# **EQUAL WORK FOR UNEQUAL PAY**THE DISCRIMINATION OF WOMEN AT WORK

# An explainer

# **Background**

It is 69 years since the International Labour Organization enacted its Convention on <u>'Equal Renumeration for Men and Women Workers of Equal Value'</u>.

Despite women achieving better education opportunities, and greater political and economic independence since 1951, the gender pay gap remains a major problem - both worldwide and in Europe.

In the EU, the gap currently stands at  $\underline{16\%}$ , meaning women in the EU earn, on average,  $\underline{16\%}$  less per hour than men do. It becomes as high as  $\underline{40\%}$  when employment rates and overall labour-market participation are fully accounted for.

This is the equivalent of women working without pay for 59 days of the year.

As a result, women's pensions are about 37% lower than men's.

## Why is there a Gender Pay Gap?

Age, experience, education levels, race, religion, migration status, sexuality or disability all impact people's pay. However, gender-segregated labour markets, restrictions placed on work-life balance, as well as sexist stereotypes play a huge part too.

Seen from another angle, women are often wrongly presumed to be the prime caregiver to children, the elderly or their partners. This further reduces a woman's potential to earn a higher salary or work more hours.



### What our MEPs say



Sandra Pereira (PCP, Portugal)

"The rights of women must be guaranteed in every aspect of their lives: from personal, family, professional, social to political. Equal pay between men and women – one based on growth in wages for all workers – is essential."

Some women also take career breaks or can only do part-time work due to the aforementioned reasons, meaning their working conditions and pay are much lower than men's - and also much more precarious.

In 2018, <u>30.8%</u> of EU women worked part-time - significantly higher than the rate for men which stood at just 8%.

### What impact has the Gender Pay Gap?

Being discriminated against, more women are at risk of poverty and social exclusion than men are. This was particularly striking <u>during the economic crisis</u> when women faced harsher economic conditions than men did. Women were also hardest hit in rural areas where they also experienced unprecedented deprivation.

All these factors have a domino effect upon society, family life, as well as women's mental and physical health.

Just over one-third (35%) of single mothers (who are also the sole earner) are at risk of poverty. The rate is 28% for single fathers.

### What about the Gender Pension Gap?

At 37%, the Gender Pension Gap is almost double the pay equivalent.

Due to the lifelong differences in pay, working time and retirement ages, the risk of poverty for older women is high. More women also live alone in old age.

Pensions need to increase and be guaranteed for women. The privatisation of social security systems continues to widen the Gender Pension Gap, and must therefore be halted.

### What does EU law say?

Gender equality and non-discrimination are explicitly affirmed in the <u>EU Treaty</u>. Articles 2 & 3 cite both of these as 'core values of the Union'. Meanwhile, articles 8, 23, 153 and 157 state that men and women should be treated equally. Articles 10, 19 and 21 cover non-discrimination between the genders.

Yet, the 16% difference in the Gender Pay Gap clearly means that women are being exploited by employers and treated unequally.

This reflects the reality whereby the legally established rights of 'equal work for equal pay' remain unfulfilled or are often limited in their scope, due in parts to deregulation and lack of enforcement.

### How to bring about equality?

First, EU member states must urgently take concrete measures to eliminate gender pay and pension gaps. Austerity has to end. There needs to be better labour regulation based on increased labour rights through trade unions or similar organisations.

A general increase of workers' salaries would also be necessary but policies on equality must be framed to guarantee equal opportunities for women and men. This must be coupled with stronger legislation to ensure equality and non-discrimination.

The pervasive culture of employing women in the lowest-paid, lowest-ranked, or most precarious positions must also end. Better employment opportunities and greater access to job training or opportunities should be implemented. This can be achieved through public services like childcare or sexual and reproductive healthcare provisions, especially for single parent households and other disadvantaged groups.

Greater levels of gender equality in our society will benefit us all.









