

# Media Release: *Graduate Careers Australia*

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*For immediate release*

## 'Gender Pay Gap' Claims Disputed

A recent report from the **Workplace Gender Equality Agency** (WGEA) highlighted what it claimed was a 'graduate pay gap blowout', basing its analysis on data released by Graduate Careers Australia (GCA) in its December 2012 *GradStats* report.

The WGEA claim, that a "gender pay gap between female and male university graduates more than doubled last year, increasing from \$2000 to \$5000 per annum" is disputed by GCA as arising from an overly simplistic reading of, and failure to fully review, the information contained in *GradStats*.

The data used come from GCA's annual Australian Graduate Survey (AGS<sup>1</sup>) which gathers data from recent higher education graduates regarding their activities following the completion of their studies. Recent reports can be downloaded free of charge at [www.graduatecareers.com.au](http://www.graduatecareers.com.au).

Previous analysis undertaken by GCA suggested that, when other graduate characteristics such as field of education, type of enrolment, occupation type and the employer's industry are taken into account, a much smaller gender wage gap (3 per cent in 2010) remains unexplained. The large \$5,000 pay gap favouring males observed at the overall level can be attributed, at least in part, to the fact that males tend to be over-represented in higher-paying fields such as engineering. In addition, some of the larger wage gaps are observed in fields with relatively low response numbers (e.g. dentistry, optometry) which could make them unreliable.

GCA also stresses that, while some of the residual gender pay gap might potentially be explained by workplace inequalities, it could also likely be explained if more detail were available regarding additional, but unknown, variables not collected as part of the AGS. **It would therefore be unwise to assume on this evidence that there is any sex-based earnings disparity that is necessarily the result of workplace inequality.**

GCA is concerned about the media reports as, at a time when many young Australians are making the transition from high school to higher education, and in the midst of making decisions about courses, a mis-reporting of earnings data could further cloud their considerations.

GCA is entirely supportive of the need for equality in the workplace and is also concerned that graduate employers are unfairly being painted as discriminating against new recruits in paying one group less than another, which is highly unlikely to be occurring.

These figures are based on the responses of new bachelor degree graduates aged less than 25 and in their first full-time employment in Australia and, as such, do not represent occupation overviews covering the wider Australia work force.

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### **Further information and comment**

Members of the public can download copies of *GradStats* free of charge at [www.graduatecareers.com.au](http://www.graduatecareers.com.au).

*For comment please contact Bruce Guthrie, GCA Policy and Strategy Adviser, on (02) 6367 5347.*

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<sup>1</sup> More than 137,000 graduates responded in 2012.