

Joining Forces for Gender Equality

WHAT IS HOLDING US BACK?

Country note: Australia



Joining Forces for Gender Equality comprehensively analyses developments and policies for gender equality, including issues such as gender mainstreaming and budgeting, reforms to increase fathers' involvement in parental leave and childcare, pay transparency initiatives to tackle gender pay gaps, and systems to address gender-based violence. Increasingly, governments are paying attention to gender inequalities to more policy areas, including energy, the environment, foreign direct investment, nuclear energy, trade, and transport. Advancing gender equality is not just a moral imperative; it will strengthen future gender-equal economic growth and social cohesion.

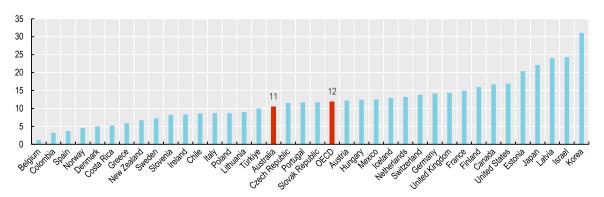
Gender equality in Australia

Australia has average-to-good gender equality outcomes compared to other OECD countries (Table 1). For example, gender gaps in school performance of young men and women are close to the OECD average. The gender gap in labour force participation is smaller than the OECD average, but more than a third of women are employed part-time (Chapter 13), in part resulting from the interaction between the tax/benefit system and out-of-pocket child care costs that can reduce incentives to full-time work. The shares of women among managers and self-employed women with employees are above OECD average. Women make up more than half of public sector employment and are almost at gender parity in public management positions – well above OECD-average.

The gender pay gap remains one of the most prominent examples of gender inequalities. It remains a stubbornly persistent challenge stemming from longstanding structural inequalities, such as an unequal division of paid and unpaid work, same skills but different jobs and responsibilities within firms, and occupational and sectoral segregation with an undervaluation of traditionally female-dominated jobs (Chapter 16). At about 11% in 2021, the gender pay gap for full-time earners in Australia is slightly below the OECD average (Figure 1). The recent introduction of regular pay gap reporting for private companies could help further narrow the pay gap in future (Chapter 27).

Figure 1. At 11%, the Australia has a gender pay gap below the OECD average

Difference between median earnings of men and women relative to median earnings of men, full-time earners percentages, 2021 or latest data available



Note: Data refer to 2021, or except for Belgium, Chile, Denmark, Finland, Germany, Greece, Hungary, Italy, Poland, Portugal, and Switzerland refer to 2020; for Ireland and Israel to 2019; and for Iceland, Slovenia and Türkiye to 2018.

Source: OECD Gender wage gap indicator, available at https://data.oecd.org/earnwage/gender-wage-gap.htm. - [Figure 16.1].

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Table 1. Summary indicators of gender equality

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	Education			Employment & Entrepreneurship			Governance		
	Gender gap in mean PISA reading scores (boys–girls)	Gender gap in mean PISA mathematics scores (boys–girls)	Share of women among masters' graduates (%)	Gender gap in the labour force partici- pation rate (men–women) (p.p.)	Share of women among managerial employment (%)	Share of women among self- employed with em- ployees (%)	Share of women among parliamentary representatives (%)	Share of women among public sector employment (%)	Share of women among central government senior management (%)
AUSTRALIA	-31	6	53	8	40	31	38	62	47
OECD average	-29	6	58	11	34	25	34	58	37
Best female outcome	-52 (FIN)	-10 (ISL)	69 (ISL)	2 (LTU)	46 (LVA)	33 (NZL)	50 (MEX/NZL)	72 (SWE)	56 (LVA)
Worst female outcome	-10 (COL)	20 (COL)	35 (JPN)	40 (TUR)	13 (JPN)	12 (TUR)	10 (JPN)	25 (TUR)	4 (JPN)

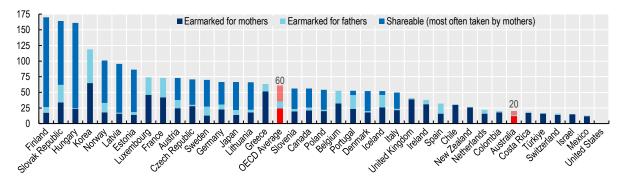
Note: Best and worst female outcomes are shown according to the size of women's share relative to the OECD average share or according to the size of the gap relative to the OECD average gap. Source: OECD Gender Data Portal, https://www.oecd.org/gender/data/.

Much of the gender difference in pay – as well as many other gender inequalities in the labour market and at home – emerge and widen once children arrive (Chapter 16). Traditional gender norms around care work and the economic incentives resulting from the parental leave system, contribute to women rather than men taking on primary caring roles and longer leaves of absence from work. In Australia, 37% of women work less than 30 hours per week (Chapter 13). Reasons include childcare capacity constraints and childcare costs for parents (Chapter 24), as well as high marginal effective tax rates for second-earners compared to most OECD countries.

Australia is set to reduce its high childcare costs by increasing the child care subsidy and increasing accessibility to subsidised care for families – in particular families with First Nations children - from July 2023. At the same time, Australia has only short paid leave entitlements around childbirth for up to 18 weeks with only two earmarked weeks for fathers (Figure 2). As a result, the use of Government-provided paternity and parental leave by new fathers is one of the lowest in the OECD (OECD Family Database), even though there may be higher use of employer-provided parental leaves by fathers. Recent reform involves increasing overall leave entitlements successively from 18 to 26 weeks by 2026. From July 2023, the Paid Parental Leave Scheme will combine into a single 20-week gender neutral entitlement, retaining two reserved weeks leave for each parent.

Figure 2. Australia has one of the lowest paid parental leave entitlements in the OECD

Duration of paid maternity-, paternity-, parental- and homecare leave entitlements, in weeks, April 2022



Note: Data refer to national/federally provided leaves and do not include employer-provided schemes or entitlements offered by states/provinces or local governments. Since April 2022, there have been reforms of parental leave systems in various countries, including Australia, Belgium, Denmark, Finland, Japan, the Netherlands, and the Slovak Republic. In Japan, parents would have to take the "shareable" portion simultaneously (see Figure 23.1). Source: OECD Family Database, Indicator PF2.1, https://www.oecd.org/els/soc/PF2 Parental leave systems.pdf - [Figure 23.1]

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