

Addressing the gender pay gap

A claimant who is a warehouse worker had consistently been paid less than other male warehouse workers in the company. She alleged that she was doing the same work or work of more value than the relevant comparators. She alleged further that despite raising this issue directly with her employer they refused to address the disparity. After advice from the Irish Equality Authority, the matter was resolved in 2007 to the claimant's satisfaction.

This case of gender discrimination in pay happened in Ireland, but similar cases can also occur in Malta. In fact, the National Commission for the Promotion of Equality (NCPE) investigated and concluded a similar case in 2015.

The gender pay gap is a concern in many countries. In fact the European Commission established the European Equal Pay Day to raise awareness about this issue and to eradicate this anomaly. In line with this initiative, NCPE continues raising awareness on the gender pay gap at the national level. In November 2017 a focused media campaign - **PayM€qually** – disseminated information on how the gender pay gap counters equality and is a reflection of inequalities in the labour market.

Despite being below the EU28 average (16.7%), the gender pay gap in Malta increased to 10.6% in 2014, in a context of the rising participation of women in the labour market. The gender pay gap shows the difference in the average gross hourly wage between men and women across the economy. Moreover, the gender pay gap mainly affects women having lower pay than men.

There are a number of interrelated factors that contribute to the gender pay gap. Firstly, more frequently, women earn less than men for doing jobs of equal value. One of the main causes is the way women's competences are valued compared to men's. Jobs requiring similar skills, qualifications or experience tend to be poorly paid and undervalued when the sector is dominated by women. In certain cases, like the one mentioned above, this results in pay discrimination on the ground of gender.

Secondly, the gender pay gap is also reinforced by the existing segregation in education and subsequently in the labour market. Statistics show that men are more likely to graduate in science, technology, engineering and mathematics than women, while women are more likely to graduate in education, health and welfare than men. Therefore, women and men still tend to work in different jobs whereby women are over-represented in occupations that offer lower wages than occupations predominantly carried out by men.

Segregation is frequently linked to traditions and stereotypes that influence the educational paths of students and consequently affect their professional careers and development. In addition, because of these traditions and stereotypes and the lack of equal sharing of family care and domestic responsibilities, women are expected to reduce their working hours or



interrupt their careers to carry out child and elderly care. This can impact their opportunities for career advancement, thus affecting their earnings.

This leads to a lack of participation of women in decision-making positions which is another reason for the gender pay gap. Statistics show that management and supervisory positions are overwhelmingly held by men. This trend culminates at the very top, with women in Malta being among the least, when compared to their counterparts in the EU member states, who are members of boards in listed companies.

On the other hand, equal pay for work of equal value is safeguarded in Maltese law, and the enjoyment of women workers of same wages for the same work as men is also protected by the Constitution of Malta. In line with these legal provisions and adopted policies, the government is committed to ensure that 'equal pay for equal work' is being safeguarded in practice to continue combating gender discrimination in employment.

In line with government policy and to address this anomaly, NCPE offers training to companies' management and staff to foster gender equality at the place of work. Besides, NCPE awards the Equality Mark to entities that foster gender equality in their work policies and practices, including in providing equal pay. At present there are 80 companies with over 21,300 workers who have received this award. NCPE also investigates complaints of workers who believe they are victims of gender discrimination in pay.

By increasing women's earnings throughout the lifecycle, their economic independence is enhanced while curbing their risk of falling into poverty or social exclusion particularly in their retirement years. Closing the gender pay gap therefore contributes to create a more equal society, more quality jobs and greater profitability to the economy as a whole.

For further information, contact NCPE on 2590 3850, <u>equality@gov.mt</u> or on Facebook.