

Changes to the Industrial Relations Act – Equal Remuneration and the Gender Pay Gap

Equal pay, equal remuneration, pay equity and the gender pay gap

Pay equity refers to equal pay, or equal remuneration for work of equal or comparable value for men and women workers. But it's not just about equal wages between men and women performing exactly the same job. Equal remuneration compares the wage rates assigned for particular jobs and classifications with other jobs of equal or comparable value. Equal remuneration also takes into account things like discretionary pay, allowances, performance payments, merit payments, bonus payments, and superannuation.

One way that equal pay is measured across the entire workforce is through the gender pay gap. In November 2021, the Australian gender pay gap sat at 18.3 per cent. This means that the average full time weekly earnings for women was 81.7 per cent compared to what the average full time weekly earnings were for men across the Australian workforce. This statistic may also vary within industries, industry sectors, and occupations and workplaces.

Changes to improve equal remuneration

The new laws outline several changes to ensure that there is a focus on pay equity in bargaining:

- Employers will be required to provide unions information as part of good faith bargaining to understand the gender pay gap of the employees to be covered by an agreement. This information could include:
 - the distribution of employees by gender
 - the details of the gender pay gap
 - any major factors identified as contributing to the gender pay gap
 - if appropriate, the projected effect of the proposed agreement on the gender pay gap, and
 - any other information relevant to the gender pay gap reasonably requested by another bargaining party
 - Clarifying that the gender pay gap under an agreement means the difference between the average weekly full time equivalent earnings of male employees and female employees covered by the agreement.
 - Requiring unions and employers to include specific information in agreements setting out how equal pay has been, will be or is being achieved between male and female workers who are to be covered by an agreement.
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