

Pay Equity NOW!

This paper is the first of ten features for EI's campaign "Pay Equity Now". It serves as an introduction to the issue of pay equity, giving an overview of the main data, the reasons for and implications of the gender pay gap, as well as arguments for pay equity. The subsequent features will focus on different aspects of this issue, such as pay inequity in the teaching profession, legislation and regional disparities.

Please feel free to contribute to EI's campaign "Pay Equity Now" by sending your opinions, research, links and campaign material to equality@ei-ie.org!

Abstract

This paper examines the pay gap between men and women with a special focus on the teaching profession. A closer look at various forms of discrimination leads to a definition of pay equity, which is regarded both as a conceptual and political notion. The text develops arguments in support of pay equity and suggests the first steps for the practical implementation of pay equity policies.

Introduction

Women's participation in the labor market has increased steadily over the last century. Gender related barriers which prevent women having equal access to all economic sectors and the undervaluing of so-called women's work have remained constant. Despite enabling legislation in many states, no country can claim gender pay equity in education or other unionized work. This is the result of historical developments as well as current policies. The paper therefore gives an overview of the present situation of the global gender pay gap and examines the various reasons for it. Next we investigate the concept of "pay equity" and its positive effects on women in particular and society in general.

Data and Method

There are several approaches to measuring the gender pay gap, and different data lead to different results. The amount of research also varies: in most of the industrialized countries statistical data on the income situation are more readily available than in the rest of the world. Hence the analysis of the pay gap presented below is quite biased:

The Global Gender Pay Gap report commissioned by the International Trade Union Confederation (ITUC) in 2008 shows a world average gender pay gap of 15.6 percent. This means that, on average, women earn only 84.4 percent of the salaries of their male colleagues within the same occupation. An examination of the data used in the study suggests that the pay gap is much higher in real life. On the one hand the gender pay gap was only calculated for 63 countries. Half of these countries are in Europe. In general the results as far as women's economic participation is concerned are better in Europe, Oceania and Latin America than in Asia and Africa. On the other hand the study does not include informal or unpaid family work, which is mostly done by women. (ITUC 2008)

The ITUC's 2009 report, which is based on survey results of 300,000 women and men in 20 countries, emphasizes the extent of pay inequity in everyday working life: women earn only 77.6 percent of the salaries of their male colleagues. (ITUC 2009)

A 15-year longitudinal study published by the Institute for Women's Policy Research (IWPR) in 2004 showed that women earned only 38 percent of men's earnings over that period in the USA. (Rose/Hartmann 2004)

A 2002 survey of the gender pay gap in the European Union (EU) showed that women earned on average 75 percent of the salaries of their male colleagues. Hence although official EU policy upholds pay equity as an essential target, the gender pay gap persisted over the preceding decade in Europe. (Plantenga/Remery 2006) The ILO's 2009 report Global Employment Trends for Women indicates that in a majority of countries women's wages still represent only between 70 and 90 percent of men's wages. (ILO 2009) The UNIFEM's report 2008/09 Progress of the World's Women identifies similar data by estimating the average global pay gap of 17 percent. (UNIFEM 2009) Global estimations which include formal as well as informal work assume that women achieve only between 50 and 88 percent of men's earnings. (PSI 2002)

Teaching and the gender pay gap

Female-dominated occupations are paid less than jobs usually performed by men. Three sectors have a particularly high proportion of women: secretaries, nurses and teachers. The UNESCO World Education Report (2000) indicates that women represent 94 percent of teachers in pre-primary education, 58 percent of teachers in primary education and 47 percent in secondary education. A survey from 2006 confirms the proportions. In most regions the number of female teachers is higher in pre-primary and primary education. In secondary and higher education, there are far fewer female teachers. Early childhood teachers are often paid less than primary teachers, who are often paid less than secondary teachers, who in turn usually receive less than teachers in higher or university education. It is particularly noticeable that the tertiary level, e.g. the universities, is the both the most prestigious sector and the one where women struggle to obtain managerial positions. Additionally, at the same educational level as their male colleagues, women are more likely to work part-time, have more non-tenure and non-decision-making positions.

According to UNESCO data, teaching is a “feminised profession”. A closer look should be taken at which skills and experiences are deemed necessary in order to be a teacher in pre-school, primary, secondary and higher education, and at the gender-biased evaluation of these skills and experiences. This may call into question the differences in pay between the various educational levels.

Reasons for the pay gap

The gender pay gap is the result of multi-dimensional factors and thus should be addressed by multi-faceted policies. In this chapter we will present two groups of factors, namely direct and indirect or institutional discrimination.

Direct discrimination

Direct discrimination occurs when jobs, which are the same or broadly similar in terms of skills, responsibility or value to the employer, are paid differently depending on the worker’s gender. The British National Association of Schoolmasters Union of Women Teachers (NASUWT) gives

an example of such a case: Two new head teacher positions were advertised at the same time, at the same salary level and within the same individual school range. Subsequently, one of the head teachers appointed (female) discovered that the other head teacher (male) was being paid at a higher point on the scale and that the school ranges were different. The women's employer had failed to take account of her previous management experience when placing her on the head teacher scale. NASUWT asserted that there was no reason under the teachers' pay legislation why the two head teachers should be paid at different levels. Indeed, the only difference between them was their gender.

The different treatment of men and women has various causes. Job titles, job descriptions and definitions or contractual obligations do not always reflect the actual conditions of work. Moreover some differences between jobs done by women and men are not significant enough to justify differences in pay. A closer factual look should be taken at what people actually do and how often. Infrequent differences in the job requirements must not be confused with regular additional duties. Even if constant differences between jobs done by women and men occur, careful consideration must be given as to whether they justify differences in pay. (ECNI 2003)

Indirect & institutional discrimination

Indirect discrimination occurs because of a set of circumstances not directly planned to discriminate but which have the effect of disadvantaging some groups. As far as pay equity is concerned, women face employment segregation: This means that they are inclined to work in occupations associated with stereotypically feminine skills which are less prestigious and less well paid than sectors which are related to masculine skills. "Women's role in unpaid care work tends to channel them into similar occupations and sectors in the paid economy: notably, the clothing and textile industries, teaching, childcare, health care and domestic services." (UNIFEM 2005:29) Those jobs are poorly paid because the skills required are regarded as natural female characteristics and not as workplace skills which require specific education. The pay gap in these sectors is much higher than in male-dominated environments because managerial positions are often held by men, while women tend to work in lower-paid part-time roles. (ITUC 2008) Women receive fewer benefits, entitlements or bonuses, and when they do receive them, they are lower in amount and frequency. (NASUWT 2008)

The 2007 study “Behind the Pay Gap” published by the American Association of University Women Educational Foundation shows that even women who work in a female-dominated sector earn 5 percent less than their male colleagues with the same major one year after graduating college. In non-female-dominated occupations, women working full time earn on average only 80 percent of the salaries of their male colleagues during their first year after graduation, and after ten years only 69 percent. “The pay gap between female and male college graduates cannot be fully accounted for by factors known to affect wages, such as experience (including work hours), training, education, and personal characteristics.” (Goldberg Dey/Hill 2007: 3) The crucial factor is institutional discrimination which is embedded in the structures of organizations and goes beyond individual prejudice and stereotypes. It is very subtle because it appears natural, and this plays an important role in the pay gap: it varies from the permanent under-evaluation of women’s work to the different expectations related to the rights and duties of parenthood.

What is Pay equity?

Pay equity aims at eliminating gender discrimination in pay conditions and the setting of wages. With the rising awareness for intersectionality, a concept focusing on the discriminatory effects of interwoven structural categories such as gender, race, class, etc., pay equity was expanded to take these categories into consideration as well. “Women who are multiply disadvantaged by factors such as race, ethnicity, indigenous or disability status, experience more acute forms of discrimination.” (Cornish 2008:3) So some institutions consider pay equity as a concept not only aimed at ending gender discrimination, but also addressing inequalities due to race discrimination: “Pay equity means that the criteria employers use to set wages must be sex- and race-neutral.” (NCPE 2009) Examining pay equity in terms of intersectionally interacting grounds of discrimination seems to be a reasonable way to get a broader contextual perspective on the various reasons for the pay gap.

Originally, pay equity referred to equal pay for equal work. However, when institutions and social partners started to implement pay equity policies they were confronted with the problem that many jobs were not identical and required different sets of tasks. So the definition was broadened to equal pay for work of comparable worth for jobs that are not exactly identical. (ILO

2003) Many players (institutions, governments, trade unions, employers' federations, women's organizations, etc.) have shaped the definition of pay equity according to their specific interests.

The EI Pay Equity Campaign sees pay equity as a political concept encompassing both definitions and strategies to overcome gender discrimination in the setting of wages.

Pay equity means:

- equal pay for the same work where identical jobs are compared
- equal pay for work of comparable worth/equal value for jobs that are not identical
- addressing the wage gap between female and male dominated jobs
- taking structural categories such as race, ethnicity, disability, etc. into consideration
- strategies for political awareness and the implementation of pay equity programmes.

History and evolution of standards

The notion of equal pay for work of equal value can be found throughout the 20th century, starting with the ILO's (International Labour Organization) 1919 Founding Convention, where it was already emphasized, although not yet with its gender implications. During the 1950's, attention was directed to occupational segregation and general discrimination in employment. (Cornish 2008:5) In 1953, ILO Convention No. 100 recognized the importance of equality between men and women regarding remuneration, including basic wage and additional benefits arising out of the worker's employment. The 1979 Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW), often described as an international bill of rights for women, incorporates Convention 100, taking a radical approach towards gender segregation. It demands "the right to equal remuneration, including benefits, and to equal treatment in respect of work of equal value, as well as equality of treatment in the evaluation of the quality of work" (CEDAW 1979 article 11,d.). Pay equity "must break the cycle of systemic discrimination by providing a framework to challenge systemic assumptions and practices that lead to the undervaluing and under-compensating of women's work." (CEDAW 1979 preamble) The 1995 Beijing Platform and Declaration of Action recognized gender mainstreaming as an effective

instrument for achieving pay equity.

Pay equity is now a – more or less emphasized – policy in various international institutions and organizations, including the EU, NAFTA’s North American Agreement on Labor Cooperations (NAALC), Organization of American States (OAS) documents, the African Union (The African Union Gender Policy) or UN organizations. However, while most countries have ratified ILO Convention 100, many have failed to implement the goals adequately by passing laws or establishing supportive institutions. (Cornish 2008) The 2003 ILO Report “Time for Equality” observes that “there is a long way to go before equal remuneration is achieved.” (ILO 2003:117)

Why is pay equity important?

There are various reasons for the enforcement of pay equity initiatives, affecting not only women, but also male workers, families and a broader social context such as communities and local economies. Both on an individual and a structural level pay equity causes specific dynamics that set a chain of things in motion, from individual empowerment to a more sustainable development in general.

1. Pay equity is a basic human right

The UN Declaration of Human Rights states: “Everyone, without any discrimination, has the right to equal pay for equal work.” (UN 1948 article 23.2.) Pay equity is a matter of fairness. When women are paid less than men for comparable work, women have fewer resources to support themselves and their families and consequently their freedom of work choice is limited. Pay equity enforces freedom, dignity and the well-being of individuals and leads to the empowerment of women. Trade unions have an important role to play in the defense of this basic human right, by demanding the adoption and enforcement of adequate legislation.

2. Pay equity holds a strong value for economic growth and is closely linked to poverty reduction

Lack of pay equity can generate poverty and social fragmentation which seriously compromises

economic growth and development. Discrimination in employment causes poverty, which furthers discrimination at work in a vicious circle. (ILO 2003:27) Low pay, particularly in female dominated jobs, strongly affects consumption habits. “The elimination of discrimination is important for the efficient functioning of labour markets and for business competitiveness.” (ILO 2003:26) Additionally the full inclusion of women into the labour market is in the interests of sustainable economic development: “With business needing an efficient labour market, discriminatory barriers to the full productive use of half the world’s supply is a massive inefficiency which needs to be rectified.” (Cornish 2008:6)

3. Pay equity benefits families and communities and supports sustainable development

Lack of pay equity has a heavy impact not only on women, but also on the social context they are part of, impoverishing children, families and communities. Furthermore, the unequal contribution to family income reinforces traditional gender roles: Many men who might want to spend more time with their children and families are prevented from doing so, being forced to bridge the financial gap. An increase in women’s pay changes the power dynamics in work, homes and communities, empowers women and reduces their vulnerability to violence and exploitation (Cornish 2008:6). Additionally, increases in women’s earnings are likely to be translated into improved investments in the health and education of children (ILO 2003:27). It improves the “health and educational opportunities of girls and boys and reduces family poverty.” (Cornish 2008:6)

4. Pay equity improves workplace climate and productivity

People suffering from discrimination experience stress, low self-esteem and lack of motivation. This not only affects the climate of the workplace in a demoralizing way but also has negative consequences for productivity as a whole. A fairly treated, thus motivated workforce leads to an improvement of services. “Staff turnovers, absenteeism and sick leave rates are likely to be lower, with significant cost savings for the employer.” (ILO 2003:25)

5. Pay equity enhances the value of work of men and women

Not only women benefit from efforts to end pay inequity. The ILO's Global Wage Report 2008/09 shows that between 1995 and 2008 wages did not increase at the same rate as the growth in productivity worldwide. In almost 75 percent of the countries studied, the wage share of GDP has declined compared to profits and other forms of income. In two out of three countries the gap between the highest and lowest wages has grown significantly. (ILO 2008) By the constant leveling down of wages, a downward spiral is set in motion that imposes pressure on the workforce as a whole. Furthermore, men working in female dominated occupations also experience pay discrimination.

Conclusion

Pay equity is far from being realized in most parts of the world. Although there are various international treaties and attempts to translate them nationally, the gap between lip service and practical implementation is still wide open. As the achievement of adequate legislation and enforcement institutions is first of all a national matter, the role of national trade unions is of great importance. As a crucial starting point a reliable set of data is required, which does not always exist in every country. Generating statistical information can provide trade unions with a solid foundation for addressing pay inequity. By integrating pay equity into collective bargaining, supporting and launching campaigns to raise political awareness or using courts or tribunals to win cases, unions can support the struggle against gender discrimination.

The EI Pay Equity Now Campaign aims to encourage teacher organizations worldwide to collect solid evidence, adopt union policies, and network for well-coordinated lobbying to get governments to commit to implementing pay equity.

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