

Press statement by the National Commission for the Promotion of Equality (NCPE)

NCPE's Online Conference to mark Equal Pay

The gender pay gap in Malta for 2018 stood at 13% (EU average was 15%)¹; this is gradually increasing in the context of the rising participation of women in the labour market as entrants most often join in the lower grades of the pay structure. In light of this, NCPE's Conference focused on highlighting the way forward to closing the gender pay gap and ensuring equal pay for women and men.

Parliamentary Secretary for Equality and Reforms Hon. Rosianne Cutajar stated that the progress achieved in the sphere of equality in the past years has been significant and substantial. Nevertheless, unequal pay and gender discrimination in pay prevail. These contribute to increasing the gender pay gap, that is also the result of other factors such as gender segregation in employment and education, lack of women in managerial positions, and lack of work-life balance. The gender pay gap does not only affect women while in employment during their working life, but it also leads to a gender gap in pensions during retirement. This is significant as pensions are an important determinant of financial independence in old age. Hon. Cutajar reiterated the Government's commitment to continue working to empower both women and men to reach their full potential in all spheres for the advancement of the whole society.

NCPE's Commissioner Ms Renee Laiviera maintained that the gender pay gap refers to the percentage of men's earnings and represents the difference between the average gross hourly earnings of female and male employees. The gender pay gap affects women throughout their lifecycle, including their pension, where the gap is even wider. Thus, tackling the gender pay gap is crucial in mitigating the risk of falling into poverty and social exclusion particularly in later life. Ms Laiviera said that Chapter 456 of the Laws of Malta prohibits discrimination in employment including in the terms and conditions such as pay. Ms Laiviera concluded that NCPE's initiatives are being taken to ensure effective adherence to the law by addressing the gender pay gap.

¹ Source: Eurostat - Last updated – October 2020

<https://ec.europa.eu/eurostat/databrowser/view/tesem180/default/table?lang=en>

KPMG Malta gave a presentation on existing Equal Pay Tools in EU Member States and referred to the NCPE Equal Pay Tool; a tool suitable for Malta's labour market and tailor-made for the NCPE Equality Mark certification process. The Tool developed is the first of its kind in Malta and it is a good baseline upon which to keep improving. In fact, KPMG recommended that the Tool is revised regularly and in a structured manner by continuously analysing its outcomes and the user's approach towards it. This would always ensure the best Tool for Malta's business context and a work environment that is aware of the issue of unequal pay between women and men thus contributing to the increase of equal economic independence.

Dr Rose Marie Azzopardi, Senior Lecturer, Economics Department, FEMA, University of Malta, addressed the development of a gender pay gap action plan for Malta. She first outlined the EU's action plan in this regard which was for 2017-2019. Dr Azzopardi insisted that there is a need for clear legislation on pay transparency, in the immediate future. Furthermore, persuasive deterrents and stronger institutional support are needed to ensure fairness and justice on equal pay.

A panel discussion made up of Government authorities, NGO, unions and employers' associations discussed tangible actions to close the pay gap and ensure equal pay, and the role of different stakeholders in this regard.

In her concluding remarks, Ms Laiviera described the Conference as an opportunity to discuss an effective way forward to close the gender pay gap and ensure equal pay for women and men. Ms Laiviera stated that the NCPE will be taking on board all the comments and suggestions highlighted during this Conference in order to strengthen its work in the coming years.

26th November 2020