EQUAL PAY AS AN OBJECTIVE OF GENDER EQUALITY

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Abstract: *The increasing attention granted to improving gender equality in all the economic and social sectors, on all levels, is manifested in concrete actions undertaken by both different international bodies and national authorities. Even though the majority of EU member states have adopted the necessary legislative framework to ensure gender equality, the practical application of wage equality still remains a real problem. Studies in the field show that in Romania, remuneration differences between men and women are much lower in comparison to other states, but the effects are fully felt due to the low level of wages present on the internal labor market.*

Keywords: equal pay, regulation, occupational segregation, labour contracts

1. Introduction

The problem of eliminating any aspects that can affect gender equality constitutes a permanent preoccupation of the representatives of political, economic and social environments at a national and international level. Efforts in this direction are based on the fact that equal opportunities and treatment represent a fundamental human rights principle that is intolerable to be tampered with. The importance and the general support of which it enjoys, make gender equality the object of numerous legislative provisions, public debate and studies, employed in the entire world, through which its implementation without obstacles is tested. Generally, conclusions gathered from analyzed documents reflect the integration in the strategies and policies of the states and organizations of clear objectives and actions in order to promote gender equality, but also, of some legislative deficiencies or lack of implementation of existing laws.

Since the aspects of gender equality are especially ample, in this paper we follow elements regarding differences between men and women that manifest on the labor market, respectively, on the two main forms of women discrimination in the field: wage differences, reflected in the different remuneration of women employed for similar quantitative and qualitative tasks, and the professional segregation that is manifested through a lower access of women to certain professions and posts.

In the basis of normative acts under the auspices of which it is acted and data made public by certain specialized institutions or different researchers, some of the most significant contributions to achieving gender equality, from both the perspective of wage differences and women access to the labor market are highlighted and possible causes that affect reaching established objectives are identified.

2. Elementary steps in achieving wage equality

2.1. The international framework of insuring wage equality

The constant growth of the level of democratization of states, international interconnectivity of labor markets, the rising level of education of the population and the freedom of information and expression are only some of the factors that had a major impact on the understanding of the necessity and benefits of achieving gender equality.

One determinant regarding actions taken in time to tackle wage equality is the International Labor Organization Convention (I.L.O. Conv. No. 100) regarding equal labor remuneration. Adopted by the general Conference of the International Labor Organization (ILO), in 1951, the Convention states that every member state should "... assure the application for all the laborers of the remuneration equality principles for both male and female labor doing work that is equal in value" (art. 20). The stated document includes within remuneration "ordinary wages, base or minimum, and any other benefits, paid directly or indirectly, in cash or in kind, by the employer to the laborer for the work employed by the latter" (art. 1).

The relevance of the principle for equal remuneration in equal labor has conducted to it being part of the EU Treaty of Rome since 1957, as well as for the international Pact regarding economic, social and cultural rights from 1966, where at art. 7 states part of the Pact are required that through the remuneration assured to workers to ensure at least "(...) *an equitable wage and equal remuneration for equal value work, without any distinction*"; *especially women should have the guarantee that working conditions granted to them are not inferior to those that men benefit from and to receive the same remuneration as them for the same work*" [1].

The actions of European states in regards to

applying the principle of equal opportunities and equality of treatment between men and women in regards to admission to employment and labor have been intensified by the directions stated in the 2006 Directive of the European Parliament and Council. Thus, the Directive provides the total elimination of direct and indirect discrimination on gender criteria in the elements and conditions of remuneration (Directive 2006/54/EC, art. 4), showing that the principle of equal remuneration for the same work or work of equal value constitutes an essential and indispensable part of the community acquis [2].

To ensure a more positive approach to equality, the European Parliament and Council, have declared the year 2007 as "The European Year for equal opportunities for all", thus, allowing actions undertaken to focus on four priority objectives: rights, recognition, representation and respect.

An important role is also played by the global framework to promote gender equality in all EU policies, created by the women Charter, presented by the Commission in October 2010, and "The strategy for equality between men and women 2010-2015" adopted on the 21st of September 2010, documents that include in addition to other four fields of action, "equal remuneration for labor and equal value labor", considering that its achievement through collaboration with the member states can lead to a significant decrease in gender differences. The Commissions strategy for equality between men and women 2010-2015 has instituted the modalities of materialization of the principle of equal remuneration in an efficient way, as well as the actions to decrease persistent gender differences between men and women.

At the same time, we can note the launch by the European Commission on the 5th of March 2011 of the *European Day for Wage Equality*. The day is celebrated at the EU level, considering that from that date on

women are starting to get paid in realistic terms for their work similarly to men. Thus, this means that women presently work 59 days for *free* until they reach the amount that men receive for the same work [3]. In 2015, the 8th of May was declared the Day of Equal opportunities between men and women.

2.2. National provisions regarding the elimination of wage differences based on gender

As well as other states, Romania is and has been preoccupied with the elimination of gender discrimination and equal treatment between men and women. As proof for the preoccupations are the numerous legislative acts and adopted directives, but also real actions taken. The highlight of some of these adopted provisions adopted in time shows the evolution registered on a national level.

Thus, provisions regarding women rights were found since 1984 in the Constitution, where at art. 21, it was stipulated that “The woman has equal rights with the man in all fields of life, state, economy, society, culture, politics and private law. Considering equal labor, women have equal wage rights as men.”[4].

Afterwards, Romania in order to align itself to international requirements has ratified the international Pact regarding economic, social and cultural rights from 1966 through the no. 212 Decree from the 31st of October 1974 [5].

In the present, at a national level, there are numerous normative acts that promote equal opportunities and pursue the strict abatement to the principle of equal treatment for employees. Of a particular importance are the provisions of the Constitution that enforce an equal wage for women at a similar level of work with men [6], as well as those from the Labor Code which stipulates the interdiction of any means of discriminations in establishing and granting wages [7].

At the same time, through the 202 Law from 2002 regarding equal opportunities

and treatment of women and men, which harmonizes the laws regarding community regulations in the field, highlighting, among others, that equal opportunities imply the non discriminatory access to equal wages for work of equal value. Through work of equal value, according to the law, it is meant as “remunerated activity, which following comparison, on the basis of the same indicators and the same units of measure, as another activity, reflects the use of similar and equal knowledge and skills, and a similar or equal intellectual and/or physical effort” [8].

The continuity of actions regarding gender equality is ensured by the provisions of the National Strategy in the field of equal opportunities and treatment between men and women for the period of 2014-2017, by the general Plan of action for the implementation of the Strategy, for the period of 4 years and by other specific documents. From the specialized structures of the public central administration with responsibilities in the field we can highlight the existence, as part of the Ministry of Labor, Family, Social Protection and the Elderly of the Department of Equal Opportunities between Men and Women [9].

3. Positioning on the labor market that generates wage differences

3.1. Occupational segregation

Even though, as it was shown with the selected normative acts, the necessary framework for ensuring gender equality between men and women is in place, differences still exist between the wages earned by men and women. Studies in the field highlight that the situations are determined by the persistence on the labor market of factors of different natures that interact among themselves leading to more ample effects that they would produce individually. Through their consequences we can highlight: occupational segregation; a larger proportion of part time contracts and gender stereotypes.

Regarding occupational segregation, this

deals in both the horizontal and vertical segregation, encountered in the specialty literature under the name of “Glass walls” [10] and is reflected on the tendencies of both men and women to enroll in different sectors, determining a supra- / sub-representation of men/women in different fields. According to the European Parliaments Report, almost have of the women on the labor market are concentrated in 10 of 130 occupations as they are listed in the international standard occupational classification (ISOC) elaborated by the International Labor Organization (ILO), and only 16% of the workers have jobs in fields in which there is an equal proportion between men and women” [11].

Most frequently, women are headed towards jobs that are considered “feminine” like those in health, education and public administration, which being less valued than typical “masculine” jobs, lead to an inferior

wage level. For example, at an EU level, the proportion of women working as scientist and engineers is of under 33%, and in the sectors of health, education and welfare their proportion is of almost 80% of the labor force [12].

In Romania, there is the same trend as in the EU, resulting thus, that in a high degree of “femininity” of the employed labor force; the proportion of women in the total number of employees being far greater than of men. According to data provided by the National Statistics Institute (NSI), in 2013 the female work force represented 80.2% in the total number of employees in health and welfare and 69.9% in education. At the different end of the spectrum in construction and extracting industry (considered as being male specific activities) women represented 13.9% and 16.6% respectively, from the total number of employees [13].

Table no. 1: The medium number of employees on economic activities and gender

Feminine economic activities	Total	Men	Women	% Women
Health and welfare	321489	63675	257814	80,2%
Education	358912	107965	250947	69,9%
Financial brokerage and insurance	93285	29375	63910	68,5%
Public administration	187116	79777	107339	57,4%
Masculine economic activities	Total	Men	Women	% Women
Constructions	345567	297653	47914	13,9%
Extraction industry	62253	51937	10316	16,6%
Transport and storing	255762	193164	62598	24,5%
IT	125959	75976	49983	39,7%

Source: data modeling *Press Issue no. 230* from the 26th of September 2014, NSI, p3

The same situation is encountered in the structure of the Romanian Army, where, according to a statement, the number of men compared to women is in 2015 of 17.22% of the total number of employees [14].

The vertical segregation, described sometimes through the expression “Glass ceiling” refers to the impediments groups of persons encounter in occupying positions on the superior level (GUY, 1944). An example of vertical segregation is the sub

representation of women in decisional structures, both in parliaments and national governments, but also in the boardrooms of great corporations. In order to remove these segregation forms or in other words, “to break this glass ceiling”, the European Commission has issued a series of documents that can help states in achieving the stated objective, including 40% women in board councils by 2020. [15] With all the existing reservations, results have started to appear, thus in 2013, women occupied

16.6% (1 out of 6) of the top management positions of the biggest listed companies in the 28 states of the EU.

It is important to show that the level of occupational segregation has at its basis gender differences met in education and professional development. Thus, in parallel view of the labor domains in which there is an over abundance of women and educational fields preferred by them we can reach a similar conclusion: women are over-represented in fields of studies that are connected to the traditional women role as arts, humanistic sciences, health and welfare or education and development (80%), but under-represented in science, math or engineering and constructions (27%) [16].

3.2. Differences of wages determined by the type of labor contracts

In a period in which the labor market is confronted with not only a decrease of the population fit for labor, but also of the qualified labor force, attracting women is especially important for each state. Thus, considering that women constitute more than half the population of the planet and their employment can cover not only the registered deficit but also contribute to increasing the economic independent part of the population and decrease of pressure

exercised on welfare systems.

Recognition of these realities doesn't always mean however, that on the labor market similar opportunities are offered to men and women, and even though over time the occupational degree between women has increased. Thus, according to Eurostat, in 2014, at an European level, the total occupation rate within the population with ages between 20 and 64 was different according to gender: 63.5% of women and 75% of men. Also, according the statement of the NIS, in Romania, in 2014, the occupational rate of employable population (15-64 years) was of 61%, but different on genders: 68.7% men compared to only 53.73% women [17].

The inferior rate of occupation of women is often accompanied by employment based on part-time contracts or temporary contracts. According to Eurostat, in 2014, an important percent of women, respectively 20.3% were employed on temporary contracts, compared to 6.2% of men. [18] In Romania, the unemployment rate on genders was of 7.3% for men compared to 6.1% for women – with 1.2 percentage points difference between genders [NIS, 2015].

Figure no. 1: Distribution of men and women with ages between

20 and 64 years considering their status in 2014

Source: Eurostat, in *Report on equality between women and men 2014*, p.7

In the case of these types of contracts, countries such as Austria, Belgium, Germany, the Netherlands and the UK can be highlighted, countries in which in the first trimester of 2014, over 40% of women were working part-times [19]. In Romania according to the statement of the NIS in April 2015, from the total of active persons in 2014, 10% have worked part-time (860.000 persons).

As the basis for part-time work schedules is constituted by the idea of supporting employees by adapting to some particular needs (studies, children, etc.) it means that they reflect the desire of the parties not to sanction in any way the employee that solicits it. It is concluded however, that often, part-time contracts bring inferior wage levels; diminishing/ exclusion from social benefits (unemployment, health, pension funds) exclusion from professional development programs as well as limiting the possibilities of promotion. Also, because of the fact that the level of pensions is established by considering total hours worked during the lifetime, payment differences received in the period of employment are reflected in the lower pensions received by women. In conclusion, inequalities from the active period continue

afterwards, reflected in the inequalities in the pensions of men and women, the women pensions being lower with 39% on average than men [20].

Presently, within the EU economy, women earn on average 16.4% less than men, but there are states in which the difference is even greater, for example Estonia with the greatest difference of 30% in the favor of men or Austria with a difference of 23.4% or on the contrary, a lot smaller, as it is the case in Slovenia with the lowest difference of just a 2.5% or Malta with 6.1% [21].

According to the NIS, in Romania in 2013, the gross average monthly salary (considered when establishing the difference in remuneration between men and women) at a national level, earned by women was of 2070 lei, and that earned by men was of 2247 lei, which represents an average difference of 176 lei (or 8.5% less) income earned by women compared to men. Particularly suggestive in this regard is the fact that, according to the same source, in 2013, men earned average net salaries greater than women in the majority of economic activities, the greatest differences (37.2%) being found in financial brokerage and insurance [22].

Table no. 2: Average gross salary on sexes and economic activities

Economic activities	Total	Men	Women	Differences - women
Health and welfare	2002	2230	1946	- 14,59%
Education	2123	2344	2028	- 15,58%
Public administration	3344	3186	3461	+ 8,63%
Financial brokerage and insurance	5016	6161	4489	- 37,2%
Extractive industry	4129	4082	4365	+ 6,93%
IT	4098	4296	3797	- 13,14%
Production and supply of electric and thermal energy, gases, warm water and air conditioner	4056	4109	3891	- 5,60%

Source: *Press release no 230* from the 26th of September 2014, INS, p7

Without minimizing the influence of other factors, which as shown coexist at the level of employers restricting the implementation

of equal payment, in the given context we highlight just the lack of transparency in payment systems. The persistence at the

level of employers of this practice is motivated by the fact that the wage secret or its components ensure harmony in work relations. On the contrary, it is appreciated that eliminating the salary secret, or otherwise the knowledge of the level of wages granted to a work colleague by another, could stimulate competition instead of generating conflicts within work environments.

As the lack of transparency can hide certain rights given in a discriminatory manner, in order to remove hypothetical suspicions, it is important to find a method in which the employees to be informed by the wage policies of their employer and the level of wages it grants.

6. Conclusions

Steps taken towards insuring wage equality cannot be neglected, but by reporting them to the multitude of documents, strategies

and provisions that are focused on the given objective, we can affirm that there are still attitudes contrary to their purpose and that their continuous political and social implementation is needed in order to achieve the desired results.

As a conclusion, the equality in remuneration presumes the transition from norms and strategies to concrete actions in order to eliminate the factors leading to it, to integrate policies and applying measures that have their focus on gender equality and respectively, remuneration equality of the employees. This can mean, including the acceptance by employers of the fact that in order to achieve the desired results; the temporary reduction of profit is to be expected, as possible "losses" can be recovered afterwards through quality activities employed by the drawn resources.

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