

Exploring the gender pay gap in the care and support economy



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Women in Australia’s care and support economy workforce earn substantially less than their male colleagues and do worse than women across the economy on average. However, the difference in men’s and women’s earnings is not correlated to gender alone, but to a complex of gender, gender skew, and working arrangements. Addressing these issues together is essential to eliminating women’s economic disadvantage.

This exploratory note has been put together in the interest of better understanding the dynamics of the care and support economy and to contribute towards the sector’s research and workforce development activities. SkillsIQ has not benefited from any external funding in compiling this paper.

Note: The following analyses are based on various Australian Bureau of Statistics (ABS) datasets freely available from the ABS website: Average Weekly Earnings (AWE), Employee Earnings and Hours (EEH), and Census of Population and Housing.

In keeping with the Australian Government’s Intergenerational Report 2023, this exploratory note defines the care and support economy in accordance with Australian New Zealand Standard Industrial Classification (ANZSIC) Health Care and Social Assistance. It includes but is not limited to occupations across Australia and New Zealand Standard Classification of Occupations (ANZSCO) Health Professionals, Health and Welfare Support Workers, and Carers and Aides.

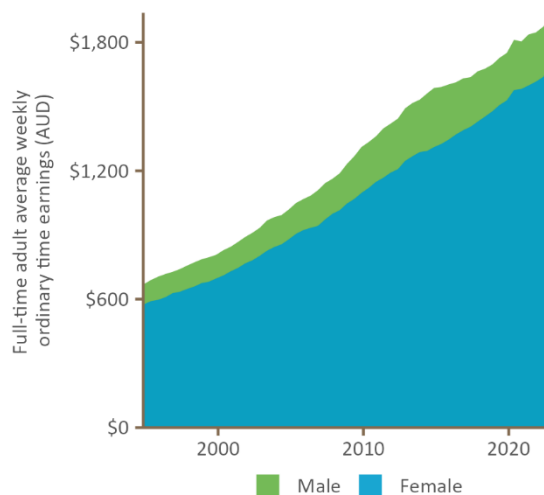
<p>Women earn on average</p> <p>28.2%</p> <p>less than men every week</p>	<p>Women have gained only</p> <p>4%</p> <p>of male earnings since 1994</p>	<p>Women in care and support earn</p> <p>\$446/w</p> <p>less than their male colleagues</p>
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Women in the Australian workforce

Women continue to earn less than men across all industries in Australia (Figure 1). Women working full-time take home on average \$252 less than men each week. When including all forms of earnings,ⁱ the difference between women’s and men’s weekly pay rises to \$472 per week,¹ or over \$24,000 a year. Women are more likely than men to work part-time, with 43.8 per cent of women working part-time hours compared to 22.6 per cent of men, making this latter figure a better reflection of the overall average earnings gap between men and women across the Australian economy.²

This deficit has hardly improved over the past thirty years, with women gaining a mere 4 per cent of the proportion of average male full-time ordinary time

Figure 1: Female and male earnings across all industries - 1994 to 2023



Source: ABS, Average weekly earnings, tables 10a, 10d

ⁱ Full-time adult average weekly ordinary time earnings include all payments made to full-time adult employees during their ordinary hours of work and does not include overtime. All employees average weekly total earnings includes overtime earnings as well as the earnings of part-time employees and

juniors. The measure of average weekly cash earnings used in the Australian Bureau of Statistics’ Employee Earnings and Hours statistics, referred to in Figures 5, 7, and 9, is additionally inclusive of salary sacrifice.

earnings since 1994 (Figure 2). Women's average weekly total earnings today are a mere 71.2 per cent of male earnings according to ABS data, or 22.8 per cent below male earnings according to the Workplace Gender Equality Agency.³

This gap compounds over time, creating long-term financial anxiety, enforcing outmoded expectations regarding parental care, and impacting women's financial independence in retirement through diminished superannuation earnings. On average, a woman aged 55-64 years has \$79,900 less in superannuation savings than a man of the same age, a gap of 24.5 per cent.⁴

It is in this context of economic inequality that the Australian Government has published its Employment White Paper, "Working Future", in which it sets out a roadmap aiming to ensure Australians of all backgrounds are equitable beneficiaries of the economic transformations that will shape the country's future. The paper makes women's economic equality a Government priority and acknowledges that the industries expected to grow the most are those with highly gender-skewed workforces, of which the care and support economy is a notable example.⁵ Despite this growth, however, industries with skewed workforces are also more likely to suffer labour shortages.⁶

Putting an end to women's economic inequality means not only meeting our basic social responsibilities but also meeting the labour demands that will drive the future economy.

Women in the care and support economy

The care and support economy is one of Australia's largest industries and one of its fastest growing, employing over two million workers and predicted to grow by 25 per cent over the next ten years to make up 16.7 per cent of the total workforce. With women making up 76 per cent of care and support workers, its workforce is also more heavily gender-skewed towards female workers than that of any other industry,⁷ making it especially important that the gender pay gap be closed if it is to attract and retain an able and motivated workforce.

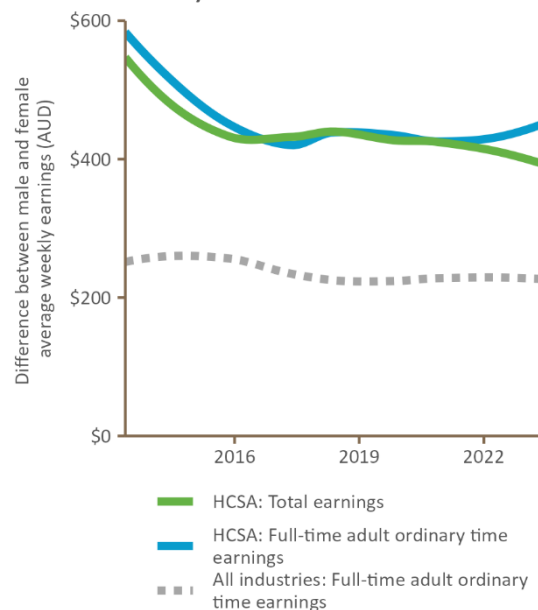
The gender pay gap in the care and support economy is substantial, with female labour share, working arrangements, and gendered patterns of employment all possibly contributing to lower earnings. Women working full-time earn \$446 less than men each week on average. This is almost

Figure 2: Female earnings as a proportion of male earnings across all industries - 1994 to 2023



Source: ABS, Average weekly earnings, tables 10a, 10c, 10d, 10f

Figure 3: Gender pay gap in the Health Care and Social Assistance (HCSA) industry - 2013 to 2023



Source: ABS, Average weekly earnings, tables 10a, 10c, 10d, 10f

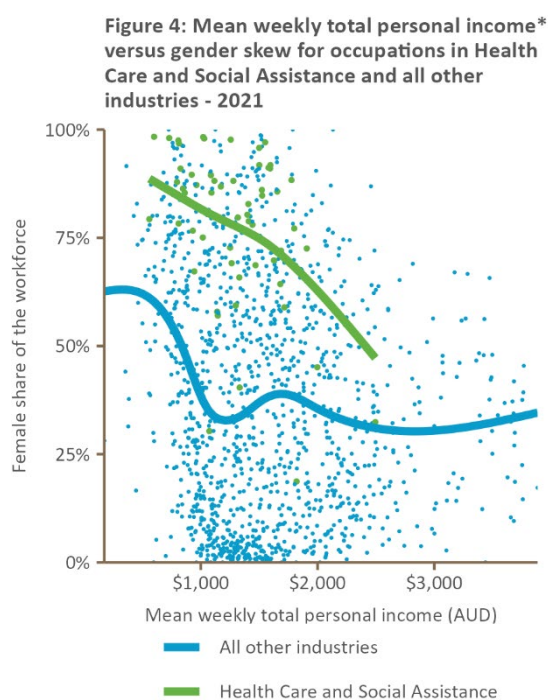
twice the all-industry average (Figure 3). The gap hardly improves when including the large proportion of workers working part-time hours or across multiple employers, remaining at \$386 per week.⁸

Working arrangement patterns make it difficult to interpret the care and support economy's failure to bridge the gap for full-time workers compared to all industries on average. 43 per cent of care and support workers work a part-time share of hours

and the workforce is much more likely to be employed on casual contracts than workers in other industries.⁹ This might suggest that working arrangements have little impact on the pay gap for the industry or that other industries have been more motivated to address the gap for their full-time workers.

Another possible explanation is that men are more likely to be employed in better-paying occupations than women in lower-paying positions. Elements of the dental sector are an illustrative example of this, where 68 per cent of dental specialists are men and 96 per cent of dental assistants are women.¹⁰

Figure 4 shows that female workforce share is negatively correlated with average weekly income across industries.¹¹ This is even more true of the Health Care and Social Assistance industry; occupations with high female gender-skews provide lower average incomes than occupations with more balanced gender compositions. Nevertheless, this correlation does not wholly explain the industry's underperformance relative to other industries. Far more likely is that it is a combination of the above factors.



*Approximate values based on reported income range. Source: Census of Population and Housing, 2021, TableBuilder

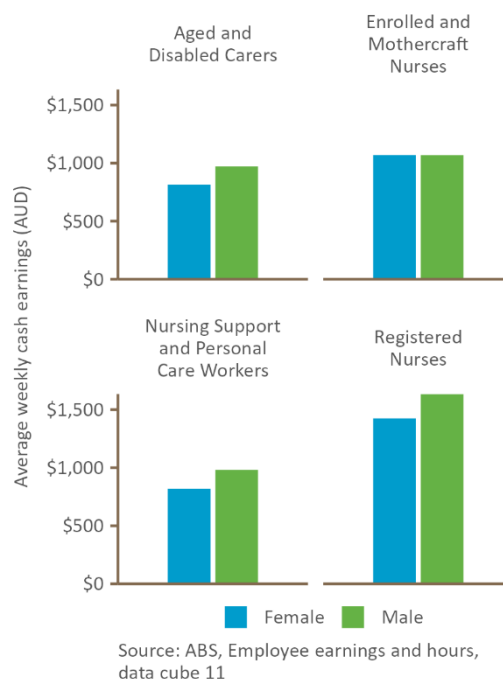
¹¹ Figures using total personal income data ranges (4, 6, 8, 10) have been generated by taking the midpoint of each band (e.g.

Women in aged care and disability support

The demand for aged care and for disability support is expected to grow substantially in the coming years, fuelled by Australia's ageing population and commitments to the National Disability Insurance Scheme (NDIS), making it increasingly important to address the gender pay gap in the sectors.

Other than for enrolled nurses, there is a substantial pay gap for the sectors' core occupations (Figure 5), with female aged and disabled carers (occupation label based on ANZSCO) as well as nursing support workers earning only 83.7 and 83.4 per cent of male weekly earnings on average, respectively. When counting only full-time non-managerial employees, this difference almost completely erodes,¹¹ conversely suggesting that this gap is in reality higher for the part-time and casual workers who make up over 50 per cent of the sectors' workforces.

Figure 5: Average weekly cash earnings for select occupations in aged care and disability services - 2021



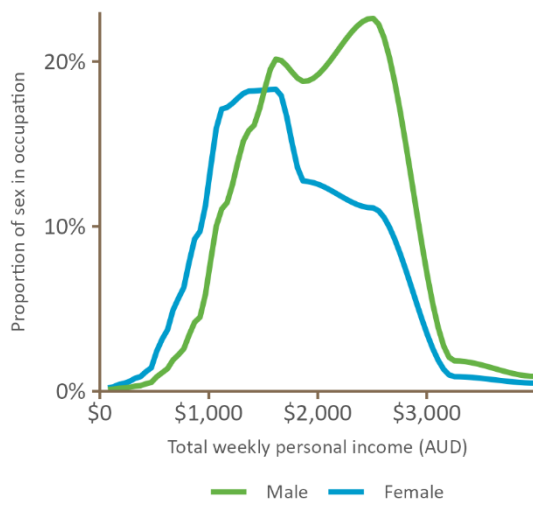
Source: ABS, Employee earnings and hours, data cube 11

In the case of registered nurses, income distribution data shows that, proportionally, women are less likely to break through the mid-income thresholds than their male counterparts (Figure 6). This demonstrates that the pay gap for female registered nurses is not constant across the income scale, but

\$500 for \$450-549). The final band of \$3,500+ has been set to \$4,000, though actual values may far exceed this.

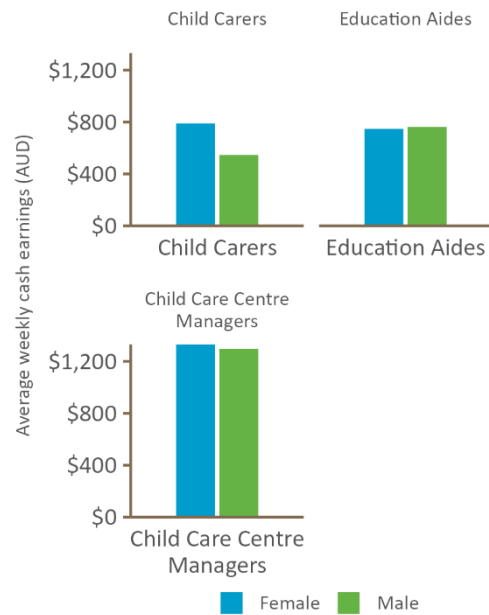
instead reflective of an artificial, if porous, ceiling for female workers in the profession.

Figure 6: Distribution of total weekly personal incomes for registered nurses - 2021



*Indicative only; data based on self-reported income ranges. Source: Census of Population and Housing, 2021, TableBuilder

Figure 7: Average weekly cash earnings for select occupations in the children's education and care sector - 2021



Source: ABS, Employee earnings and hours, data cube 11

While the correlation between disparity in pay, working arrangements, and workforce gender skew may be related to the conjunction of an association between “flexible” and “non-serious” work and the working arrangements more frequently taken up by women in broadly undervalued sectors, further analysis is required to understand the intersection of these factors. What is clear is that societal attitudes towards women are not the sole determinant of the gender pay gap in the aged care and disability support sectors.

Women in children’s education and care

Women make up the vast majority of the children’s education and care workforce and over 90 per cent of each of its core occupations,¹² well above the gender skew of the care and support economy overall. Perhaps for this very reason, the sector appears to have bridged the gender pay divide for its core occupations (Figure 7).

Female child carers (occupation label based on ANZSCO) significantly outearn their male counterparts, earning \$243, or 44.4 per cent, more than men each week. This result does not reflect the gender dynamics of the occupation, however, with women comprising an overwhelming 97 per cent of child carers.¹³ This would suggest the comparatively lower average pay received by male workers are edge cases that would more than likely normalise

with greater male participation, in line with the broader care and support economy.

The strong result for female child care centre managers also belies the fact that, similarly to the case of registered nurses discussed above, women face difficulty reaching the highest income brackets (Figure 8). The mere 8 per cent share of male workers in the occupation, however, means that

Figure 8: Distribution of total weekly personal incomes for child care centre managers- 2021



*Indicative only; data based on self-reported income ranges. Source: Census of Population and Housing, 2021, TableBuilder

drawing strong conclusions from the available data is best done with caution.

Women in health and human services

Health and human services is an enormously broad sector that includes occupations ranging from dental assistants and community support workers to Aboriginal and Torres Strait Islander health workers and therapy aides. On average, female earnings lag behind male earnings by approximately 15 per cent in the sector, although there are exceptions to this. Female welfare, recreation and community arts workers and Indigenous health

workers, for example, earn more than their male colleagues (Figure 9).

The mean pay gap for the occupations in the sector is \$210 per week. When accounting only for full-time non-managerial employees, the mean discrepancy in earnings is \$175 per week, approximately 10 per cent behind male earnings on average.¹⁴ This once again suggests that women working in part-time roles or on casual contracts across multiple employers bear the brunt of pay disparities.

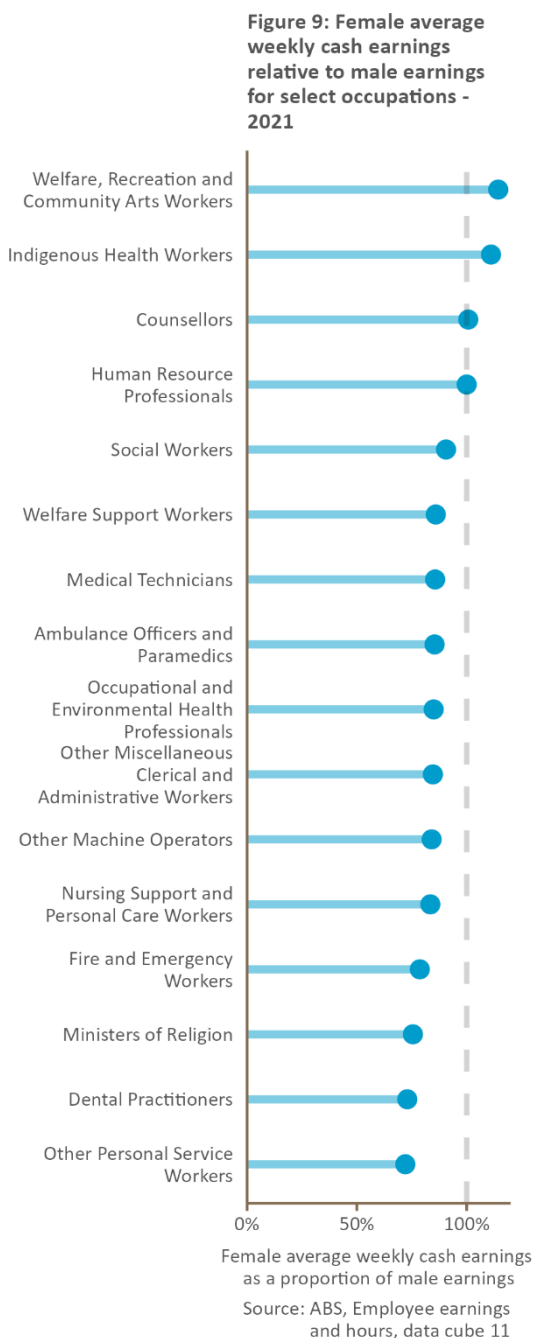
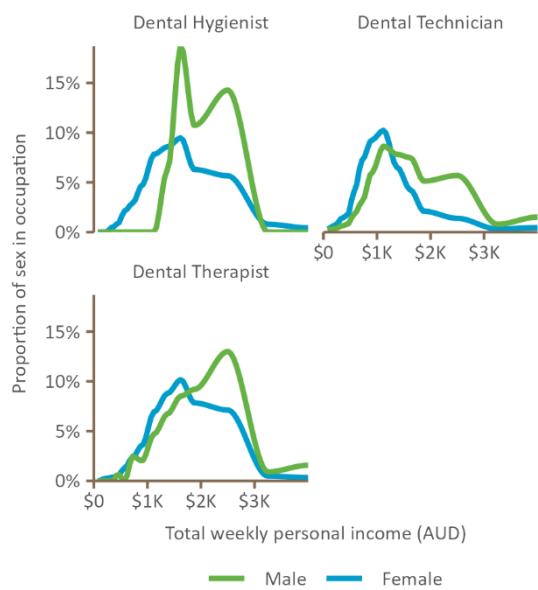


Figure 10: Distribution of total weekly personal incomes for select dental occupations* - 2021



*Indicative only; data based on self-reported income ranges. Source: Census of Population and Housing, 2021, TableBuilder

As with registered nurses and child care centre managers, certain dental occupations show resistance to women occupying higher paying positions, with men disproportionately occupying positions that pay over \$2,000 per week. A far greater proportion of men have incomes in the upper half of the incomes brackets for each of these occupations, with female dental technicians hitting an income ceiling even more quickly (Figure 10). That dental technicians have only a 32 per cent female share compared to 95 per cent and 92 per cent share for dental hygienists and dental therapists suggests that male gender skew exerts a negative pressure on women’s incomes.

More detailed data and a close examination of the regulatory mechanisms, qualification frameworks, and labour landscapes particular to each of these occupations will yield a more nuanced picture of the gender pay gap in the sectors.

Only by better understanding the pay gap can it be eliminated more quickly than the current rate, which will not see it overcome in the lifetime of women working today.

For further information, please contact SkillsIQ at enquiries@skillsiq.com.au or (02) 9392 8100.

Endnotes

¹ Australian Bureau of Statistics (Reference period: May 2023) 'Table 1. Average weekly earnings, Australia (dollars) – trend', [Average Weekly Earnings, Australia](#), accessed 10 November 2023.

² Australian Bureau of Statistics (Reference period: 2021) 'Data table for Income and work data summary', [Income and work: Census](#), accessed 26 October 2023.

³ Australian Bureau of Statistics (Reference period: May 2023) 'Table 1. Average weekly earnings, Australia (dollars) – trend', [Average Weekly Earnings, Australia](#), accessed 10 November 2023.

⁴ Australian Bureau of Statistics (Reference period: 2019-20 financial year) 'Superannuation of persons', [Household Income and Wealth, Australia](#), accessed 13 November 2023.

⁵ The Treasury, [Working Future: The Australian Government's White Paper on Jobs and Opportunities](#), The Treasury, Australian Government, 2023, accessed 25 October 2023.

⁶ Jobs and Skills Australia (JSA), [2023 Skills Priority List: Key findings report](#), JSA, Australian Government, 2023, accessed 13 November 2023.

⁷ Jobs and Skills Australia (JSA), [Health Care and Social Assistance](#), JSA website, 2023, accessed 26 October 2023.

⁸ Australian Bureau of Statistics (Reference period: May 2023) 'Table 10a. Average weekly earnings, industry, Australia (dollars) – original – males, full time adult ordinary time earnings', [Average Weekly Earnings, Australia](#), accessed 10 November 2023; Australian Bureau of Statistics (Reference period: May 2023) 'Table 10d. Average weekly earnings,

industry, Australia (dollars) – original – females, full time adult ordinary time earnings', [Average Weekly Earnings, Australia](#), accessed 10 November 2023; Australian Bureau of Statistics (Reference period: May 2023) 'Table 10c. Average weekly earnings, industry, Australia (dollars) – original – males, total earnings', [Average Weekly Earnings, Australia](#), accessed 10 November 2023; Australian Bureau of Statistics (Reference period: May 2023) 'Table 10f. Average weekly earnings, industry, Australia (dollars) – original – females, total earnings', [Average Weekly Earnings, Australia](#), accessed 10 November 2023.

⁹ National Skills Commission (NSC), [Care Workforce Labour Market Study](#), NSC, Australian Government, 2022, accessed 14 November 2023.

¹⁰ Jobs and Skills Australia (JSA), [Dental Specialists \(including Orthodontists\)](#), JSA website, 2023, accessed 4 January 2024; Jobs and Skills Australia (JSA), [Dental Assistants](#), JSA website, 2023, accessed 4 January 2024.

¹¹ Australian Bureau of Statistics (Reference period: May 2021) 'Data cube 13. Full-time non-managerial employees paid at the adult rate', [Employee Earnings and Hours](#), accessed 1 November 2023.

¹² Jobs and Skills Australia (JSA), [Occupations](#), 2023, accessed 4 January 2024.

¹³ Jobs and Skills Australia (JSA), [Child Carers](#), JSA website, 2023, accessed 4 January 2024.

¹⁴ Australian Bureau of Statistics (Reference period: May 2021) 'Data cube 13. Full-time non-managerial employees paid at the adult rate', [Employee Earnings and Hours](#), accessed 1 November 2023.