

## Pay Equity ➔ closing the pay gap by valuing women's skills

### What is equal pay and why don't we have it?

A lack of equal pay or "pay equity" can be measured in two ways. First, as a direct comparison between a male and female employee doing the same work but earning a different salary, including penalty rates, overtime and bonuses.

Secondly, it is measured by the difference in pay between industry sectors or occupations with a greater value placed on some types of work compared with others.

Traditionally, industries with a majority of female workers have attracted lower pay rates than male-dominated industries.

This difference in "value" is partly historical, emanating from a time when women were not regarded as "breadwinners" nor welcome in most parts of the workforce. "Women's work" was, and still is, a term used to downplay the value of women's skills.

Male-dominated industries have also traditionally been more industrially organized, with better pay and conditions forged through decades of negotiation, disputes and legal rulings.

These historic differences and attitudes are still reflected today in the pay packets of women and practices of many workplaces, resulting in a wage gap that remains stuck at 17% in 2010.

### Facts

- Women in full-time paid work still earn 17% less on average than men or 1 million dollars less over a lifetime
- Women are now more likely to have a tertiary qualification than men, but will earn \$2000 less than male graduates and \$7500 less by the fifth year after graduation
- Fewer than 2% of ASX 200 companies have a female CEO and only 1 in 12 board directors are women
- Women retire with less than half the amount of savings in their superannuation accounts than men
- Under the Workchoices policy, the pay gap widened for the first time in 25 years as thousands of women lost penalty rates and other pay loadings



### Equal Pay Alliance

Women now make up half the Australian workforce. They are more skilled, more educated and taking up jobs at a faster rate than at any other time in Australia's history.

The newly formed **Equal Pay Alliance** represents 150 Australian organisations, including business, union and community groups who have joined together to pursue practical action to ensure women's work is properly valued and that decades of inequity are brought to an end.

To join the campaign go to [Equalpayday.com.au](http://Equalpayday.com.au)

## Review of the Equal Pay laws

In 2010, there will be recommendations from several government reviews and parliamentary inquiries identifying barriers holding women back from earning, saving and being valued fairly at work.

Removing the barriers requires concrete action. The Equal Pay Alliance will campaign for the following

- More flexibility in rostered hours and access to decent part-time jobs
- Accessible, affordable, good quality out-of-school care and childcare
- Improved reporting and auditing of equal pay
- Pay equity cases to value and properly fund wages for work traditionally carried out by women
- More opportunities to build skills and participate in the workforce, especially for mothers and older women
- Superannuation gap to be addressed

## Pay Equity Test Case 2010

A landmark pay equity case is also underway this year to secure fairer pay for women in social and community services jobs in the private sector.

These workers look after the homeless, the disabled, children at risk, the elderly and other vulnerable people in our society. Yet they are among the lowest paid workers in Australia because their work has been historically viewed as “women’s work”.

The case will be the first to test the new equal pay provisions of the Fair Work Act and a successful outcome will help establish a pay equity standard for other industries.



## Pay Equity Timeline



- 1912 Women’s minimum wage set at 54% of men’s wages
- 1950 Women’s minimum wage set at 75% of men’s wages
- 1972 ACTU test case establishes principle of ‘equal pay for work of equal value’
- 1986 Affirmative Action Act (Equal Employment Opportunity for Women) introduced
- 1999 Equal Opportunity for Women in the Workplace Act (EEOWA) introduced
- 2009
  - Rudd Government announces Australia’s first Paid Parental Leave scheme; reviews EEOWA and Sex Discrimination Act; launches Pay Equity Inquiry
  - Aust Services Union successfully wins pay equity case for Social and Community Services workers in Queensland
  - Fair Work Act defines equal pay more broadly as ‘equal remuneration for work of equal or comparable value’
- 2010
  - Business, unions, community groups form Equal Pay Alliance to address pay gap
  - Unions launch national Social and Community Services Pay Equity Case to properly value community work in the social and disability sectors