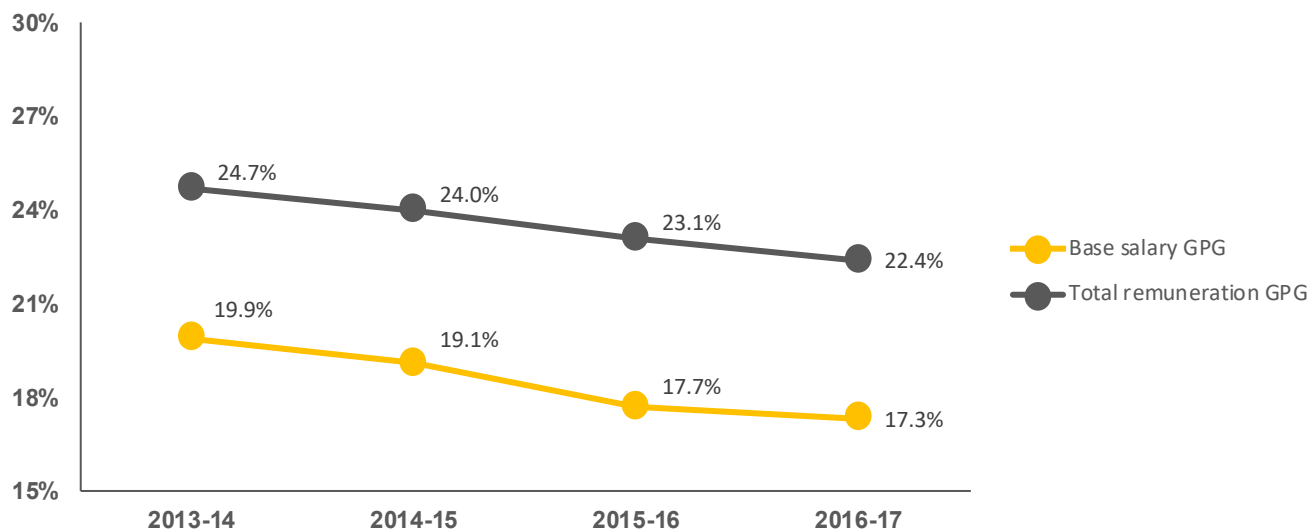
\*\* The release frequency changed from quarterly to bi-annual between May and November 2012. May 2012 represents the start of the new bi-annual series.

# 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 22.4%, meaning men working full-time earn nearly \$26,527 a year more than women working full-time.

Figure 2: Full-time base salary and total remuneration, 2013-14 - 2016-17



Source: WGEA (2017), Australia's gender equality scorecard, <https://www.wgea.gov.au/sites/default/files/2016-17-gender-equality-scorecard.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 (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 is employed in the Public Administration and Safety sector, which traditionally has a lower gender pay gap and balanced gender representation. As of May 2018:

- Western Australia has the widest gender pay gap at 22.4%.
- South Australia and Tasmania have the smallest gender pay gaps at 9.8% and 9.7% respectively.

Between 2017 and 2018 the gender pay gap has decreased in the Northern Territory and Victoria by 0.9 percentage points (pp), followed by New South Wales with a decrease of 1.1 percentage points. The Australian Capital Territory and Queensland were the only regions to record higher gender pay gaps, with increases of 0.8 and 0.3 percentage points respectively.

**Table 1: Full-Time Adult Weekly Ordinary Time Earnings gender pay gap by state and territory, May 2017- May 2018\***

State/Territory	May-2017	May-2018	Difference (pp)
Western Australia	22.9%	22.4%	-0.5
Northern Territory	21.4%	20.5%	-0.9
Queensland	17.0%	17.3%	0.3
New South Wales	14.8%	13.7%	-1.1
Australian Capital Territory	12.3%	13.1%	0.8
Victoria	13.1%	12.2%	-0.9
South Australia	10.0%	9.8%	-0.2
Tasmania	11.8%	9.7%	-2.1
Australia	15.3%	14.6%	-0.7

Data source: ABS (2018), Average Weekly Earnings, May 2018, cat. no. 6302.0, viewed 16 August 2018, <<http://www.abs.gov.au/ausstats/abs@.nsf/mf/6302.0>>

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 2018, followed by the national gender pay gap result.

# 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 Financial and Insurance Services with 26.6%, followed by Health Care and Social Assistance with 25.0% and Rental, Hiring and Real Estate Services with 24.1%
- lowest in Public Administration and Safety and Other Services with 5.8% and Retail Trade with 6.3%

Between May 2017 and 2018:

- the largest gender pay gap increases were in Health Care and Social Assistance (+3.1 pp), Administrative and Support Services (+1.9 pp) and Electricity, Gas, Water and Waste Services (+1.1 pp)
- the most substantial gender pay gap reductions were in Construction (-8.2 pp), Financial and Insurance Services (-3.0 pp), and Arts and Recreation Services (-2.8 pp)

\* A minus sign indicates that the gender pay gap has decreased from the previous period

**Table 2**  
**Full-time Adult Average Weekly Ordinary Time Earnings gender pay gap by industry, May 2017- May 2018\***

Industry	May-2017	May-2018	Difference (pp)
Financial and insurance services	29.6%	26.6%	-3.0
Health Care and Social Assistance	21.9%	25.0%	3.1
Rental, Hiring and Real Estate Services	23.1%	24.1%	1.0
Professional, Scientific and Technical Services	24.3%	22.3%	-2.0
Arts and Recreation Services	22.1%	19.3%	-2.8
Information Media and Telecommunications	18.0%	18.5%	0.5
Transport, Postal and Warehousing	18.0%	17.8%	-0.2
Mining	16.6%	16.9%	0.3
Administrative and Support Services	14.6%	16.5%	1.9
Construction	23.3%	15.1%	-8.2
Wholesale	15.4%	14.5%	-0.9
Education and Training	10.9%	11.5%	0.6
Manufacturing	10.8%	11.3%	0.5
Electricity, Gas, Water and Waste Services	9.6%	10.7%	1.1
Accommodation and Food Services	11.8%	9.1%	-2.7
Other Services	8.7%	8.7%	0.0
Retail	9.0%	6.3%	-2.7
Public Administration and Safety	5.9%	5.8%	-0.1

Data source: ABS (2018), Average Weekly Earnings, May 2018, cat. no. 6302.0, viewed 16 August 2018,

<<http://www.abs.gov.au/ausstats/abs@.nsf/mf/6302.0>>

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 2018.

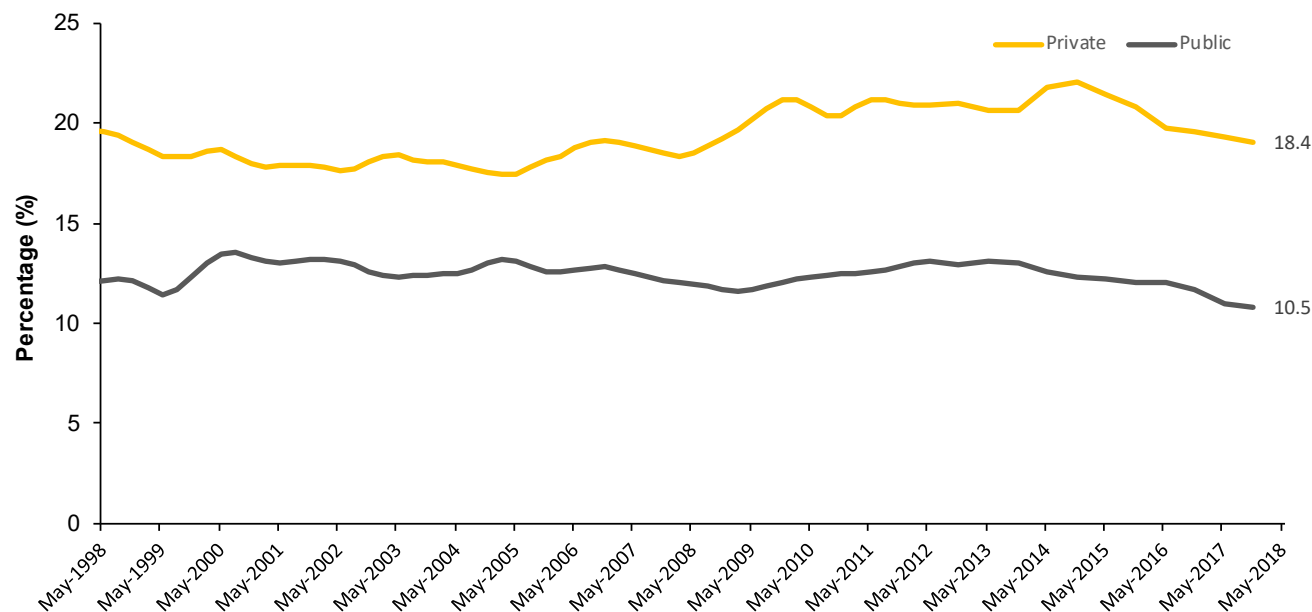
\* A minus sign indicates that the gender pay gap has decreased from the previous period.

# Gender pay gaps in the private sector

In May 2018, the gender pay gap was 18.4% in the private sector and 10.5% in the public sector. Figure 3 shows that since 1998 the gender pay gap in the public sector has been considerably lower than in the private sector.

During that time, the gender pay gap has hovered between 17.4% 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 1998 – May 2018



Data source: ABS (2018), Average Weekly Earnings, May 2018, cat. no. 6302.0, viewed 16 August 2018,

<<http://www.abs.gov.au/ausstats/abs@.nsf/mf/6302.0>>

Note: Based on full-time adult average weekly ordinary time earnings.

## 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 (2016)

Method of Setting Pay	Women	Men	Gender Pay Gap (%)
Award or Collective agreement	\$1,436.00	\$1,653.10	13.1
Individual arrangement	\$1,475.20	\$1,822.80	19.1
Overall	\$1,456.90	\$1,727.40	15.7

Data source: ABS (2017), Employee Earnings and Hours, Australia, May 2016, cat. no. 6306.0, viewed 23 February 2017, <http://www.abs.gov.au/AUSSTATS/abs@.nsf/mf/6306.0>

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

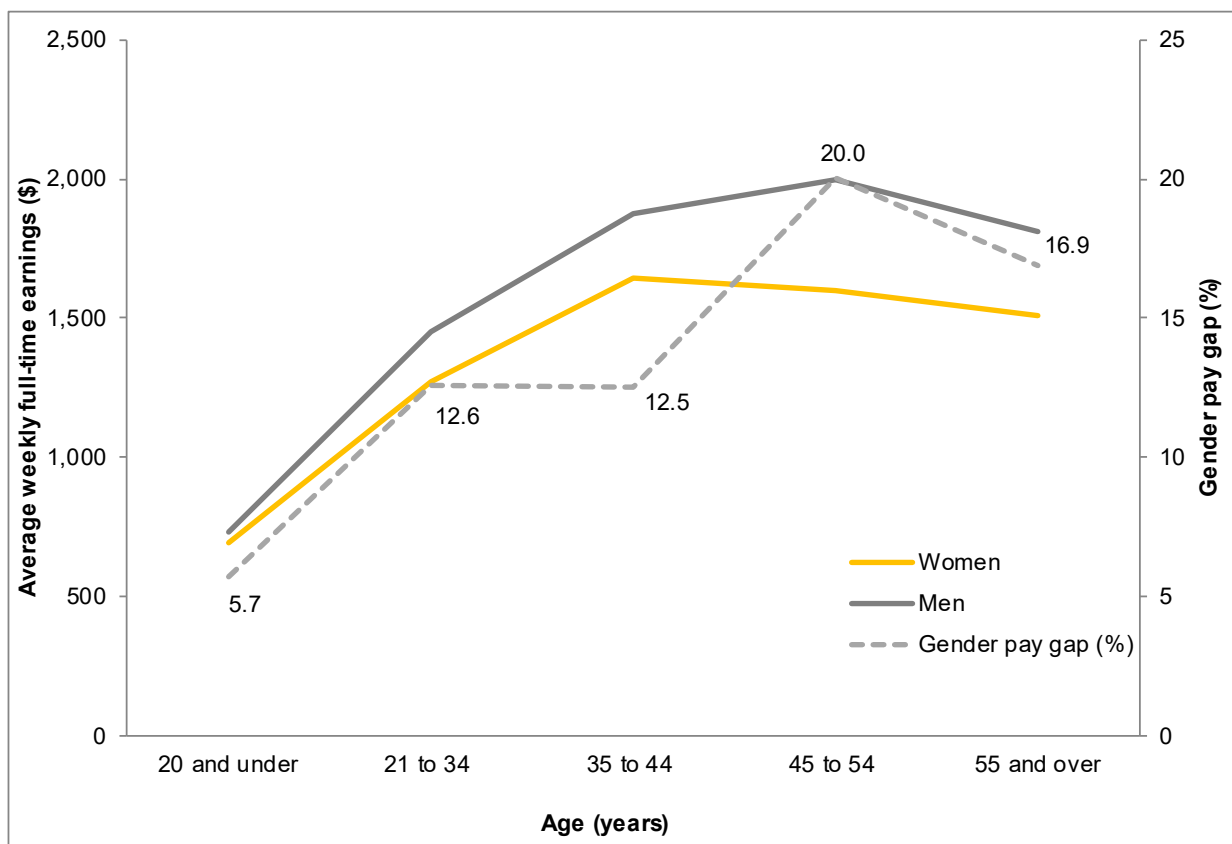
# The gender pay gap by age group

The average gender pay gap between women and men working full-time generally increases with age up to the mid-50s before decreasing slightly to 16.9% in favour of men.

The average gender pay gap is smallest for employees aged 20 years and under, increases for those aged between 21 and 34 years and remains at that level for those in the 35 to 44 age group.

The average gender pay gap increases to its highest point at 20.0% for the 45 to 54 age group. Women in this age group are more likely than men to have spent time out of the workforce to care for children. 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 3: Average weekly full-time earnings and gender pay gap by age, May 2016



Data source: ABS (2017), Employee Earnings and Hours, Australia, May 2016, cat. no. 6306.0, viewed 23 February 2017, <http://www.abs.gov.au/AUSSTATS/abs@nsf/mf/6306.0>

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



# The gender pay gap 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 2017 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 2017:

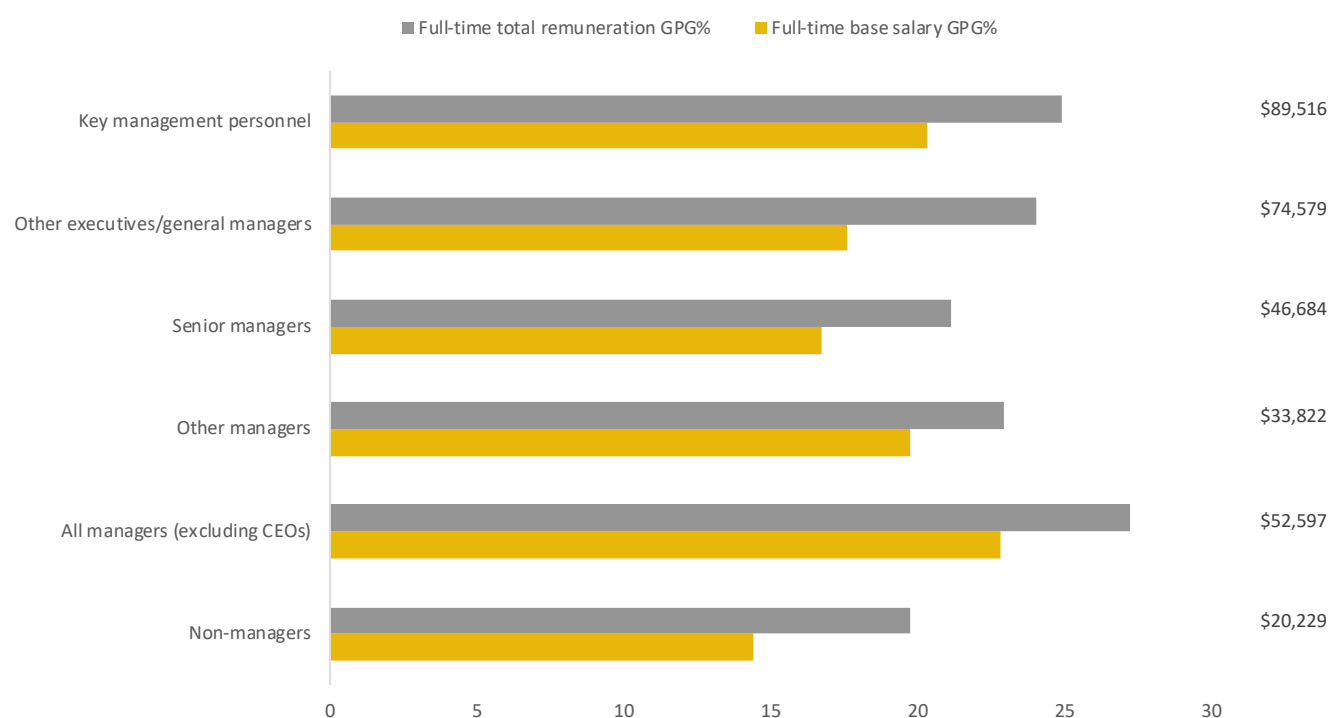
- the gender pay gap for managers was 27.2% with an average total remuneration dollar difference of \$52,597
- the gender pay gap for non-managers was 19.7% with an average total remuneration dollar difference of \$20,229.

## 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 2017:

- the highest average full-time total remuneration gender pay gap was for Key management personnel at 24.9%. This means that, on average, women earn \$89,516 less than men.

**Figure 5: Gender pay gaps by management level (full-time employees, base salary and total remuneration), 2017**



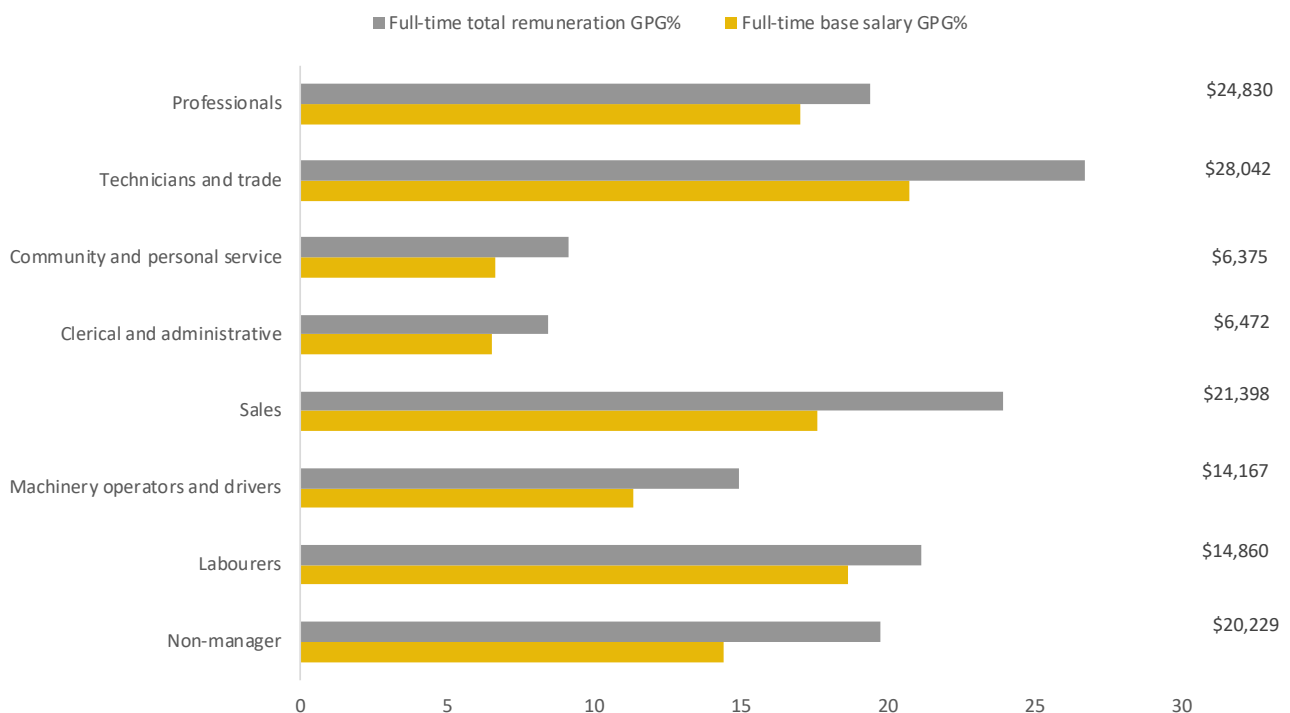
Source: WGEA (2017), WGEA Data Explorer: <http://data.wgea.gov.au/>

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 (for example, performance pay), superannuation, discretionary pay, overtime, other allowances and other benefits (for example, share allocations).

## 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 2017:
- the highest gender pay gap by occupation was for Technicians and trade, at 26.7% full-time total remuneration
- the lowest gender pay gap by occupation was for Clerical and administrative, at 8.4% full-time remuneration.

**Figure 6: Gender pay gaps by non-manager occupations (full-time employees, base salary and total remuneration), 2017**



Source: WGEA (2017), WGEA Data Explorer: <http://data.wgea.gov.au/>

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 (for example, performance pay), superannuation, discretionary pay, overtime, other allowances and other benefits (for example, share allocations).

## WGEA Resources

[WGEA Data Explorer](#): 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 2017

[Gender Equity Insights 2017: 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).

[International Gender Reporting Schemes](#): updated in January 2018 featuring gender pay gap data and international reporting schemes across OECD countries.



## Advice and assistance

For further advice and assistance,  
please contact:

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