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The Gender Pay Gap: A Closer Look at the Numbers

In 'The Australian' (March 4, 2025 edition), journalist Ewin Hannan authored an article titled "**Companies with highest, lowest gender pay gap revealed.**" Reading it, one might conclude that major Australian companies systematically pay women less than men for the same job. The article states:

"Half of employers have an average total remuneration gender pay gap larger than 12.1 per cent, with men earning, on average, \$28,425 more than women each year."

However, nowhere in the piece was there an explanation of the methodology underpinning this statistic. Without understanding the parameters of the analysis, the claim is meaningless—little more than a cry of relative nonsense.

To be clear, I do not deny that pay disparities exist in certain workplaces. However, we must be careful not to conflate job titles with the actual work performed. It is common for employees with identical titles to have vastly different responsibilities, some of which are more demanding—physically, mentally, or in terms of responsibility—therefore warranting higher compensation.

Take, for example, the title of "Manager." A Sales Manager and an IT Manager may earn different salaries, but their roles differ significantly. The Sales Manager is responsible for driving revenue, managing teams, and engaging clients, whereas the IT Manager focuses on maintaining infrastructure and ensuring system reliability. The skills, objectives, and workplace demands of each role are not comparable, even if their job titles are.

Customarily, men, on average, tend to work longer hours and take on more physically demanding roles. This is not a commentary on work ethic—many women prioritise work-life balance, just as some men do. However, broad wage comparisons that fail to account for these variables tell us little about genuine pay discrimination. To frame the so-called "**gender pay gap**" as evidence of systemic patriarchy or misogyny is, at best, an oversimplification and, at worst, a deliberate misrepresentation.

A final thought: In the insurance industry, I once encountered a statistic showing that more people died within 24 hours of playing lawn bowls than died in motor ...

... racing. The reason? Age. Derr! 🧑 Yet, some actuaries still argued for excluding lawn bowls from coverage, misreading the data entirely. Similarly, when confronted with simplistic claims about gender pay disparities, we must critically examine the underlying analysis before accepting it at face value.

Independent Consulting for Gender-Based Pay Disputes: A Rational Approach

For businesses facing concerns over alleged gender pay gaps—whether in internal disputes, litigation, or external claims—-independent analysis is essential. A pay disparity does not automatically indicate unjustified discrimination; many factors, including job responsibilities, experience, performance, and market demand, must be carefully considered.

As an independent consultant, I provide objective analysis to help determine whether a pay gap is justified or problematic. Rather than engaging in costly and unwinnable battles, businesses should address these concerns proactively. A thorough review can clarify whether adjustments are necessary or if perceived disparities stem from misinterpretations of roles and responsibilities. By tackling these issues head-on, companies can mitigate risks, ensure compliance, and maintain workplace equity before disputes escalate.

In summary, as an independent business consultant, I do not consider myself a "gun for hire" by big business. Indeed, I act for as many individuals as I do corporations—often on instruction from legal firms—but I also accept direct instructions from unrepresented clients. This includes those involved in salary negotiations or workers' compensation disputes where there is an argument of gender-based pay inequity. In such cases, I can provide impartial analysis to assess whether the claimed pay disparity is justified*, and if not, whether the individual may be entitled to a higher amount of compensation. I offer confidential consultations and a no-obligation initial discussion for prospective clients. [*I do not offer legal advice, but where required, I work with a qualified lawyer to provide a comprehensive service]

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