



media release

Embargoed: 1.00am (AEST) 1 September 2009

Equal Pay Day: EOWA says business must get behind the Gap

The gender pay gap has reached its highest level since the mid 1990s and the Equal Opportunity for Women in the Workplace Agency (EOWA) is using Equal Pay Day to call on Australian businesses to investigate pay inequity in their workplaces.

Equal Pay Day illustrates the number of extra days that women have to work after the end of the financial year to earn the same as men, because women on average earn 17% less than men. The widening gap means that Equal Pay Day has moved to 1 September¹, five days later than it was in 2008 when it was marked for the first time. It will now take women an extra 63 days to earn the same as men earned over a year.

The EOWA Survey released last week showed that less than half of all organisations reporting to EOWA conduct a gender pay equity analysis despite the fact that 96% of the business community believe that action must be taken to close the gap between men and women's earnings².

Today EOWA is launching a comprehensive online resource for business which includes a new pay equity audit tool. This is designed to help businesses identify, understand and address gender pay gaps in their organisations.

According to Mairi Steele, Acting EOWA Director, "Employers can play a significant role in reducing gender pay inequity by looking at their pay rates, policies and practices with a critical eye."

"EOWA would like Australian businesses to commit to undertaking gender pay audits to help bring Equal Pay Day back into August next year."

The undervaluation of women's work continues to be a contributing factor to the gap. Many women work in what are commonly regarded as lower value and lower paid jobs. Women often need to work in jobs that provide flexibility as they are more likely to combine work with caring for family, and part-time work is more readily available in lower paying occupations and positions, such as in retail.

"The fact that women are concentrated in certain occupations and in low paying positions are key causes of the gap and not excuses for it" Mairi Steele said.

"Even after you allow for differences in qualifications, length of service and full-time or part-time hours, there is an unexplained gap in earnings. Why are women paid less the moment they step into the workforce?"

Gradstats figures show that female graduates on average earn \$2,000 less per annum than male graduates when they first start working and the 2008 Graduate Pathways Survey estimated males earn around \$7,800 per year more than females in their fifth year after graduation.

¹ ABS, cat no 6302.0, Average Weekly Earnings, Australia, February 2009

² 2008 Auspoll Survey on Australian's Attitudes to Pay Equity, available on the EOWA website

Macquarie University researcher, Ian Watson, recently estimated that as much as 70% of the unexplained part of the gender pay gap is due to discrimination.

The long term effects are of great concern to women, men and the wider community. A NATSEM report recently estimated that women can expect to earn nearly \$1 million less over their lifetime than men. Women are two and half times more likely to live in poverty in their old age, and by 2019, on average, they will have half the amount of superannuation than men have.

"It is 40 years since the breakthrough equal pay case of 1969 - which technically ended inequality in pay - so it's high time the backwards slide in the gender pay gap is addressed," Mairi Steele said.

EOWA is a Federal Government statutory authority which administers the Equal Opportunity for Women in the Workplace Act (1999). Employers of 100 people or more are required to report to the Agency on the initiatives they take within their organisations to advance women in the workplace. EOWA works with employers to improve equal opportunity outcomes for women in Australian workplaces.

[ENDS]

Photo Opportunity

Acting EOWA Director, Mairi Steele & Sex Discrimination Commissioner, Elizabeth Broderick will participate in a panel discussion event at Sydney University on Equal Pay Day. Details as follows:

Date: 1 September 2009

Time: 10.30am – 11.30am

Venue: Holme Sutherland Room, The Holme Building, Science Road
The University of Sydney