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## **Strategies to tackle Gender discrimination in the Workplace**

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### **The Gender Pay Gap**

Last week the **German Federal Statistical Office** (dt. Statistisches Bundesamt) published a report that shows that there is still a **Gender Pay Gap of 24 percent in Germany**. This means that women earn on average just three-quarter of that what their male counterparts get. This is - of course - a scandal, but it is also nothing new.

Despite some efforts the Europe Institution took in the last decades, there is only little progress in tackling the Gender Pay Gap in Europe.

More than 50 years ago the **Treaty of Rome** (dt. EG-Vertrag, 1957) declared the principle of Equality, as one fundamental principal of the European Community. – More than 30 years ago a **EG Directive** (dt. EG Richtlinie) came into force which claimed to apply the principle of equal pay for men and women in all European Member states. Unfortunately this had only little effect. From 1996 until 2007 the Gender Pay Gap has declined no more than from 17 percent to 15 percent within the EU. In the same term the Pay Gap in Germany increased at 1 percentage.

A report of the European Commission published in 2007 – in the European year of Equal opportunity – summarised: *"There is nothing to indicate that this gap is narrowing in any significant way."*

The situation in **Germany** is worse than in many other European countries. For some time Germany even had the widest Wage Gap all over Europe. The latest data shows that only in Cyprus the gap between male and female wages is bigger. There is no sector within the German economy in which women earn more than men.

In the following, I want to answer two general questions: Why do women still earn so much less than their male counterparts? To put it in other words: What are the actual reasons for the Gender Pay Gap? AND: What can politics do to overcome the situation?

Let me start with the first question: *Why do women earn still so much less than their male counterparts?*

Objective differences – as for example educational background and working experience – are not sufficient to explain the Gender Pay Gap. Women are often even better educated as men. **For Example:** Yet women make up 60% of the EU's university graduates.

(1) In fact we have a **gender-related segregation** of the **labour market**. The distribution of working women across occupations and economic sectors differs from that of male employees. While the largest segment of the male workforce in Germany is that of **manufacturing** (26 %), female employment is primarily concentrated in **service sectors**, such as health and social work, education and industrial cleaning (44 %). These jobs have very often a lower social reputation and show lower average income. The report of the European Commission notes in that respect: "*One of the main causes (of the Gender Pay Gap) is the way women's competences are valued compared to men's. Jobs requiring similar qualifications or experience tend to be paid less when they are dominated by women than by men.*"

In addition, women work more seldom in top positions (**Glass-Ceiling**) and concentrate mostly on **certain branches and jobs**.

In contrast, **men** usually choose their job within a **broader spectrum**.

(2) Moreover, a greater proportion of female employees work in **part-time jobs**(dt. Teilzeit), which are mostly lower paid, or in **'marginal' jobs** (dt. geringfügige Beschäftigungsverhältnisse). In Germany 37,2 percent of the female employee work part-time in comparison to 4,4 percent of the male employees. In 'marginal' jobs it is also more likely to find a woman than a man (16,6 percent compared to 5 percent).

Especially women with children are involved in such forms of atypical work: Circa 54 percent of the German female employees with children work part-time.

(3) Finally, traditional role models within families do have a crucial effect on the average income of female employees. Only a very small minority of male employees with **children** interrupts their careers to raise their offspring. By contrast, almost every female worker with a least one child has taken parental leave. Because of this uneven division of duties in families, women can not benefit from skill, experience and job tenure premiums to the same extent as male employees.

In this respect, the German *Institut der deutschen Wirtschaft* in Cologne, discovered that among female employees, those who **return to work from parental leave within 12 months suffer a relatively low negative wage difference**, which is 6 percent. This differential is even lower than that for childless female workers (12%). Such a remarkable result implies that the former may be sending a clearer signal to their employers of their willingness to work and their interest in pursuing a career than the latter.

The last point already takes us to my second question: ***What can politics do to narrowing the Pay Gap?***

In 2006, early childcare was available to only about 14 percent of children under three years of age. Although, the situation in the eastern part of Germany is much more relaxed, that number shows the central problem. After the birth of a child, women mostly can not decide freely, if they want to stay home or if they want to continue their career. The **German Greens** have been criticising this situation for a long time. That's why we claim **additional investments in childcare facilities**. This would enable women to balance work and family life more effectively and might contribute significantly to narrowing the Gender Pay Gap. Female workers would not only be able to return from parental leave more quickly but would also be in a better position to work full time.

On the other hand, we have – of course – engage men to help out more at home. Women often don't only raise up the children, but also do **a lot of unpaid work**, like taking care for the household and elderly relatives.

The Greens aim to create the frame conditions for education, paid work and care work to be fairly distributed between women and men in everyday life.

In this respect, the situation improved slightly in the last years. As a way of promoting paternity leave, Germany instituted a new system in January 2007 that allows parents to take home 14 instead of 12 months worth of benefits if they both divide the time away from their workplaces. The extra two months have earned the name "father months" as the most common division sees mothers taking 12 months of leave and fathers two.

Also the implementation of **Gender-Mainstreaming** in the German public administration and private companies was a big step forward towards gender equality. Gender Mainstreaming – as you know – is a policy concept of assessing the differential implications for women and men of any planned policy action, including legislation and programmes, in all areas and levels.

But a lot is still to be done.

Although the emancipation of women in recent years has led to great change, and many women have successfully fought for their place in the labour market, it is still harder for them to get the top jobs in politics, economy, administration and at universities. The German Greens want women to occupy half the top positions everywhere. Therefore we claim **more sufficient implementation of the existing equality laws**. Moreover, we seek to establish a **equality law for private enterprises**, which would restore the voluntary self-commitments of the enterprises (dt. freiwillige Selbstverpflichtung der Unternehmen) , that had obviously no effect on narrowing the pay gap.

In addition to that, the persistence of indirect **discrimination of women through legislation**, as for example in the fiscal law, had been criticised by the Greens for a long time. Until today you can find discriminating laws like married allowances in the

German Code of Social Law (dt. Sozialgesetzbuch). The so called “*Ehegattensplitting*”, as example, is a tax system in which husband and wife each pay income tax on half the total of their combined incomes. This is an incentive for women to stay at home longer, when they get children. It makes it more difficult for them to get back in the labour market after their parental leave.

Finally, the jobs which were primarily chosen by women need a better reputation in society and daily life.