

What pay equity means for women

- Women's earnings significantly affect their life choices and family well-being
- Many women are the sole source of their family income
- In most two parent families, women are in paid work
- Women contribute 40-50% of household income in Australia
- Reducing the gender pay gap would significantly improve income inequality in Australia, compared with other countries
- The average 25 year old male will earn \$2.4 million over the next 40 years compared to the \$1.5 million for the average female
- Women are two and a half times more likely to live in poverty in their old age than men
- By 2019, the average woman will have half the amount of superannuation that men have
- Men with children earn almost double what women with children earn over their lifetime.

[AMP NATSEM \(2009\), "She works hard for the money," Income and Wealth Report, Issue 221](#)

The gender divide in Australia has narrowed over the past 20 years but there is much more to be done as a man still has the potential to earn \$2.4 million over a lifetime compared to a woman who earns nearly \$1 million less.

The report focuses on women today and how their social and economic status has changed and evolved over time, and what differences can be seen between them and their counterparts who are men.

Women have gained substantial ground particularly in areas of education and employment but large gaps still exist between men and women in both paid and unpaid work, and in the areas of wealth, income and superannuation. Gaps are larger for older women.



Queensland Government (2009), “Women and Superannuation,” Focus on Women, Office for Women, Information Paper 32

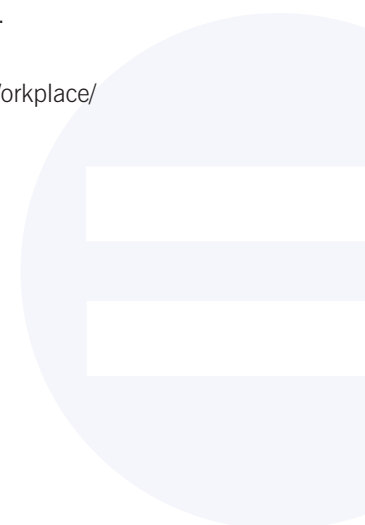
This paper finds that by 2019, women will have on average half the amount of superannuation that men will have. This paper considers the issues that contribute to women having lower superannuation balances than men, and suggests some strategies for improving the financial situation of women in retirement. The report finds that:

- Women have significantly lower superannuation balances than men, primarily due to their wage levels and work patterns;
- Fifty per cent of women who have either retired or will retire in the next 10 years, have less than \$20,000 in superannuation; 20% have less than \$5,000.

Luxembourg Income Study, Working Paper Series, Luxembourg Income Study (LIS), Working Paper No. 531, The contribution of Women’s Employment and Earnings to Household Income Inequality: A Cross-Country Analysis, Susan Harkness, January 2010

Women’s contribution to household income is 40-50% in Australia. The gender pay gap contributes significantly more to income inequality in Australia than it does in many comparable countries.

For an example of how pay equity problems can compound over a life-cycle, see [http://www.eowa.gov.au/Information_Centres/Media_Centre/Key_Issues_for_Women_in_the_Workplace/Documents/John_and_Jane_pay_eq\[1\].pdf](http://www.eowa.gov.au/Information_Centres/Media_Centre/Key_Issues_for_Women_in_the_Workplace/Documents/John_and_Jane_pay_eq[1].pdf)



1 AMP NATSEM (2009), “She works hard for the money,” Income and Wealth Report, Issue 22, p.34
http://www.canberra.edu.au/centres/natsem/publications?sq_content_src=%2BdXJsPWh0dHAIMOEIMkYIMkZ6aWJvLndpbi5jY

2 Queensland Government (2009), “Women and Superannuation,” Focus on Women, Office for Women, Information Paper 3,
<http://www.women.qld.gov.au/resources/focus-on-women/#3>