



## Frequently Asked Questions

### Background

#### 1. What is happening?

On 4 March 2025, WGEA will, for the second year, publish employer gender pay gaps for all private sector organisations with more than 100 employees. This will cover the reporting period of 1 April 2023 - 31 March 2024.

Over the past two years, WGEA have undertaken a staged approach to data disclosure, working towards annual public reporting of employer gender pay gap data by average, median and gender composition and average remuneration by quartile from March 2025.

For the first time in 2023-24, data on CEO or equivalent, Heads of Business and casually employed managers' remuneration has been reported to WGEA and is included in the calculations. This also means that gender pay gap data released in March 2025 by WGEA, is not directly comparable to the gender pay gap data released in February 2024.

#### 2. Why is WGEA publishing employer gender pay gaps?

The new standards of disclosure are the result of amendments to the Workplace Gender Equality Act 2012 passed by Federal Parliament in March 2023. These reforms aim to improve transparency, accountability and motivate action to accelerate progress on gender equality in workplaces.

#### 3. What are gender pay gaps?

Gender pay gaps are aggregate measures of progress on achieving gender equality. They provide a comparison of the average or 'typical' earnings of women and men at a cohort, organisation, industry or national level.

Expressed as a percentage (the difference between men and women's average or median earnings as a percentage of men's average or median earnings) the higher the percentage, the larger the gender pay gap in favour of men.

#### 4. How is the gender pay gap different from pay inequality (equal or like-for-like) pay?

While related, pay inequality and gender pay gaps are two different aspects of compensation disparity.

Pay equality—when women and men are paid the same for performing the same role or different work of equal or comparable value—has been a legal requirement since 1969. Employer gender pay gaps, reflect the overall uneven distribution of compensation in an organisation driven by the fact that women and men are not performing comparable roles or have comparable levels of seniority within organisations—as opposed to not getting paid the same for comparable roles.

Pay inequality is more about individual disparities, while gender pay gaps represent disparities across cohorts and society more broadly.

#### 5. Is 'the gender pay gap' one figure or are there many different gender pay gaps?

There are many ways to measure gender pay gaps. Each measure provides different insights into the drivers and strategies that will be effective to close the gender pay gaps.

For many years in Australia, the national gender pay gap figure has been the primary measure publicly shared to highlight the disparity between the average earnings of women and men, hence the familiarity with the term 'The gender pay gap'.

From 2024, organisations were provided with an expanded gender pay gap data set, showing average and median gaps, and remuneration distribution by quartile. While these measures are related, they are different representations of employer compensation data and different figures, hence the recent shift to the use of the term 'gender pay gaps'.

Gender pay gaps are also calculated and expressed in relation to base pay and total remuneration figures. Total remuneration includes payments such as superannuation, bonuses, overtime etc.

It is important these different data points are viewed together to offer comprehensive insights into the distribution of earnings by gender, drivers of gender pay gaps and potential solutions.

#### 6. What are the different measures of gender pay gaps?

For more detail on the different measures of gender pay gaps, see pages 8-9 of the Champions of Change Coalition's report, [Closing gender pay gaps: Our actions and commitment](#).

In summary:

- Average - the average (also known as the mean) is the difference between the average earnings for men and women, expressed as a percentage of men's average earnings.
- Median - the median gender pay gap compares the middle value in the remuneration range of women in an organisation, to the middle value in the remuneration range of men. The gender pay gap is calculated by expressing the difference between the women's middle value and the men's middle value, as a percentage of the men's middle value.

- Pay quartile - quartile analysis of an organisation's gender pay data separates employees into four equal groups (quartiles) based on compensation and identifies the gender representation in each quartile and average total remuneration in each quartile.
- Base salary - base salary includes the pre-tax fixed remuneration of employees, annualised for part-year or part-time employees.
- Total remuneration - total remuneration includes base salary plus superannuation, overtime, bonuses and other additional payments.
- National Gender Pay Gap - the national gender pay gap data, released by WGEA annually in the Gender Equality Scorecard includes the data from WGEA's annual Employer Census of employers with 100 or more employees, or part of a smaller employer within a corporate group. The 2023-24 WGEA Employer Census was the largest yet – capturing data from 7,414 employers that reported to WGEA by 31 August 2024, covering 5,169,129 employees. For the first time in 2023-24, data on CEO or equivalent, Heads of Business and casually employed managers' remuneration has been reported to WGEA and is included in the calculations.
- Industry benchmarking – Each year WGEA provides employers with benchmark data in an *Industry Benchmark Report*, enabling organisations to understand how their results compare to peers. The comparison group is determined by the industry that organisations self-nominate when reporting and the organisation size, so the comparison group is EITHER the ANZSIC Industry Division and organisation size OR the ANZSIC Industry Class and organisation size, depending on the number of equivalent organisations in the category.

There are changes to the calculation of benchmarks for the 2025 data release. These benchmarks have already been provided to private sector employers in the *Industry Benchmark Report* which was distributed to organisations in November 2024. The industry benchmark provided for each gender pay gap is established by identifying the midpoint of all employer gender pay gaps in each comparison group.

The annual WGEA Gender Equality Scorecard provides higher level National and Industry benchmarks (the mid-point of employer gender pay gaps for an industry group)

The WGEA Data Explorer also enables organisations to apply filters to create comparison groups that their organisation stakeholders find meaningful, such as a small peer group or key competitor.

Useful links:

- [WGEA Gender Equality Scorecard 2023-24 \(latest data\)](#)
- [WGEA Understanding and using your WGEA reports for 2023-24 \(private sector\) - webinar](#)
- [WGEA Understanding and using your WGEA reports for 2023-24 \(private sector\) - slides](#)

The range of benchmarks shared by WGEA are outlined below and on page 21 of the Champions of Change report.

## Benchmark Level

Increasing granularity	National	All organisations who report to the Workplace Gender Equality Agency (WGEA) in their annual Employer Census. <i>Source: WGEA Gender Equality Scorecard</i>	
	Industry	All organisations in an ANZSIC division. ANZSIC is the national framework for classifying industries according to the primary activities of the organisation. <i>e.g.: (M) Professional, Scientific and Technical Services</i> <i>Source: WGEA data explorer</i>	
	Division and organisation size	Organisations in the same ANZSIC Division + similar employee size. <i>e.g.: (M) Professional, Scientific and Technical Services + Employee range 1000-4999</i> <i>Source: WGEA data explorer and WGEA Reporting Industry Benchmark Reports</i>	1. Comparison group in WGEA Reporting Industry Benchmark Report provided to organisations where there are fewer than 5 equivalent organisations in the ANZSIC Class category.
	Class and organisation size	Organisations in the same ANZSIC Class + similar employee size. <i>e.g.: 6931 Legal Services + Employee range 1000-4999</i> <i>Source: WGEA data explorer and WGEA Reporting Industry Benchmark Reports</i>	2. Comparison group in WGEA Reporting Industry Benchmark Report provided to organisations where there are more than 5 equivalent organisations in the ANZSIC Class category.
	Specific organisations	A comparison to a single peer or competitor organization <i>Source: WGEA data explorer</i>	

## 7. Which gender pay gap measure should we focus on in our stakeholder communications?

For the 2023-2024 reporting year (to be released on 4 March 2025), WGEA is reporting the full suite of gender pay gap calculations available, including:

- Employer median gender pay gaps: By total remuneration and base salary, including CEO remuneration (introduced 2024 with addition of CEO data in 2025).
- Employer average gender pay gaps: By total remuneration and base salary, including CEO remuneration (new for 2025).
- Gender composition: By pay quartile (introduced 2024)
- Average total remuneration: By pay quartile including CEO remuneration (new for 2025)

It is important to note that from 2025 reporting, CEO remuneration will be included in gender pay gap calculations setting a new baseline for year-on-year comparison across all metrics. This also means that gender pay gap data released in March 2025 by WGEA, is not directly comparable to the gender pay gap data that was released in February 2024.

## Our gender pay gap data

## 8. How do I access our organisation gender pay gap data?

Organisation specific gender pay gap data has been provided to employers in two key documents, available from the WGEA data explorer:

- Executive Summary
- Industry Benchmark Report

## 9. Does our organisation track and monitor our gender pay gaps?

We are ensuring equal pay in like-for-like roles; increasing the representation of women in leadership and creating the workplace conditions and cultures that enable them to thrive, supported by our investment and active participation in Champions of Change Coalition.

As part of these overall efforts, we are putting more focus on analysis of gender pay gaps and the issues that drive them to inform future strategies to achieve inclusive gender equality. For example, by reviewing gender pay gaps, average, median and quartile analysis provides a comprehensive and more granular understanding of the distribution of earnings, and the causes and potential solutions for gender pay gaps.

## 10. What are the common drivers of gender pay gaps across Australia?

The single largest, and consistent over time, contributor to the gender pay gap in Australia is gender discrimination (according to KPMG *She's Pric(ed) Less* Report) which states that: "the gender discrimination component of the pay gap can materialise in various ways, including (but not limited to) the systematic undervaluation of women's economic contribution, the allocation of less lucrative tasks to women, or fewer opportunities for promotion".

Other factors include:

- Differences in education and career pathways
- The distribution of household management and caring
- The historical undervaluation of traditionally feminised roles and sectors
- Barriers to women's career advancement, particularly in traditionally male-dominated sectors.

These issues are underpinned by persistent gender stereotypes and norms around 'appropriate' roles for men and women.

#### 11. What are the drivers of our gender pay gaps?

The gap between women and men's average earnings is the result of social and economic factors that combine to reduce women's earning capacity over their lifetime:

- Conscious and unconscious discrimination and bias in hiring and pay decisions
- Women and men working in different industries and different jobs, with female-dominated industries and jobs attracting lower wages
- Lack of workplace flexibility to accommodate caring and other responsibilities, especially in senior roles
- High rates of part-time work for women
- Women's greater time out of the workforce for caring responsibilities impacting career progression and opportunities
- Women's disproportionate share of unpaid caring and domestic work

#### 12. What action are we taking to reduce the gender pay gap?

Closing the gender pay gap requires cultural change to remove the barriers to the full and equal participation of women in the workforce. We can play a leadership role in many ways. This includes working towards 40:40:20 gender representation at all levels and all parts of the organisation and creating the conditions and cultures that enable people to thrive, regardless of gender.

At a sector level, we can help to develop workforce strategies and influence the education, attraction and retention of gender-equal workforces, especially in roles or sectors that are historically dominated by a particular gender. This includes ensuring that the sector overall is safe, welcoming and respectful for all, rather than designed to meet the needs of one gender or another, while also ensuring there is a consistent cultural experience geared towards retaining women in the industry.

We can also influence at a national and societal level, working with other leaders and as part of Champions of Change Coalition to develop and demonstrate the power of innovative policies, practices, systems and processes to address gendered barriers that can hold people back.

### 13. Are gender pay gaps the key measure of progress towards inclusive gender equality that organisations should pay attention to?

Gender pay gaps are an important measure of progress towards gender equality. We know that gender representation is also critical. To be successful at understanding and driving down gender pay gaps, organisations need granular and specific measures on the drivers of gender pay gaps. Champions of Change Coalition and its Members have developed a new and simple measurement framework aligned to the key drivers of gender pay gaps that organisations can adapt or adopt to support their analysis and strategies for action. We anticipate the release of this new framework for Members in early 2025.

#### Quick reference guide for interpreting the data

Understanding and interpreting gender pay gap data for an individual organisation context requires a deep dive into the different measures that explains the drivers of the gender pay gap, gender representation, occupations and roles undertaken by women within an organisation. Below is not intended to be exhaustive, rather a quick guide to what might warrant further investigation.

### 14. Is the 2025 released median gender pay gap comparable to the previous year?

Over the past year the WGEA reporting framework has continued to expand with the inclusion of new metrics (such as CEO level remuneration), therefore the 2023-24 data (reported in 2025) establishes a new benchmark against which we can assess our future progress.

Although the median gender pay gap is not a directly comparable figure year-on-year, a reduction in this figure over the past 12 months (despite the inclusion of CEO level data in this year's calculations) may be a positive indicator that organisation action is having an impact.

However, with the inclusion of an additional data point at the top of the range, it is reasonable that the median gender pay gap will have increased this year across the sector, given we know most CEO level positions are held by men, meaning the midpoint has shifted upwards.

We also know that progress will not be linear, due a range of labour force and business dynamics (for example the need for surge workforces in traditionally male-dominated sectors) which can affect year-on-year results. What is important is an overall downward trend over time.

### 15. What different insights does the 2025 inclusion of average gender pay gap data provide?

Average gender pay gap data provides insights into the overall disparity in earnings between genders. The average is calculated by adding up a list of employees' wages and dividing by the number of employees. This measure is sensitive to extreme values, meaning it highlights the impact of very high or very low salaries, often reflecting disparities at the top or bottom of the pay scale. In contrast, median gender pay gap data focuses on the middle point of the salary distribution, offering a clearer view of the typical worker's earnings but potentially masking the effects of outliers.

The average gender pay gap figure therefore provides a broader picture of inequality, which is particularly useful for understanding the underlying dynamics of pay disparities driven by high earners.

**16. If we have equal gender representation overall but there is still have a gender pay gap, what does that mean?**

Equal representation alone does not necessarily address all aspects of workplace gender equality. If there is gender-equal representation, but still a gender pay gap, this suggests that the gender pay gap is more likely to be influenced by functions or occupations where women's representation and seniority remains persistently and disproportionately low, rather than under-representation of women or pay inequality being a problem across an organisation.

Gender pay gaps can be evident where there is an over-representation of women in roles that have traditionally and systemically attracted lower wages.

Gender pay gaps in this situation may also reflect longer-term workforce development strategies where women may be over-represented in more junior roles as part of efforts to build a gender-balanced pipeline. In such instances, it is critical to ensure that over-representation at more junior levels is translating to more gender-balanced pipelines for the future.

**17. Aren't gender pay gaps just a reflection of women's choices?**

Women don't necessarily choose lower-paying jobs. Social and cultural factors can influence education and career pathways, and systemic barriers can limit access to certain jobs or professions. 'Choice' is often bounded by factors like the need for flexibility or part-time work or opportunities presented to women. Additionally, even within the same occupations, women often face wage disparities compared to men. Traditionally feminised roles and sectors have also tended to be assigned lower pay.

**18. Why isn't equal pay legislation enough to close gender pay gaps?**

Legislation has been effective in ensuring equal, like-for-like pay, but legislation alone is not a panacea for closing employer gender pay gaps. Closing gender pay gaps requires a whole-of-society approach, with efforts from employers, governments, educators, parents/carers and other career influencers to address structural inequalities. This includes changing workplace culture; addressing gender stereotypes, norms and biases; and removing barriers to career choices and advancement.

**19. Should women avoid organisations and sectors with high gender pay gaps?**

Employer-level gender pay gaps are not an indicator or proxy for women's experience in a workplace or sector. Nor are they indicative of whether there is pay equality/equal pay. Employer gender pay gaps are driven by complex and often historic inequalities in society. These include gender norms and stereotypes that influence education and career choices, the unequal distribution of unpaid care and household work that creates a barrier to women's workplace participation and progression, and systems and processes that inhibit women's entry and progression in the workplace.

By working towards zero employer gender pay gaps, organisations are playing their part in a whole-of-society effort to create inclusive gender equality in our workplaces.

Instead, an organisation's or sector's suitability for women employees can be found in the leadership's commitment, transparency, strategy, progress and actions underway to advance gender equality and close gender pay gaps.