

## Senate Standing Committee on Education and Employment

### QUESTIONS ON NOTICE Budget Estimates 2017 - 2018

#### Outcome 2 - Workplace Relations and Economic Strategy

Department of Employment Question No. EMSQ17-004173

Senator Moore asked on 30 May 2017 on proof Hansard page 76

#### Question

#### Closure of pay equity gap -effect on male workforce participation

Senator MOORE: The second part of the question goes to: is the government's target based on lifting women's labour force participation rate by three percentage points, independent of trends in male workforce participation, or would the government consider the target met if the gap were closed by male workforce participation falling?

Ms Parker: It is a good question.

Senator MOORE: It is a good question.

Ms Parker: The answer is that it was set in the absence of considering that, potentially, the male participation rates might inadvertently reduce and help with the gender pay gap, and that is not ideal.

Senator MOORE: Which was never the intent.

Ms Parker: It was never the intent—no.

Senator MOORE: The intent was to have equal access and equal opportunity.

Ms Parker: But it does appear to be occurring—yes.

Senator MOORE: Thank you. Perhaps I can get some more data on that and there is all the stuff about segregation and pay rates and access to allowances.

Ms Parker: Yes.

#### Answer

In 2014 Australia led the G20 to set the goal to reduce the labour force participation gap between men and women by 25 per cent by 2025. The goal was set based on 2012 working aged (15–64) participation rates to allow comparison across G20 countries.

In 2012 the participation rate for working aged men was 82.5 per cent. The participation rate for working aged women was 70.4 per cent.<sup>1</sup> The participation gap was 12.1 percentage points.

For Australia to meet the G20 goal this participation gap will need to reduce by 3 percentage points to 9.1 per cent. The G20 goal does not have a specific participation rate target for men and women.

While there are month-to-month fluctuations in the data, male participation has remained steady since the G20 goal was set. In May 2017 the participation rate for working aged men was 82.6 per cent, 0.1 percentage points higher the 2012 level.<sup>2</sup> Progress towards the G20 goal to date has been a result of increased participation by women.

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<sup>1</sup> Source: ABS (2017), Labour Force, Australia, Apr 2017, cat. No. 6202.0, persons 15-64 years, seasonally adjusted yearly average data

<sup>2</sup> Source: ABS (2017), Labour Force, Australia, Apr 2017, cat. No. 6202.0, persons 15-64 years, seasonally adjusted data