The gender pay gap is narrowing, but women are still earning $25k less per year

By business reporter Stephanie Chalmers and Tahlia Roy

Updated Tue 13 Nov 2018, 11:26am

Men continue to earn more than women across the workforce and while the gender pay gap is decreasing, it is not moving in the right direction in all sectors.

And female-dominated professions are not immune to wage inequality, with the pay gap in the health care industry widening for a second straight year.

The Workplace Gender Equality Agency’s (WGEA) annual report shows men continue to out-earn women across every industry and occupation, including managers and non-managers.

Data collected from 4.1 million employees shows the gender pay gap continued to narrow in 2017-18, declining 1.1 per cent — its largest single-year drop since the report began five years ago.

Men’s average full-time pay, including bonuses and other extra remuneration, is now 21.3 per cent — or $25,717 per year — more than women’s.

The gap for base pay is narrower, with women earning an average of 16.2 per cent less than men.

“I think progress towards gender equality is heading in the right direction but it is slow,” WGEA director Libby Lyons said.

Key points:

- The gender pay gap decreased by 1.1 per cent in 2017-18, to 21.3 per cent
- Men still take home $25,717 a year more than women on average
- The pay gap in the female-dominated health care sector increased for a second year
- Less than 50 per cent of employers offer paid parental leave for primary carers
- Women account for around 95 per cent of all primary carer’s leave utilised
"We've had a group of employers taking action and that's why we've seen great results, but we need far more employers recognising that gender equality is good for business, and so taking action."

The pay gap continues to favour men across all levels of the workforce, from clerical and administrative workers through to executives and general managers.

Four of 19 industries saw their gender pay gap widen in the most recent year, including the female-dominated health care and social assistance sector, where the gap now stands at 16.1 per cent — up from 14.7 per cent in 2015-16.

Ms Lyons described the increasing pay gap in health care as "very concerning".

"Employers might think that just because they're female-dominant, they don't have a problem — that is absolutely not true," she said.

The finance sector continues to have the highest pay gap, at more than 30 per cent or an average of nearly $49,000 per year, but has posted a steady decline over the past five years.

Construction has the next-largest pay gap at 29.4 per cent, after a 2 per cent increase over the year.

"While there's really great goodwill on the part of employers in construction, in that they have gender equality strategies and policies in place, that's not translating to the worksites," Ms Lyons said.

## Total remuneration gender pay gap by industry, ranked from highest to lowest

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<td>Manufacturing</td>
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PHOTO: The finance sector has the biggest pay gap, at more than 30 per cent. (Supplied: WGEA)

## More employers tracking pay gap but not all take action

The agency has identified a gulf between employers tracking the gender pay gaps in their organisations and those actually taking action.

The number of employers analysing their payroll data for a gender gap rose by nearly 4 per cent to 41.6 per cent in 2017-18.

However, more than 40 per cent of those employers took no action as a result of their analysis.

"That tells me that employers either don't know what to do or they don't know where to start... we do need employers to step up and do something about that," WGEA's Libby Lyons said.
Despite a slight increase in the number of employers offering paid parental leave, it still stands below 50 per cent, with large organisations more likely to offer leave for primary carers than small businesses.

Women continue to make up the vast majority of those taking the leave, accounting for 94.9 per cent of all primary carer's leave utilised.

The proportion of employers that have formal strategies to support employees experiencing family and domestic violence has increased to 46.7 per cent.

Workers face glass walls as well as ceilings

Male and female workers continue to be concentrated in different industries, with health care and education the most female-dominated.

Women make up 80 per cent of the health care workforce and 70 per cent of its managers, and Ms Lyons says that discrepancy is responsible for the widening pay gap in the sector.

"We need to encourage more women into management and more men into caring roles," she said.

Industry participants are also concerned about the direction of gender equality in health care.

"There has been some achievements in conditions that perhaps have been traded off on salaries, which may have seen us fall behind a bit more," said Leanne Boase, the president of the Australian College of Nurse Practitioners.

"It's not encouraging people to work in this sector... it's very off-putting for females to come into an industry where they might be paid less."

PHOTO: Juliane Samara says without equal pay, men won't be encouraged to pursue careers in traditionally female-dominated industries.

(ABC News: Ross Nerdal)

Long-time palliative nurse practitioner Juliane Samara said the pay disparity could also discourage men from pursuing traditionally female-dominated industries, exacerbating the gender divide.

"It's not good for morale," she said.

"We need to have equity with the male workforce and we need to be able to encourage males in. Without equal rates of pay we won't be able to do that."
Overall, WGEA found that the so-called "glass walls" segregating the Australian workforce are persisting, with little movement over the past five years.

Just two of 19 industries changed their make-up during the period — professional, scientific and technical services shifted from being male-dominated to mixed, while information media and telecommunications changed from mixed to male-dominated.

The 'glass walls' are in addition to 'glass ceilings', as the representation of women in the workforce declines with each level of seniority.

While the proportion of women across all management categories has increased since the report began in 2013-14, women still only account for 17.1 per cent of chief executive or head of business roles.

"At the heart of occupational and gender segregation is the culture in which we’ve all grown up," Ms Lyons said.

"The gender pay gap is a symptom of a broader problem."

"We’re tackling the broader problem and whilst it may not be working as quickly we’d like it do, it is working."

Topics: gender-roles, work, business-economics-and-finance, community-and-society, australia
Women may have to wait another 80 years until they're top dog

By Specialist Reporting Team's Alison Branley

Updated Fri 1 Mar 2019, 10:41am

When Kirsten O'Doherty was studying to be a pharmacist at university, she already knew she wanted to be the first female general manager of a pharmaceutical company.

Today, that's exactly what she does as Australia New Zealand general manager for pharmaceutical giant AbbVie, which makes some of the top-selling medications in the world.

"I certainly was ambitious early and I definitely wanted more," she said.

Ms O'Doherty started out as a hospital pharmacist and worked her way to the top of her industry.

While she wasn't the first female general manager in her sector, she wasn't far behind.

But women like Kirsten are still in the minority, with a five-year special investigation finding it will be 80 years before there's an equal number of male and female chief executives in Australia.

 RELATED STORY: Women retire with almost half the super as men. This might help change that
 RELATED STORY: Corporate gender equality 'won't happen without the quota'
 RELATED STORY: The gender pay gap is narrowing, but women are still earning $25k less per year

Key points:

- An equal number of male and female CEOs is expected by 2100
- Male managers currently earn on average $162,000 more than their female counterparts
- Businesses can get more women with family-friendly work, female board members and reporting requirements, experts say
Women may have to wait another 80 years until they're top dog - ABC News (Australian Broadcasting Corporation)

The research from Australian Workplace Gender Equality Agency also found the highest-paid men in all management roles in Australia were being paid, on average, at least $162,000 more than their female counterparts.

The data, compiled and analysed by the Curtin Economics Centre, found the top 10 per cent of best-paid males in leadership roles took home a total salary of $598,745, compared to $436,369 for the best-paid women.

**Significant pay gap persists**

Women were found to be better represented among lower levels of management, but even then, they took home $31,000 less than their male colleagues.

Ms O'Doherty said she'd tried to counter the pay gap during her career by always taking a keen interest in industry benchmarks and asking her employers to keep pace.

"I've always been a very strong advocate for myself," she said.

Overall, women make up almost half of the Australian labour market, but still only hold 37.5 per cent of full-time management positions.

The research was based on data from more than 4,500 employers sent to the Federal Government — about 40 per cent of the workforce.

It found that women in the health care sector were noticeably under-represented among top-tier managers compared to the proportion of female employees, while the rental hiring and real estate industry had the widest pay gap when it came to pay.

The mining, manufacturing and utilities sectors showed strong growth in their share of female managers.
Workplace Gender Equality Agency director Libby Lyons said the figures on chief executive numbers didn’t surprise her and she’d also found many female chief executives had to work harder to prove themselves.

“There’s no complaints about that — we just get in and we do what we’ve got to do, but I do think that women probably, anecdotally, have had to do it a bit tougher than the blokes,” she said.

She encouraged female managers who suspected they earned less than male colleagues to talk to their employer.

"I think you know you owe it to yourself to have that chat with your boss and talk about your work and talk about your value," she said.

But wait, there is some good news

The report did find there were plenty of measures businesses — both big and small — could take to keep their female staff.

Employers that funded at least 13 weeks of paid parental leave, above the Government’s minimum leave, halved the rate of departure of female managers.

And companies that offered flexible work arrangements and reported to boards on their gender policies increased their share of part-time female managers by nearly 14 per cent.

Onsite childcare increased the retention of female managers during paid parental leave by almost one-fifth.

Kirsten O’Doherty said maternity leave was the main gender issue she’d encountered during her rise to the top.

"At the time, there was no guarantee of return to the same level of role," she said.
"I think about five weeks after having my first daughter I was really working part-time unpaid at home in order to keep up.

"I just thought I had no choice other than to take very short maternity leave."

She said that was why, as leader of AbbVie, she took a proactive role in fostering a flexible workplace.

"You can have the policies in place, but unless everybody in the organisation knows that and they live and breathe it everyday, you get pockets where things aren't being implemented as they should," Ms O'Doherty said.

Benefits of female leadership unparalleled

The figures reflect this, showing a female chief executive was also beneficial to the retention of women in the workplace.

Those with a woman in the top job increase their share of female full-time managers by 8.6 per cent on average.

Boards can also play a role: those with an equal share of men and women grow the proportion of full-time female managers by 7.3 per cent.

Ms Lyons said it made sense for businesses and workers to want more women in management roles.

"(The report) gives us the evidence that female managers are twice as likely to return to work if their employer provides 13-plus weeks of paid parental leave," she said.

"If they leave, employers are going to have to pay to recruit and retrain another employee so I think it's about taking the longer-term view.

"When you have balance in a team, you get more innovative thinking, you get different thinking, you get better decision-making and it's better for your business."

Topics: gender-roles, social-systems, work, community-and-society, business-economics-and-finance, australia

https://www.abc.net.au/news/2019-03-01/up-to-80-years-until-women-are-top-dog/10859232