Male graduates earn more than female graduates

June 18 2014, by Alexandra Hansen

Female university graduates earn less than their male counterparts, and the gap will only widen as they progress through the workforce. Credit: AAP

Male university graduates earn more than their female counterparts and the pay gap will likely increase with the more time spent in the workforce, according to new research.

A study by Graduate Careers Australia found an aggregate gender wage gap of 9.4% in favour of male graduates, which decreased to 4.4% when

allowances were made for controls such as the courses studied by males and females.

This means more males enrol in courses with higher earnings such as engineering, whereas humanities, which provide less monetary return, are studied mainly by women.

However, the 4.4% gender wage gap couldn't be explained by these factors, and is potentially due to inequalities in workplaces.

When looking at specific occupations, the study found male graduate nurses and primary school teachers earned more than their female counterparts.

Statistics from 2013 show the gender wage gap across the board in Australia is 17.5%, leading to the conclusion that the pay gap increases with time in the workforce.

Author of the study Edwina Lindsay said this greater figure examines the aggregate gap within the broader Australian labour market, and does not control for vital determinants which may mediate the gap, such as age and career breaks in employment which stem from family responsibilities.

However, she said many studies have shown the pay gap widens with age.

Ms Lindsay said females need to be given more information about career choices and should be encouraged to consider training for occupations that are often traditionally thought of as male roles.

"Implementing education campaigns and programs that encourage the participation of women in STEM subjects (Science, Technology,

Engineering and Mathematics) during secondary schooling could see the aggregate wage gap in favour of males reduced for future generations," she said.

Currently, field of education choices of men and women can be influenced by gender stereotypes socialised at a young age, she said.

"This may help to explain the notable differences in the fields of education studied by young men and women in Australia."

Eva Cox, Professorial Fellow at the University of Technology, Sydney, said the debate shouldn't be how to get women in to these higher paying jobs, but rather why jobs dominated by males are better paid than jobs dominated by females.

"The question here ignored is whether salaries are higher because of more intrinsic value in a STEM degree, or whether the gender composition of the workforce influences the way it is valued," she said.

"On that basis one can question whether the differences between fields of education pay levels are in themselves gender biased. Why is engineering of so much more value than social work?"

Ms Cox said rather than thinking of ways to get more women in higher paid areas, we need to raise pay rates in feminised occupations.

Executive Director of the Australian Centre for Leadership for Women Dr Diann Rodgers-Healey said the wage gap had remained unchanged for almost 20 years.

To remedy the gap, we need to address gender-based direct and indirect discrimination so assumptions aren't made about the industries, careers, positions and job assignments for women, she said.

Provided by The Conversation