

# MEDIA RELEASE

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# New WGEA results confirm improvement in gender equality, but more to do to in Australian workplaces

The Workplace Gender Equality Agency (WGEA) has announced today that **the total remuneration** gender pay gap has dropped by 0.6 percentage points<sup>1</sup> and employers are reporting increased analysis and action on the drivers of their gaps.

WGEA's analysis found the most significant contributor to the gender pay gap reduction is an increase in the wages of low paid workers, particularly in Residential Aged Care, where women make up approximately 80% of employees.

For the first time, the remuneration of highly-paid executives – CEOs, Head of Business (HOB) and Casual Managers – has been included in WGEA reporting and included in the analysis. This change improves the gender pay gap calculation as a measure of the differences between women and men in the workplace.

The new gender pay gap is 21.8%, which means women earn 78 cents for every dollar men earn. It equates to women earning, on average, \$28,425 less each year.

WGEA published the result today in <u>Australia's Gender Equality Scorecard 2023-24</u> which uses information reported to the Agency in WGEA's annual private sector Employer Census.

An encouraging result is that more employers are taking action to improve workplace gender equality with a large increase in the proportion of employers conducting a gender pay gap analysis (to 68%).

Of those, almost all (90%) did the analysis in the past 12 months and three-quarters took action on the results. This is important, as a gender pay gap analysis is a vital first step to inform meaningful and effective plans for action to reduce it in the future.

WGEA CEO Mary Wooldridge said there was an observable shift in employer focus and attention in the past 12 months, noting the latest results reflect the landscape in Australian workplaces as employers anticipated their gender pay gaps being published for the first time in February 2024.

"Employers are being held to account on their gender equality performance by employees, prospective employees, investors and the community. Business leaders are being challenged to articulate the drivers of their gap and how they will address it," Ms Wooldridge said.

"Encouragingly, our results suggest the anticipated publication of employer gender pay gaps had a motivational effect.

"WGEA's results show change is happening, with a significant increase in employers investigating what's driving their gender pay gap and acting on the results.

"But the national results show a persistent and pervasive gender pay gap still limits the lifetime earnings of Australian women, affecting their ability to save, invest and build long-term financial security for themselves and their families."

Employers with 100 or more employees are required to report annually to WGEA against 6 priority areas that can have a positive impact for workplace gender equality – called gender equality indicators (GEIs).

The full results of WGEA's 2023-24 Employer Census, including comparisons at the national, industry and employer level have been published today in the <u>Data Explorer on our website</u>.

This will not include employer gender pay gaps. These results will be released in early 2025.

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<sup>&</sup>lt;sup>1</sup> The decrease in the gender pay gap is based on like-for-like data, excluding the remuneration of CEOs, Head of Business (HOB) and Casual Managers. See Figure 4 in the Scorecard for details.

# Key results from WGEA's Employer Census

The information released today in <u>WGEA's 2023-24 Gender Equality Scorecard</u> and on the Agency's website <u>Data Explorer</u> covers more than 7,400 private sector employers and nearly 5.17 million Australian employees.

The information in this release is largely related to the year (1 April 2023 – 31 March 2024) prior to WGEA publishing employer gender pay gaps for the first time in late February 2024. This means it reflects what employers were doing in anticipation of this change.

The ability to collect new information, following legislative changes, has enhanced what employers report to WGEA. This includes CEO and HOB remuneration, employee age and primary workplace location and employer actions to prevent, and respond to, sexual harassment.

## Australia still has a sizable and pervasive gender pay gap.

The average total remuneration gender pay gap is 21.8%. Women earn 78c for every dollar men earn. This equates to women earning, on average, \$28,425 less each year.

50% of employers have an average total remuneration gender pay gap over 12.1% and a median gender pay gap over 8.9% (decreased from 9.1% last year).

A majority of employers overall (56.4%) and the majority in every industry improved their average total remuneration gender pay gap over the last year.

### More employers are taking action.

WGEA's results indicate more employers are motivated to understand what's driving their gender pay gap and taking action on the findings. Further:

- the proportion of employers conducting a gender pay gap analysis increased 13pp to 68%. Of those, 90% did the analysis in the past 12 months and the proportion taking action on the results increased 15pp to 75%
- employers have a policy or strategy to consult with their employees on gender equality (up 20pp to 51%) and more employers reported they consulted their employees (up 22pp to 69%)
- nearly half of all employers (45%) of employers are setting targets. Of those more than 2 in 3 employers (68%) are setting targets to increase women in management, 59% set targets to reduce their gender pay gap and 35% to have a gender-balanced governing body
- more employers are offering paid parental leave (up 5pp to 68%) and a greater proportion of primary carer parental leave (up 3pp to 17%) is being taken by men.

## But more action is needed in a range of areas including:

- just 1 in 4 of CEO/HOBs are women and the gender pay gap for these key roles is the highest of all managers at 27.1%. Women CEO/HOBs are paid, on average, \$158,632 less total remuneration than men
- 1 in 4 boards still have no women and in men-dominated industries this is 41%
- 100% of occupations and industries have a gender pay gap in favour of men
- 30% of women work part-time, but only 7% of manager roles are part-time
- 28% of employers are not collecting information on the prevalence of sexual harassment in their workplace.