The Gender Pay Gap
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The gender pay gap is commonly measured as the difference between the average male full- time earnings and average female full-time earnings expressed as a percentage of male earnings[1]. In 2016, no country had achieved wage equality for equal work performed by men and women. The Global Gender Gap Index 2016 ranked Australia at number 42, with poor performance in wage equity explaining much of that ranking (1). The pay gap in Australia has remained between 15-19% over the last two decades, and was most recently reported to be 16.2% (2, 3).

Gender equality is a powerful social determinant of health, as it has economic, political and social impacts (4). Persistent gendered wage differences exacerbate other gendered inequities, by restricting the accumulation of wealth in the form of property and superannuation; increasing the reliance on government assistance over the life-course; and increasing the likelihood of women living in poverty at every life stage (5). Improving the economic participation of women and decreasing the gender pay gap could increase Australian GDP by 8.5% (3).

The factors contributing to pay inequity are complex and interwoven. Determinants of the wage gap include productivity-related characteristics such as hours worked, training opportunities, years of work experience and breaks in labour market experience. Other labour market factors include undervaluing of traditionally female-dominated industries, inflexibility in the labour market that excludes those women attempting to combine work child rearing and public versus private sector employment. However only 40% of the wage gap in Australia can be explained by differences in hours worked, occupational segregation or labour market history - the remaining 60% is attributed to the effects of direct discrimination or unconscious bias (3, 6).

Despite significant progress towards gender equality in many areas of medicine, a gap between the earnings of male and female doctors remains. Theoretical explanations for the gender pay gap in medicine include:

- That the relative recent entry of women into medical professions sees females concentrated in more junior positions and their underrepresented at more senior levels (7).
- That female doctors tend to work in lower paid, less technically focused

[1] Measurement of gender pay gaps differs from study to study, thus Level Medicine encourages all readers to consult the sources referred to in this statement for clarification

specialties (7).
- That female doctors tend to undervalue their work and to be less demanding in their negotiations for remuneration (8)
- That females and males differ with regards hours worked and engagement in part-time employment (7)
- That there females and males differ with regards the frequency of career interruptions in order to care for families or take other caring roles (9)

Importantly the pay gap in medicine cannot simply be explained by differences in the way male and female doctors work. Between a quarter and a half of the earnings gap between male and female GPs in Australia is not attributable to hours worked, career interruptions or employment type (9). UK analysis among medical consultants, 40% of the pay gap is due to different returns for the same characteristics, and for trainees differences in experience, grade and other factors explained only half of reported salary differences (7).

The Pay Gap in Australian Medicine

- **There is a pay gap between male and female doctors in Australia.** 2016 Australian figures demonstrate a 33.6% pay gap for full-time medical specialists, and a 24.7% pay gap among full-time general practitioners (10). When controlling for hours worked, the annual gross personal earnings for female specialists was on average 16.6% less than their male counterparts, and female GPs earned on average 25% less than male GPs (11).
- **The pay gap exists within specialities and between them.** Data from income reported to the Australian Taxation Office indicate that in some medical specialties such as orthopaedic surgery, ophthalmology radiation oncology and thoracic medicine, the pay gap percentage is at least 60% (12). While the ATO figures to not control for hours worked, seniority of roles or access to discretionary pay, international analysis demonstrates that within-specialty discrimination exists even when controlled for other observable characteristics (8).
- **Doctors begin their careers as financial equals.** In 2015 females comprised 62.8% of graduates from Australian medical degrees. There was no observable difference between the starting salary in full-time employment between males and females (13). This is likely a result of standardised contracts between employer and employee.
- **Female doctors are penalized for being mothers.** As in many professions, female GPs with dependent children earn less than female GPs without dependent children, while male GPs with dependent children have higher

earnings than male GPs who do not have dependent children (3, 9). Canadian analysis suggests that effect of having dependent children similarly disadvantages female physicians while advantaging male physicians (14).

- **There are financial penalties for simply being a female doctor.** Studies in Australia and abroad consistently find some degree of the pay gap among doctors cannot be explained by specialisation, hours worked, seniority, training achievements or place of employment (3, 7-9).

Australian rules on Pay Equity

A broad range of policies have encouraged female participation in the workplace and reduced the barriers to their economic engagement (6). These include those relating to regulation of wages, parental leave, discrimination, and child care allowances (15, 16).

The 2009 Fair Work Act requires that certain employees are provided equal remuneration for work of equal or comparable value. Employees are able to lodge a complaint if they believe their remuneration is less than a male employee undertaking similar or comparable work, and an employee found to contravene equal remuneration requirements may be liable for a penalty (16, 17) .

The 2012 Workplace Gender Equity Act requires organisations with more than 100 employees to report annually against gender equity indicators such as remuneration and gender balance in leadership and management roles. Organisations are provided with an individual report comparing their gender equity standing to industry benchmarks, so as to illustrate areas requiring proactive attention (16).

At the time of writing, no major medical body or college has a formal policy position regarding pay equity practices. Many colleges state that pay equity is a matter of industrial relations. 2016 Workplace Gender Equity Agency Data indicates that only 9.1% of employers of specialist medical services have gender pay equity objectives included in their formal policy or strategy (10). No employers of GPs identified pay equity objectives in their formal policy or strategy (10).

Areas for improvement

- A paucity of data pertaining to the breadth of factors that affect economic participation and remuneration limit our ability to ensure pay equity in

medicine. Further research to identify any wage discrimination would inform practical responses to eliminate unjustifiable differences in pay received or similar work.

- Pay auditing or disclosure of salaries in organizations employing doctors would draw attention to pay gaps where they exist, and allow employees to challenge inequities in line with their legal entitlements (5).
- Formal commitments by employers to ensure equal remuneration for equal work, irrespective of gender would enshrine pay equity in organizational norms (15).
- Challenging the systematic discrimination which encourages women to work in only some specialties and encourages others would is critical to tackling the social biases which perpetuate wage inequity (6).
- Increased representation of women on Boards and in leadership positions is associated with significant reductions in gender pay gaps (5). An imbalance of women in leadership positions in medicine might contribute to the persistence of conservative social norms and rigid career pathways, rendering it difficult for professionals to achieve balance between career, family and other caring roles (18).
- Support for flexible training and working options might minimize the obstacles to career progression faced by those doctors with family and domestic commitments outside of medicine (7, 18).

What should Level do?

- Empower medical professionals to request that their employer conduct a pay audit to identify areas in which there might be gender inequities
- Encourage medical professionals to discuss the implementation of a Pay Equity policy in their workplace
- Empower medical professionals to advocate for flexible working and learning arrangements to minimise the financial penalty to doctors who interrupt their careers for family or other reasons
- Encourage medical professionals to form peer-support groups for experience sharing and mentoring
- Educate medical students and professionals about tackling unconscious gendered biases in the workplace

6. How can medical students advocate on this issue?

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