

Enough Benefits for all to Share

In the BOSS November 2017 edition it was reported that “McKinsey estimates a potential uplift to the global economy of \$US12 trillion in 2025 if the gender gap was narrowed.”

If that wasn't attention grabbing enough, the article “Only Small Chinks in the Glass Ceiling” included the compelling comment “There's been a succession of evidence measuring the positive correlation between gender diversity, financial returns, sales growth and profitability.”

While the Pay Equity gap in Australia has narrowed during most of the 1900s, the recent experience shows it has become stagnant. Work carried out by KPMG and WGEA shows those gains have become stagnant around the 80% level.

Of course it is important not to present this important issue too simplistically. However let us not over-complicate it either.

Enterprise Care undertook a Pay Equity Research in 2017.

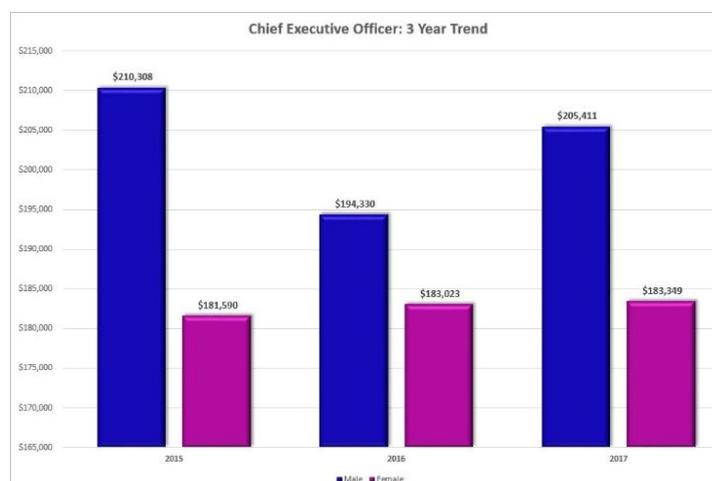
The research highlighted that even when slicing and dicing figures and data in various ways, there generally was disclosed a Pay Equity gap.

Some of the touch points which potentially contribute to this gender pay inequity can be identified as:

1. Remuneration policies
2. Recruitment
3. Promotions
4. Salary reviews
5. Bonus allocations
6. Leave provisions

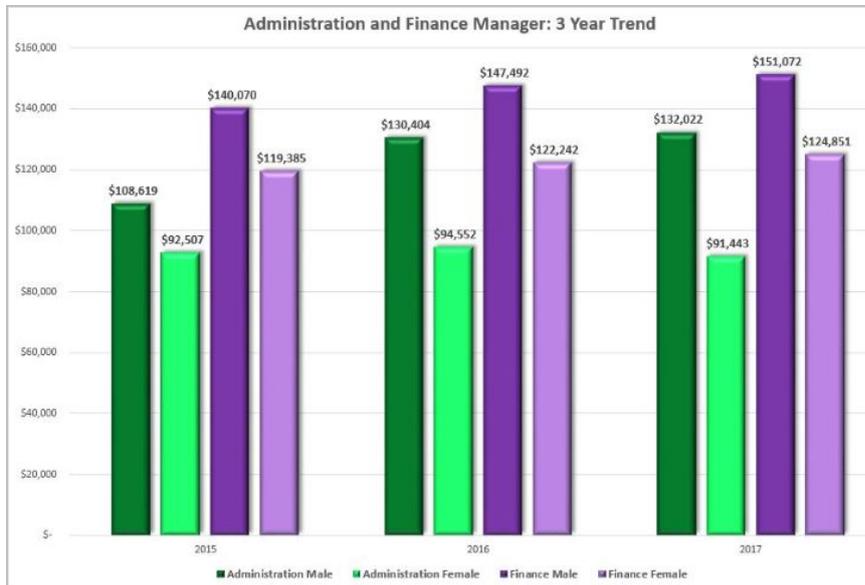
Looking over the Last Three Years

Looking at the longitudinal analysis of data collected by Enterprise Care are part of our annual Not for Profit Remuneration Survey it is apparent that the Gender Pay Equity Gap fluctuates across different dimensions.

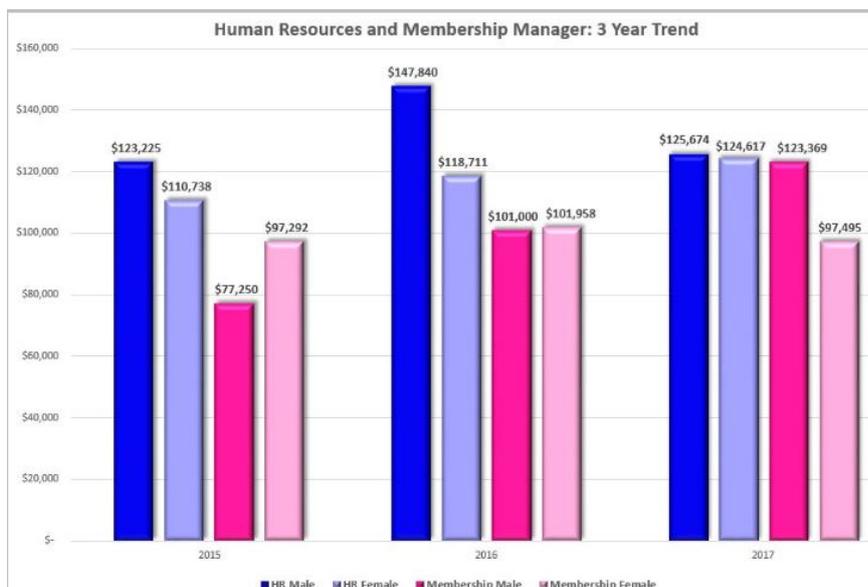


The Pay Equity Challenge

- Female CEO average total remuneration has changed little over the past 3 years, whilst male CEO's pay is much higher, albeit fluctuating significantly. This has had a 'roller coaster' effect on the gender pay gap
- The gender breakdown has remained stable with 45% of all CEOs being female

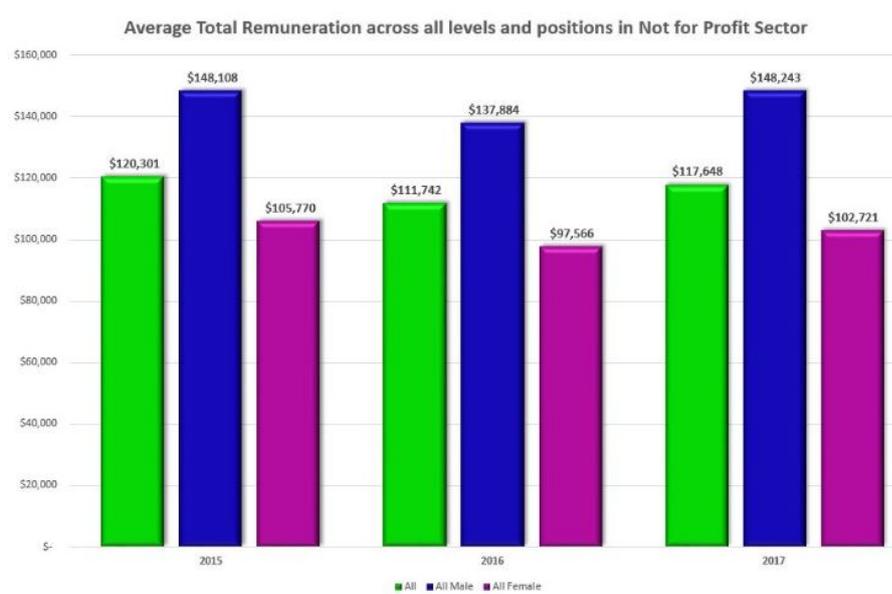


- Over the past three (3) years the gender pay gap favouring male Administration Managers has widened
- In 2015 females received 24.1% less than their male counterparts. In 2016 and 2017 females were paid 27.5% and 30.7% less than males
- Female Administration Managers outnumber their males counterparts 2:1
- The Finance Manager position tells a similar story with females receiving 14.8%, 17.1% and 17.4% less than male Finance Managers in 2015, 2016 and 2017 respectively
- The gender breakdown of incumbent Finance Managers is slowly moving towards a higher percentage of females



The Pay Equity Challenge

- The gender pay gap between male and female Human Resources Managers has varied from females receiving as much as 19.7% (2016) less than males to almost pay equity in 2017
- Female Human Resources Managers account for more than 80% of all Human Resources Managers
- Over the past three (3) pay equity for Female Membership Managers has suffered a significant setback. In 2015 females received 25.9% more than their male counterparts. This dropped to 0.9% more in 2016, neutralising the gap. The gender pay gap experienced a significant swing in 2017 with females receiving 21% less than male Membership Managers



- When all remuneration is aggregated across the whole Not for Profit Sector, females are shown to receive substantively less average total remuneration than their male counterparts
- Although females make up two-thirds of all employees within the Sector, it could be concluded that more males hold senior positions than females, within the Sector; and/or males are paid considerably more, regardless of whether the positions they occupy are more senior or not to those held by females.
- In less than one-third of all Manager positions, females receive higher or equal average total remuneration than their male counterparts

For further gender pay gap information that encompasses the wider workforces, please see the reports from the Workplace Gender Equality Agency.

[Workplace Gender Equality Agency Scorecard](#)

[BCEC WGEA Gender Pay Equity insights 2017 Report](#)

For further information or assistance with your remuneration strategy, contact Damien Smith on + 61 3 8862 6315 or smithdj@enterprisecare.com.au