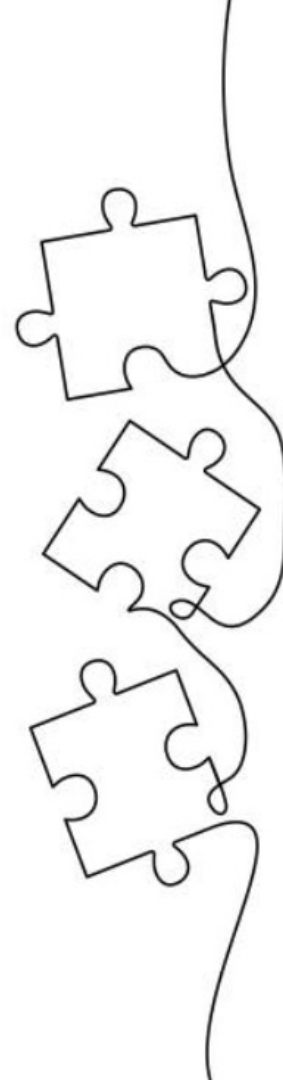


Conference – Feminist Legacy in Legal Theory and Practice
Round Table V - Economic Empowerment of Women

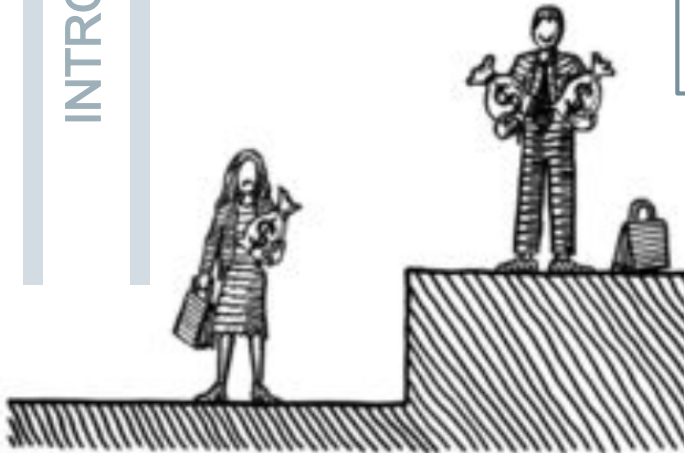
Gender Pay Gap Puzzle: Why Do Women Earn Less Than Men?

Assistant Professor Nikola Ilić, PhD
University of Belgrade Faculty of Law

Belgrade, 1st July 2022.



INTRODUCTION



Gender pay gap

the gender pay gap is a **systemic difference between the average wages of women and men** (the unadjusted or raw gender pay gap)

Legal aspects

equal pay for men and women for work of equal value
(Treaty of Rome 1957, Art. 119; ECJ)

equal pay in national legislation and in collective agreements

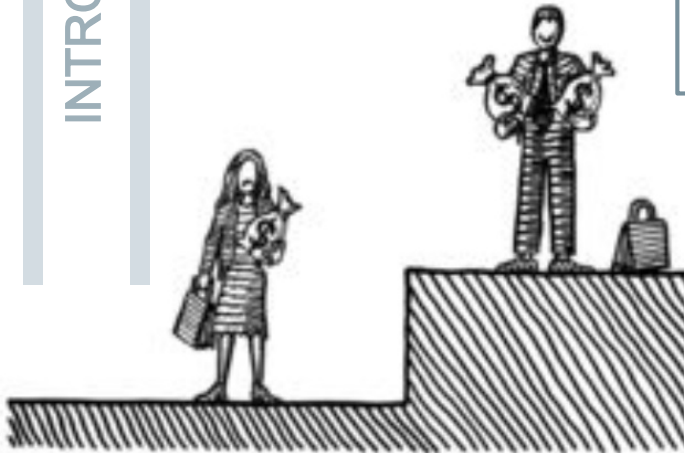
Economic aspects

closing the gender pay gap could increase women's **participation in the workforce** and have a positive impact on **economic growth**

The current state of play?

significant differences across regions and countries

INTRODUCTION



Gender pay gap in the 21st century

Many countries started to measure the gender pay gap during the last two decades. It seems that the gender pay gap is ubiquitous.

European Union

The gender pay gap in the EU stands at **14.1%** and has only changed minimally over the last decade.
(EU Commission)

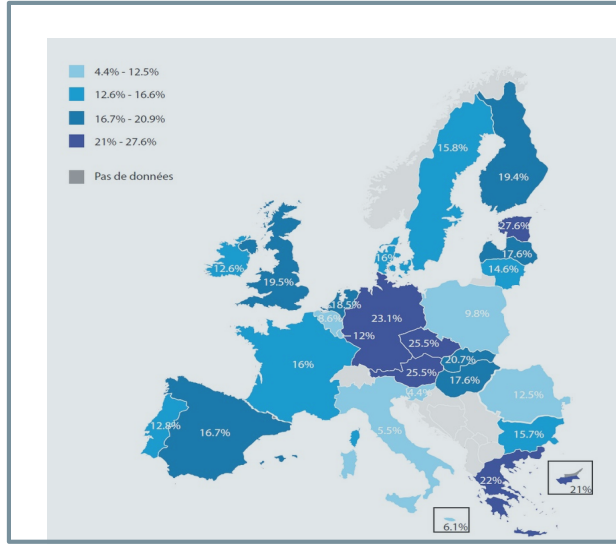
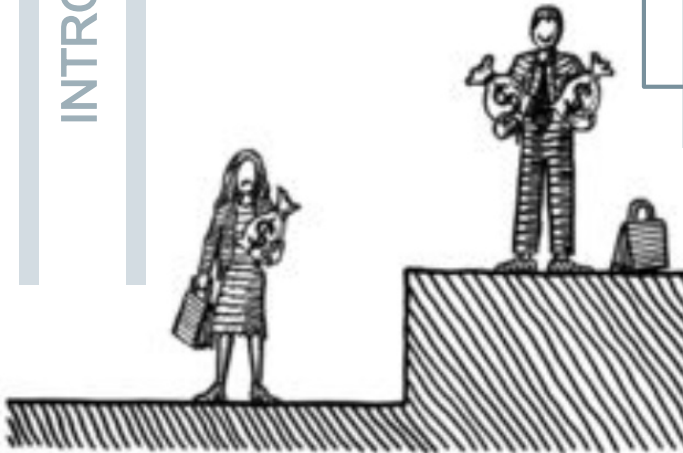
United States

Women earn 82 cents for every dollar men make i.e., **18%** difference is the raw gender pay gap.
(Payscale report)

Asia and Africa

Raw estimations state that the gender pay gap in Asia exceeds **20%** and in Africa **25%**.
(UN surveys)

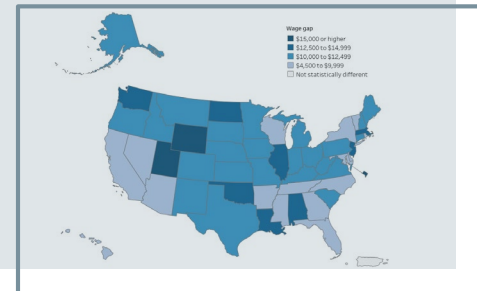
INTRODUCTION



Source: European Parliamentary Research Service

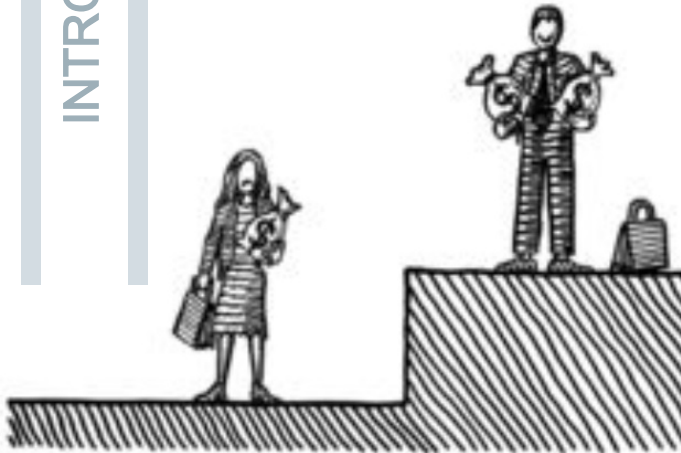
What are the main causes of the gender pay gap ?

Why do different countries have significantly different gender pay gaps?

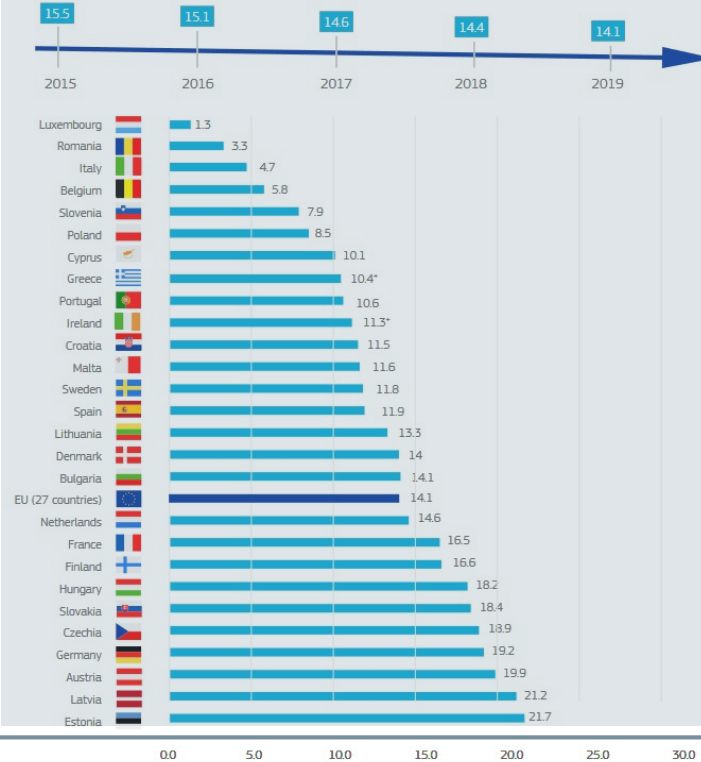


Source: U.S. Census Bureau

INTRODUCTION



THE GENDER PAY GAP PER EU COUNTRY



Source: European Commission

1.

Joyce Jacobsen (2007)

„Three main causes of the gender pay gap are: human capital, compensating differentials, and discrimination “.

2.

Claudia Goldin (2015)

„Gender pay gap depends on age, cohort, and occupation “.

3.

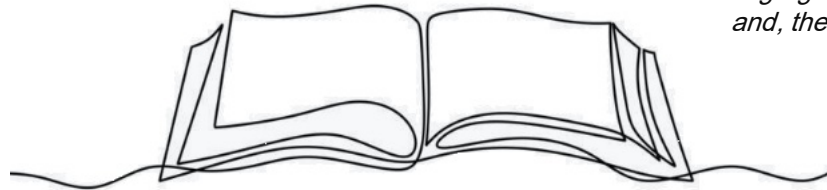
European Commission (2020)

„Women on average earn less than men due to the sectoral segregation, the glass ceiling, and, the pay discrimination “.

4.

Karlynn Borysenko (2020)

„The only reason the gender pay gap exists is because of women’s personal choices.“



Gender pay gap – type I

the gender pay gap occurs due to different productivity of man and woman

(personal choices, human capital, etc.)

productivity or marginal product of labor is a legitimate ground for different payments

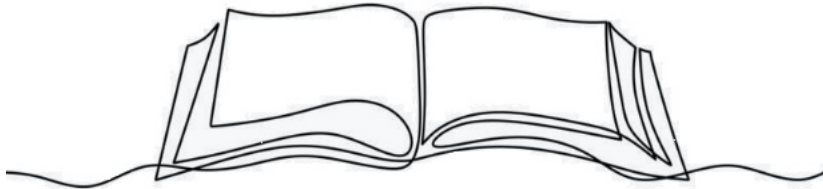
*** adjusted pay gap**

Gender pay gap – Type II

the gender pay gap occurs due to discrimination against woman

(employers prefer men simply because of their gender, they have prejudices that men are more productive, etc.)

discrimination against women is not a legitimate ground for pay discrimination



CONCLUSION

- The gender pay gap reduction is a double-edged sword. It could contribute to economic development but only when used with care.
- Before reducing the gender pay gap, one should analyze the reasons behind the gap i.e., the type of the pay gap
 - * different countries need different solutions

CONCLUSION

- In case of the productivity pay gap (GPG Type I), legislators should create incentives for women to increase their productivity (enable flexible working hours, working from distance, EE measures, etc.)
 - In case of the discriminatory pay gap (GPG Type II), legislators should enable more efficient enforcement of the equal pay principle





“ We still are not paid equally. And if you believe that it's a myth, do the math. Unequal pay hurts women. It hurts their families. And it hurts us all. ”

—Lilly Ledbetter

Thank you
