

## **Gender Discrimination and Institutional Frameworks: Evidence from Four European Union Countries**

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### **Abstract**

*This paper reviews important aspects of gender labour market inequalities in four European Union countries. It shows that individual countries differ in many aspects of gender discrimination. It seems that contributing factors to these differences are the national social and economic structures, the level of economic development, the legislative framework and the effectiveness of anti-discriminatory policies. It also shows that there are notable improvements in many gender gap indicators during the recent years and, at least part of the improvement should be attributed to the European commission's legislative and policy initiatives.*

**Keywords:** Gender differentials, Pay, Employment

**JEL classification:** J60

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## **1. Introduction: Gender discrimination in the European Union.**

The issue of gender discrimination in the labour market has gained increased importance in recent decades. This is partly the outcome of the European Union's (EU) continuous efforts to attract attention to the main factors which might contribute to gender discrimination, to promote policies towards decreasing gender labour market differentials and finally to introduce more efficient legislative measures against discrimination. Furthermore, one can observe similar attempts by the individual member states which support, endorse and supplement the anti-discrimination EU initiatives.

In general, there are two basic components of the issue of gender discrimination in the labour market: 1) pay discrimination and b) employment discrimination. Naturally, there are a number of other related indicators which are also helpful in establishing a more accurate picture of gender inequalities. These include unemployment rate gap, sex distribution in employment by sector, share of part-time employment, fixed term employment, average working hours and others. For a general theoretical discussion see Aigner and Cain (1977), Jacobsen (1994), Kaufman (2002), Mavromaras and Rudolph (1997). In this paper four countries with different institutional frameworks and stages of economic circumstances will be studied; Greece, Italy, Cyprus and Slovakia.

In recent years there have been concerted legislative and political efforts at the EU level to reduce labour market gender discrimination. Specifically, in December 2004, the Council adopted the Directive on the principle of equal treatment between women and men in the access to, and supply of, goods and services. This was based on Article 13 of the EC Treaty and applies to goods and services available to the public (Commission of the European Communities, 2005). Apart from this, there have been other measures which have effectively the same target. The Directive concerning victims of trafficking in human beings which was adopted in April 2004 is a good example (Commission of the European Communities, 2005). The Commission plans to unify five existing directives in a single text endorsing the principle of equal treatment between men and women in matters of employment (Commission of the European Communities, 2005). Furthermore, the EU's current Employment Guidelines (EU0308205F) state that: 'Member States will, through an integrated approach

combining gender mainstreaming and specific policy actions, encourage female labour market participation and achieve a substantial reduction in gender gaps in employment rates, unemployment rates, and pay by 2010’.

One should expect that the recent initiatives mentioned above together with the older directives and the national level measures might have some effect in reducing gender gaps. The EU-25 pay gap between women and men has decreased from 17% in 1998 to 15% in 2003. It has to be noted that the variation among states is still quite significant. For instance, Malta has the lowest pay gap at 4%, compared to Cyprus with the highest at 25%. In order to get a clearer idea of the pay gap in EU countries, one can look at the equivalent figures for other non-EU but OECD member countries. The best performer from the latest available figures ranging from 2002 to 2004, seems to be New Zealand with gender wage gap at 5.9%, while the worst is South Korea at 39.8%. The US stands at 21.6%, and Japan at 32% (OECD, 2004). Thus one can safely argue that in terms of gender pay gap the EU –25 average is significantly better than that of the US and Japan.

A fundamental dimension of the labour market differences is employment discrimination. In general, there was a positive development in the EU, in the sense that the gender gap in employment decreased by 0.5 percentage points to 15.8% between 2002 and 2003. In a wider time span, there was a general improvement in employment gender gap in the EU-25 from 19.6% in 1998 to 15.8% in 2003. It should be kept in mind that the EU target is to increase female employment from 55.1% to 57% in 2005 (Commission of the European Communities, 2005). As was the case in the pay gap, one can also observe significant variations among EU countries. The best performer is Sweden with an employment gap at 2% while the worst case is Malta with an almost 40% employment gap (Eurostat, 2005).

The share of part-time employees among women and men is another important indicator of gender differences in employment. The EU-25 average in 2004 for male part time employment was 6.6%, while that of females was 30.4%. The variation in this case ranges from 2% male and 4% female share in Slovakia to 20% male and 72% female share in Holland (Eurostat, 2005).

There is also a gap in unemployment rates between the sexes in the EU-25. In 2004 the unemployment rate for women was 10% and 8.3% for men. Again as before, there are wide variations in the EU countries. In Ireland the unemployment gap was -1% which means that men experienced higher unemployment rate than women, while the gap in Greece was 9% implying that women suffered higher unemployment rates than men (Eurostat, 2005).

Another aspect of gender discrimination in employment is occupational segregation. There are many indicators which capture this dimension of the gender gap. As an illustration, one can look at the percentage figures for top managerial positions according to gender. The EU-25 average for members of executive bodies in top 50 publicly quoted companies was 10% for women and 90% for men in 2004. The best performer here was Spain with 20% female managers while the worst figure was 1% for Poland (European Commission, Employment, Social affairs and Equal opportunities DG, 2005). A similar picture is revealed when one looks at the female percentage of University full professors (or equivalent). The EU-25 average for 2002 was 14% for women and 86% for men. The best performer here was Latvia with 20.5% of female professors, while the Malta figure was 1% (European Commission, Employment, Social affairs and Equal opportunities DG, 2003).

## **2. Gender Inequalities in Greece**

The gender pay gap in Greece has narrowed in recent years. In particular, the pay gap was 13% in 1998 and 11.5% in 2003 (Eurostat, 2005)). In terms of comparison with the rest of EU members, Greece is considered to be among the best performers with respect to gender pay. There have been a number of studies on the gender pay gap in Greece which reveal some interesting long term trends. Specifically, one of the first systematic studies, was presented as early as 1964, and was based upon sample data collected from Athens and Piraeus. This study has estimated that a 59.2% of the wage difference between men and women cannot be explained by factors such as the total time of education, the time of duty, the potential experience gained outside the firm, the magnitude and the growth rate of the firm. The authors therefore argued that the difference should thus be ascribed to labour market discrimination against women (Kanellopoulos,

1982). Psacharopoulos has arrived at similar results: he found that the difference between men and women was 30%. Only a 4% of this gap was justified by different characteristics between the genders (Psacharopoulos, 1983).

In a later study, Kanellopoulos calculates extended functions of the hourly wages between genders, which are based on data from a research on Family Budgets in 1974. According to his findings, 49.33% of the wage difference can be ascribed to gender discrimination (Kanellopoulos, 1986). Another study, in 1985, having as a basis research conducted in the area of Athens, reveals interesting trends concerning the composition and the distribution of gender income. This study classifies income into categories: income earned from salary, income earned from business activity, and income earned from retirement pension. The ratios of the female/male mean income was 0.71, 0.62, and 0.58 respectively (Karagiorgas, Kasimati and Pantazidi, 1998). The comparison of the ratios of the female/male mean income with the commensurate ratios of the six founder countries of the EEC shows that the gap in the wages in Greece was then substantially higher (Petraki-Kotti, 1985; Petrinioti, 1989).

One more recent study separates the gap in wages into differences in the productivity and gender discrimination. This study uses the results of previous papers as well as recent data. The analysis shows that the real wages for women in Greece have been raised over time, but that productivity differences do not explain the important observed residual gap in the wages (Patrinos and Lambropoulos, 1993).

Recent studies show that the gap in the wages has not improved significantly in the Greek labor market. More specifically, the aggregate pay gap between 1988 and 1994 has deteriorated by about 5 logarithmic units against women (Kanellopoulos and Mavromaras, 2002). According to these authors, the main cause for this negative development is the changes in the participation of women in the labor market. More analytically, the participation procedure in the labor market favours men since women are forced to accept lower wages in order to find a job. Table 3.1 shows the development of the mean wage ratio of women/men.

Table 3. 1			
Average female/male wage ratio (percentages), 1990-1998			
	1990	1993	1998
Industry*			
Manual workers (hourly wages)	75,8	77,3	78,2
Non-manual workers (monthly wages)	69,5	70,6	69,8
Commerce	81,7	80,6	88,0
Banks	78,4	75,6	76,8
Insurance	71,8	69,0	63,4
* Excluding construction			
Source: National Statistical Service (ΕΣΥΕ)			
Karamessini, 2002 p. 30			

During the decade of 1990's, it is evident that there is not a clear tendency for the improvement of the ratio of wages in the main employment sectors.

The issue of labour force participation of women is also another important indication of the presence of labour market discrimination. According to ILO, in 1981, the percentage of women managers or administrative officers was 13.2%. This percentage was one of the lowest among the European OECD members (ILO, 1982). On the contrary, the respective percentage for clerical jobs was 44.2% and the percentage of the professional category of blue collar workers and technicians was 14.2% (Petrinioti, 1989). Figure 2 shows the comparative indicators for occupational representation.

Table 3. 2		
Over/under-representation of women in occupations		
	1993	1997
Legislators and managers	65	60
Professionals	125	125
Technicians	114	116
Clerks	150	149
Service Workers	139	142
Skilled agricultural	119	118
Craft and related	49	40
Plant and machinery operators	26	31
Elementary occupations	130	138
Female share in the occupation*100/female share in total employment		
Original source: National Statistical Service of Greece		
Karamessini, 2002 Page 30		

Karamessini, M (2002) *Mainstreaming Gender Equality in the 2000 Greek National Action Plan for Employment: Final Evaluation Report* EGCE- EC Expert's Group on Gender and Employment

The above data show that the female representation in the labor market between 1993 and 1997 increased in the occupational categories of technicians, service workers, machinery operators and unskilled workers. It was almost stable in professional, clerical and skilled agricultural occupations. The female participation, though, decreased in higher managerial, executive and blue collar labour.

Generally, female participation in the labor market was stable in the decade of 70's with an increased tendency in the following decades. Female participation in the labor market, increased to 41% of the total labor force in 1983 and to 48% in 1997. Although there was an increase in the female participation in the labor force, Greece has one of the lower percentages of female participation among the countries of EU (Kanellopoulos and Mavromaras, 2002). These features are analytically presented in figures 3 and 4, and depict the phenomenon of occupational over-concentration in Greece, a fact that is universally common in most of the countries (Petrinioti, 1989).

		Greece	EU - 15	EU - 25
Share of employed in industry	Men	35.8	40.8	41.8
	Women	14.2	15.2	16.6
	Total	27.1	29.3	30.3
Share of employed in services	Men	62.6	57.0	55.7
	Women	85.1	83.7	82.1
	Total	71.7	69.1	67.7
Share of employed in high-tech or knowledge intensive sectors	Men	26.5	36.4	35.5
	Women	43.0	52.4	51.6
	Total	33.1	43.6	42.8
Share of employed in low-pay sectors	Men	33.5	28.8	28.9
	Women	25.1	22.2	22.4
	Total	30.1	25.8	25.9

Adapted from: Commission of the European Union, 2003, Gender Pay Gaps in European Labour Markets – Measurement, Analysis and Policy Implications; Commission Staff Working Paper, SEC (2003) 937, page 32

Table 3. 4				
Vertical employment segregation in the European Union by gender 2002				
		Greece	EU - 15	EU - 25
Share of employees in managerial occupations	Men	2.9	7.3	7.1
	Women	1.0	3.7	3.8
	Total	2.1	5.7	5.6
Share of employees in supervisory positions	Men	8.3	16.6	na
	Women	2.7	9.2	na
	Total	6.1	13.4	na
Share of employees in intermediate positions	Men	8.3	17.9	na
	Women	4.3	14.8	na
	Total	6.7	16.5	na
Share of employed in non-supervisory positions	Men	83.4	65.5	na
	Women	93.4	76.0	na
	Total	87.3	70.1	na
Adapted from: Commission of the European Union, 2003, Gender Pay Gaps in European Labour Markets – Measurement, Analysis and Policy Implications; Commission Staff Working Paper, SEC (2003) 937, page 30				

There are also other features of the employment structure in Greece. The following table shows average working hours, full and part time employment and contract status by gender.

Table 3. 5 Working Time and Contract Status in the European Union by gender 2002 Greece				
		Greece	EU - 15	EU - 25
Average working hours	Men	41.5	39.4	na
	Women	38.4	32.2	na
	Total	40.2	36.1	na
Full-time equivalent employment rate	Men	72.0	71.2	na
	Women	41.3	46.8	na
	Total	56.3	58.9	na
Share of part-time employees	Men	2.3	6.6	6.5
	Women	8.1	33.5	29.8
	Total	4.5	18.2	16.6
Share of employees on fixed-term contracts	Men	9.8	12.1	12.0
	Women	13.4	14.3	13.7
	Total	11.3	13.1	12.8
Adapted from: Commission of the European Union, 2003, <i>Gender Pay Gaps in European Labour Markets – Measurement, Analysis and Policy Implications</i> ; Commission Staff Working Paper, SEC (2003) 937, page 28				

It can be seen that females in Greece work less hours than men and this is in accordance to the EU-15 data. The interesting characteristic of the Greek labour market is the low percentage of part-time work, which is one of the lowest of both the EU-15 and the EU-25. However, the percentage of female part-time employees in Greece is more than three times that of male employees. The share of employees on fixed term contracts does not exhibit a significant difference with the rest of EU countries. The recording of inequalities in the labor market is useful for the procedure of policy making against gender discrimination. In Greece, according to the Constitution of 1975 and the enforcement of EU

directives, wage discrimination and the unequal treatment of the workers are forbidden. Tzannatos' study is an attempt to evaluate the impact of legislation upon discrimination in the Greek labor market. Tzannatos calculates that in the period 1967-1980 the wages of the full-time employed women in the industry sector was on average 68% of the wages of men. In 1981 the ratio decreased to 67.2 % but in the period of 1982-83 it increased to 73.5%. A 76.1% of this increase was due to the application of measures against labour inequalities (Tzannatos, 1987).

Other researchers have reservations about the effect of the legislative intervention in Greece, mainly because of the complex interaction with socio-economic factors. More specifically, the improved terms and conditions of work as a result of legal requirements provide an incentive for the increase of female labour supply. This in turn pushes female wages downwards. The legislation concerning minimum wages acts as a break to the continuous fall of wages and leads to the stagnation of female employment. Furthermore, it sustains the excess female labour supply. In short, women who desire to work face higher labour market competition and have to accept lower wages. These lower wages are to some degree the result of employers' discrimination.

### **3. Gender Inequalities in Italy**

As in most other EU countries, there is a legal framework in Italy which prohibits gender discrimination in the labour market. More specifically, in Italy, gender pay equality is a principle enshrined by the Constitution (in Article 37) and by the Workers' Statute (Law 300/70), whose Article 16 forbids differentiated wage treatment between employees on gender, religious, political or trade union grounds. The legal framework and the EU directives seem to have a contribution in a downward trend in the gender pay gap. The pay gap was reduced from 7.5% in 1998 to 6% in 2003 (Eurostat, 2004). However, a situation of continuing pay inequality between women and men is highlighted by a series of reports. The most influential of them was the "Contrattazione, retribuzioni e costo del lavoro in Italia nel contesto europeo", 2002-3 ('Bargaining, wages and labour costs in Italy within the European context, 2002-3'), published by the National Council for Economic Affairs and Labour

(Consiglio nazionale dell'economia e del Lavoro, Cnel) and drawn up by the Centre for Economic, Social and Trade Union Studies (Centro di Studi economici, sociali e sindacali, Cesos).

The Cnel report analyses gender pay differentials in Italy between 1998 and 2002, and suggests that they could be explained by differing productivity of the labour force by gender. The analysis indicates that, even though the gender gap in annual earnings is following a downward trend, it is still high. In 1998, men earned per year on average a quarter more than women, falling to 23.5% more in 2000 and 20.6% more in 2002. These differences are mainly determined by the fewer hours worked by women compared to men, the wage gap is in fact significantly narrower if hourly wages are considered (4%-5%).

Furthermore, the report finds that the annual wage differential increases consistently with age, education and qualification level. Younger women workers earn only 5%-7% less than their colleagues, while the difference is substantially higher for those aged 40 (20%) and above (25%). According to the study, thanks to new equality-based recruitment policies, wage differentials among young workers are following a downward trend. The level of education does not affect gender wage differentials significantly among the lower to middle education levels (with women's annual pay 20% lower than men's) but it has a greater relevance among workers with a university-level education (with women's annual pay 30% lower than men's). The report ascribes this to the different courses of study chosen by women and men and the consequent career possibilities (with women tending more to take courses in the humanities and arts and men to take technical-scientific course).

Analysis of wage differentials by vocational qualifications and educational level indicates that the higher the qualification, the wider the pay gap. Between 1998 and 2002, women managers earned about 35% less than men with the same vocational qualifications, compared with gaps of 23%-25% for middle managers and 15%-20% for blue- and white-collar workers. Experience and the length of service play a fundamental role in the causes at the basis of the gender pay gap, states the report. Women's employment is characterised by longer periods of inactivity compared with male employment. Their periods of absence from the labour market are mainly due to maternity leaves, care of

children and dependants and a different retirement age. At the end of the working life, this absence means a lower seniority level with their current employer (an average of 19 years of seniority service for women against 21 for men in 2002). The study's analysis of wage differences by sector of economic activity finds that the main gender pay differential are in the private sector, and in particular in the credit sector (a gap of 30%) and in services to persons (25%). The gap is less wide in more regulated sectors such as transport (10%) (see, also EIRO).

Apart from gender pay inequalities, the data on employment structure is also useful for revealing important aspects of labour market discrimination in Italy. The following table provides data on sectoral employment gender segregation.

Table 4. 1 Horizontal (sectoral) employment segregation in the European Union by gender 2002 Italy				
		Italy	EU - 15	EU - 25
Share of employed in industry	Men	42.3	40.8	41.8
	Women	21.6	15.2	16.6
	Total	33.8	29.3	30.3
Share of employed in services	Men	54.6	57.0	55.7
	Women	76.2	83.7	82.1
	Total	63.5	69.1	67.7
Share of employed in high-tech or knowledge intensive sectors	Men	32.7	36.4	35.5
	Women	48.7	52.4	51.6
	Total	39.3	43.6	42.8
Share of employed in low-pay sectors	Men	26.4	28.8	28.9
	Women	18.9	22.2	22.4
	Total	23.3	25.8	25.9
Adapted from: Commission of the European Union, 2003, Gender Pay Gaps in European Labour Markets – Measurement, Analysis and Policy Implications; Commission Staff Working Paper, SEC (2003) 937, page 32				

As can be noted from the table, the female participation in industry is lower than the male one, but the female share is significantly higher than the average EU-15 and EU-25 levels. In accordance with the trend in most other European countries, the female employment in services is higher than male employment, but lower than average female share in EU. The same observation holds for female employment in high-tech and knowledge sectors. Finally, Italy scores better in the category of women in low pay jobs. Less percentage of women is employed in low pay sectors than men and this percentage is lower than the EU-15 and EU-25 countries.

		Italy	EU - 15	EU - 25
Share of employees in managerial occupations	Men	2.4	7.3	7.1
	Women	0.8	3.7	3.8
	Total	1.8	5.7	5.6
Share of employees in supervisory positions	Men	11.8	16.6	na
	Women	4.9	9.2	na
	Total	9.0	13.4	na
Share of employees in intermediate positions	Men	16.4	17.9	na
	Women	11.7	14.8	na
	Total	14.5	16.5	na
Share of employed in non-supervisory positions	Men	71.7	65.5	na
	Women	83.4	76.0	na
	Total	76.4	70.1	na

Adapted from: Commission of the European Union, 2003, Gender Pay Gaps in European Labour Markets – Measurement, Analysis and Policy Implications; Commission Staff Working Paper, SEC (2003) 937, page 30

The vertical employment segregation data also provides some useful insights. The first observation is the very low percentage of women employed in managerial occupations compared to men. This figure is also substantially lower than other EU member states. A similar situation is observed when it comes to females employed in supervisory positions. The situation improves to a certain extent when we look at employment in intermediate positions. The gap between men and women here is not as great and the same is true for comparative figures in EU-15 countries.

Table 4. 3				
Working Time and Contract Status in the European Union by gender 2002				
Italy				
		Italy	EU - 15	EU - 25
Average working hours	Men	39.4	39.4	na
	Women	34.0	32.2	na
	Total	37.2	36.1	na
Full-time equivalent employment rate	Men	68.4	71.2	na
	Women	39.2	46.8	na
	Total	53.6	58.9	na
Share of part-time employees	Men	3.7	6.6	6.5
	Women	16.7	33.5	29.8
	Total	8.6	18.2	16.6
Share of employees on fixed-term contracts	Men	8.3	12.1	12.0
	Women	12.1	14.3	13.7
	Total	9.9	13.1	12.8
Adapted from: Commission of the European Union, 2003, Gender Pay Gaps in European Labour Markets – Measurement, Analysis and Policy Implications; Commission Staff Working Paper, SEC (2003) 937, page 28				

As was mentioned in the introduction, working hours, contract status and part-time employment are also important indicators of gender labour market discrimination. Women in Italy work 5.4 less hours a week than men, but still average female working time is higher than the EU-15 level. The full time equivalent employment rate is substantially lower than the male equivalent in Italy and the same holds true for the average EU-15 figure. The share of women part-time workers is much higher than males and almost half of the European level. Finally, more females are in fixed term contracts than males but this level is similar to the EU-15 and EU-25 levels.

#### **4. Gender Inequalities in Cyprus**

As in other European countries, there is a legal framework in Cyprus against discrimination in the labour market. More specifically, the prohibition of discrimination and the principle of equality constitute a fundamental legal principle first laid down in the Constitution of the Cyprus Republic in 1960. Article 28 of the Constitution provides that 'all persons are equal before the law, the administration and justice and are entitled to equal protection thereof and treatment thereby'. There was also an anti-discrimination law based on Article 8(1) of Law 177(I) 2002 which enforces equal pay for men and women for similar work or work of equal value.

In spite of the legal initiatives however, Cyprus was the worst performer in terms of gender pay gap in 2003. In particular, the pay gap was 25% a slight improvement of the 1998 figure which was 26.5% (Eurostat, 2004). However, the gender pay was even worse if we take the data from the National Statistical Service's Labour Statistics. According to this data, with regard to the gender wage gap, in 2001 men were paid on average 34.9% more than women, a situation identical to 2000, while women received lower pay on average than men in all main occupational categories. However, the gap was smaller in occupations that require greater skill, such as the managers and senior management, and greater in the categories of machine operators, and people working in the service sector and in sales (see also EIRO, 2004). The National Statistical Service attributes part of the wage gap to the differences in qualifications between the two genders, length of service, professional duties, the field of work and possible discrimination in certain occupations. A study

based on a 1991 Survey of Household Expenditure and Income for Cyprus found that the average weekly wages for women were about 60% of those of men. The study claims that 60% of the observed gender gap can be explained by differences in average characteristics but much of this explanation includes the results of industry and occupation choices, and opportunities in these populations (Cristofides and Pashardes, 2000).

The employment situation is also quite negative for females. In particular, women's share of overall employment (ie the proportion of employed women in the total number of employed people) is significantly lower than that of men. The gap between the numbers of employed men and women in Cyprus is greater than in most of the current EU Member States. According to Labour Force Survey data, in 2002 the overall employment rate (ie the number of employed people aged 15-64 as a percentage of the whole population aged 15-64) in Cyprus was 68.5% (up from 67.9% in 2001). The rate for men was 78.8% (down from 79.4% in 2001) and for women 59% (up from 57.1% in 2001). For the group aged 25-54, in 2002 the employment rate was 93.2% for men and 72% for women (and 82.2% in total).

Overall, in recent years the composition of employment has displayed a small but steady shift in women's favour. According to data from the National Statistical Service of Cyprus, over 1995-2001 the presence of women in the labour market showed a steady increase. The percentage of women (of all ages) in employment rose to 41.3% in 2001 from 39.1% in 1995, while the corresponding rate for men was 60.9% in 1995 and 59.7% in 2001. However, despite the progress in women's participation in the labour market, women have a higher unemployment rate. The overall unemployment rate was 3.4% in 2000, falling to 2.9% in 2001. Unemployment rates for men fell from 2.7% were aged 30-50, and 27% were aged under 29 (EIRO, 2004).

In addition to the above, the sectoral employment segregation in 2002 is presented in the following table.

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Table 5. 1				
Horizontal (sectoral) employment segregation in the European Union by gender 2002				
Cyprus				
		Cyprus	EU - 15	EU - 25
Share of employed in industry	Men	34.2	40.8	41.8
	Women	12.9	15.2	16.6
	Total	24.0	29.3	30.3
Share of employed in services	Men	63.7	57.0	55.7
	Women	86.1	83.7	82.1
	Total	74.5	69.1	67.7
Share of employed in high-tech or knowledge intensive sectors	Men	23.0	36.4	35.5
	Women	38.0	52.4	51.6
	Total	30.2	43.6	42.8
Share of employed in low-pay sectors	Men	42.3	28.8	28.9
	Women	31.3	22.2	22.4
	Total	37.0	25.8	25.9
Adapted from: Commission of the European Union, 2003, <i>Gender Pay Gaps in European Labour Markets – Measurement, Analysis and Policy Implications</i> ; Commission Staff Working Paper, SEC (2003) 937, page 32				

As can be seen from the table, the female share of employment in industry is below both the EU-15 and the EU-25 levels. This is not the case in the service sector though in which women enjoy an above average share. The female employment share is quite low in high-tech and knowledge sectors and the same holds true for the female share of low pay occupations.

Table 5. 2				
Vertical employment segregation in the European Union by gender 2002: Cyprus				
		Cyprus	EU - 15	EU - 25
Share of employees in managerial occupations	Men	3.8	7.3	7.1
	Women	0.9	3.7	3.8
	Total	2.4	5.7	5.6
Adapted from: Commission of the European Union, 2003, Gender Pay Gaps in European Labour Markets – Measurement, Analysis and Policy Implications; Commission Staff Working Paper, SEC (2003) 937, page 30				

The female share of managerial occupations in Cyprus is much lower than the European average. In particular, the female managerial share is more than four times lower than that of male managers. The serious under-representation of women is also obvious if comparisons with the EU-15 and the EU-25 figures are made. One can get an even clearer picture of female employment structure from the table 5:3.

As the table indicates, women work 1.4 hours a week less than men, but still 6.4 hours more than the average for women in the EU-15. The female full-time equivalent is higher in Cyprus than the EU-15 level. Furthermore, the female share of part-time employment is almost three times higher that of men but the figure is substantially lower than the comparative EU-15 and EU-25 levels. Finally, the female share of fixed term employment is almost at the same level with the corresponding figures in the rest of the EU countries.

Table 5. 3				
Working Time and Contract Status in the European Union by gender 2002				
Cyprus				
		Cyprus	EU - 15	EU - 25
Average working hours	Men	40.0	39.4	na
	Women	38.6	32.2	na
	Total	39.3	36.1	na
Full-time equivalent employment rate	Men	79.5	71.2	na
	Women	56.3	46.8	na
	Total	67.4	58.9	na
Share of part-time employees	Men	4.0	6.6	6.5
	Women	11.3	33.5	29.8
	Total	7.2	18.2	16.6
Share of employees on fixed-term contracts	Men	5.8	12.1	12.0
	Women	12.7	14.3	13.7
	Total	9.1	13.1	12.8
Adapted from: Commission of the European Union, 2003, <i>Gender Pay Gaps in European Labour Markets – Measurement, Analysis and Policy Implications</i> ; Commission Staff Working Paper, SEC (2003) 937, page 28				

## 5. Gender Inequalities in Slovakia

According to Eurostat data, the pay gap between men and women in Slovakia was approximately 23% in 1998. The gap remained constant for the year 2003 (Eurostat, 2004). Given this, the pay gap for this period was quite large with only Estonia and Cyprus exhibiting worse figures. However, if one takes a longer time period and use data sets based on national surveys, the trend in gender pay gap seems to have worsened. More specifically, the Slovak Statistical Office constructed a wage survey for the years 1997 to 2002. The survey methodology

was based on Eurostat recommendations and relates directly to the relevant EU Council Regulation on statistics on the level and structure of labour costs. At the same time, the sample survey carried out the task laid down in Government Resolution No. 43 (of 14 January 1997) on the implementation of a 'concept on labour costs' developed by the Ministry of Labour, Social Affairs and the Family (EIRO,2004). The summary results of the survey are given in the following table:

1996	1997	1998	1999	2000	2001	2002
74.5	78.5	77.0	75.0	75.0	74.1	71.7

*Source: Slovak Statistical Office.*

The decomposition of the survey data has revealed some other interesting aspects of the pay structure and its gender dimension. More specifically, the occupational group with the highest average monthly wage was legislators, senior officials and managers (men SKK 39,257 and women SKK 24,400). The lowest average wage for men - SKK 8,386 - was paid by associations of owners of housing and associated land. The lowest average wage for women - SKK 7,429 - was received by those in 'elementary' occupations. Focusing on particular categories, the lowest figures for women's wages as a proportion of men's were as follows:

- by level of education - 57.9% among employees with a bachelor's degree;
- by occupational group - 62.1% among legislators, senior officials and managers;
- by sector - 63.1% in the wholesale and retail trade and in financial intermediation;
- by age - 65.5% among employees 60 years of age or above;
- by form of ownership - 66.2% in foreign-owned companies.

In contrast, women's wages were closest to men's in the following categories:  
by level of education - 81.6% among employees with a higher vocational education;  
by occupational group - 86.5% among skilled agricultural and fishery workers;  
by sector - 87.6% in mining;  
by age - 88.8% among employees aged 20 years or below; and  
by form of ownership - 111.3% among employees of local government enterprises and services.

(Source: EIRO, 2004)

In 2002, the average monthly wage in Slovakia was SKK 14,597. Table 2 presents the gender wage gap in terms of gross average monthly wage ranges:

<b>Wage range</b>	<b>Men</b>	<b>Women</b>
Up to SKK 10,000	24.2%	45.2%
SKK 10,001-15,000	36.3%	36.3%
SKK15,001-30,000	32.6%	16.7%
SKK 30,001-60,000	5.7%	1.6%
More than SKK 60,000	1.2%	0.3%

*Source: Slovak Statistical Office.*

The data show that the wage gap is significant in all ranges except the second (SKK 10,001-15,000), which includes the average wage. Women are disproportionately represented in the two lowest ranges (nearly half of all women employees are in the lowest range), at 81.5% in comparison with only 60.5% of men (see also Jurajda, 2003).

The issue of occupational segregation in Slovakia also reveals labour market gender inequalities. The following table indicates the share of female managerial positions.

Table 6. 3				
Vertical employment segregation in the European Union by gender 2002: Slovakia				
		Slovakia	EU - 15	EU - 25
Share of employees in managerial occupations	Men	4.5	7.3	7.1
	Women	2.6	3.7	3.8
	Total	3.6	5.7	5.6

Adapted from: Commission of the European Union, 2003, Gender Pay Gaps in European Labour Markets – Measurement, Analysis and Policy Implications; Commission Staff Working Paper, SEC (2003) 937, page 30

As can be seen from the above table, the share of female managers is quite a lot lower than male ones. However, Slovakia seems to be in a better position in comparison with the average share female managers in EU-15 and in even better position in comparison with EU-25. The following table shows horizontal employment segregation in Slovakia.

Table 6. 4				
Horizontal ( <b>occupational</b> ) employment segregation in the European Union by gender 2002				
Slovakia				
		Slovakia	EU - 15	EU - 25
Share of employed in high skilled manual or non-manual occupations	Men	25.1	34.2	33.3
	Women	41.5	36.4	37.1
	Total	32.9	35.2	35.1
Share of employed in low skilled non-manual occupations	Men	7.8	8.1	8.2
	Women	19.8	22.1	21.4
	Total	13.5	14.5	14.2
Share of employed in low skilled manual occupations	Men	32.5	23.3	23.9
	Women	19.9	15.4	15.8
	Total	26.5	19.8	20.2
Share of employed in low-paying occupations	Men	18.3	19.2	19
	Women	31.8	34.4	33.7
	Total	24.8	26.1	25.7
Adapted from: Commission of the European Union, 2003, Gender Pay Gaps in European Labour Markets – Measurement, Analysis and Policy Implications; Commission Staff Working Paper, SEC (2003) 937, page 33				

One can make a number of interesting observations from the above table. First, the share of female high skilled occupations in Slovakia is well above for both the EU-15 and the EU-25 levels. Second, the female share of low skilled non-manual occupations is quite large compared with the male share. In spite of this however, Slovakia is better performer in this respect to European averages. This is not the case though, when it comes to low skilled manual occupations. Finally, the female share in low paying jobs is substantially higher than the male share, but still this level is better than the comparative EU-15 and EU-25 figures.

The sectoral approach to employment segregation also shows some interesting characteristics. The female share of industrial employment is substantially higher than the European averages. The female employment in the

service sector is higher than male employment but not as high as in other EU countries. It seems that female service employment lags behind the trends in other EU member states. The same observation holds for female employment in knowledge and high tech jobs: it is higher than male employment but below the European average. The female share of low-pay employment is lower than the male equivalent and generally close to other EU countries.

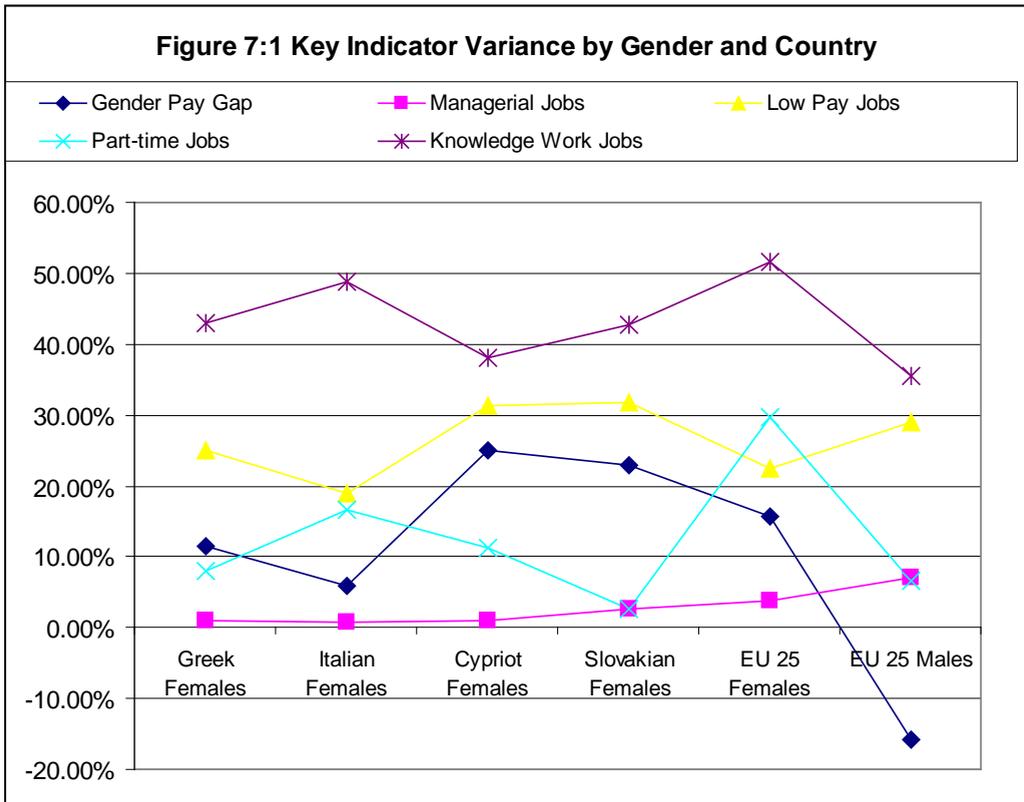
Table 6. 5				
Horizontal ( <b>sectoral</b> ) employment segregation in the European Union by gender 2002				
Slovakia				
		Slovakia	EU - 15	EU - 25
Share of employed in industry	Men	48.8	40.8	41.8
	Women	26.9	15.2	16.6
	Total	38.4	29.3	30.3
Share of employed in services	Men	42.4	57.0	55.7
	Women	68.7	83.7	82.1
	Total	54.9	69.1	67.7
Share of employed in high-tech or knowledge intensive sectors	Men	24.9	36.4	35.5
	Women	42.7	52.4	51.6
	Total	33.4	43.6	42.8
Share of employed in low-pay sectors	Men	31.2	28.8	28.9
	Women	24.5	22.2	22.4
	Total	28.0	25.8	25.9
Adapted from: Commission of the European Union, 2003, Gender Pay Gaps in European Labour Markets – Measurement, Analysis and Policy Implications; Commission Staff Working Paper, SEC (2003) 937, page 32				

Contract status and working time are also important indicators of gender labour market discrimination. The above table shows that there is no substantial difference between men and women as far as the average weekly working hours are concerned. However, females in Slovakia work 5.3 hours a week more than females in EU-15. Females in full time equivalent employment are also worse off than males in Slovakia. The share of female part-time employees is substantially lower than that of women in EU-15 and EU-25 countries. The same observation holds in the category of female workers with fix-term contracts.

Table 6. 6				
Working Time and Contract Status in the E U by gender 2002; Slovakia				
		Slovakia	EU - 15	EU - 25
Average working hours	Men	41.9	39.4	na
	Women	40.9	32.2	na
	Total	41.4	36.1	na
Full-time equivalent employment rate	Men	61.7	71.2	na
	Women	50.0	46.8	na
	Total	55.8	58.9	na
Share of part-time employees	Men	1.2	6.6	6.5
	Women	2.7	33.5	29.8
	Total	1.9	18.2	16.6
Share of employees on fixed-term contracts	Men	5.1	12.1	12.0
	Women	4.4	14.3	13.7
	Total	4.8	13.1	12.8
Adapted from: Commission of the European Union, 2003, Gender Pay Gaps in European Labour Markets – Measurement, Analysis and Policy Implications; Commission Staff Working Paper, SEC (2003) 937, page 28				

## 6. Concluding Remarks and Discussion

One can make some interesting observations from the above data and discussion concerning the four countries under review. A general point is that in all four countries there are clear gender based inequalities in the labour market although the extent of these inequalities varies significantly. We saw that in all the countries concerned, there is a legal framework which prohibits gender discrimination and this legal framework has been reinforced by the relevant EU directives. In spite of this however, there are still important gender gaps, as Figure 7:1 indicates.



Pay inequality is a crucial dimension of the gender gap. According to the Eurostat data, there has been an improvement in the overall gender pay gap in the countries concerned. In particular, the 2003 figures show an improvement compared to 1998 in all four countries. Italy has the lowest pay gap and the second lowest pay gap among EU-25. Greece is a relatively good performer as only four countries have lower pay gaps in EU-25. Slovakia and Cyprus have considerable pay gaps and are at the other end of the scale. The discussion also showed the variations of the gender pay gap according to age and occupation.

The structure of female employment is another important aspect of labour market discrimination. The discussion indicated significant differences in this respect in the four countries concerned. The female share of industrial employment is above the EU-25 average in Italy and Slovakia, while the figure for Greece and Cyprus was below average. The reverse holds for female employment in services where Greece and Cyprus are above average and Italy and Slovakia below the European average. Furthermore, the share of female employment in high-tech and knowledge sectors in all the four countries is lower than the EU-25 average with only Italy close to the average figure. All the countries except Italy are above average in the female share of employment in low-pay sectors. Another important observation is the very low percentage of female managers in all the four countries. In particular, only Slovakia is close to the EU-25 average, while Italy, Cyprus and Greece are the worst performers in that order. Interestingly enough, Italy is above the EU-25 figure when it comes to female full-professors or equivalent, while Greece, Slovakia and Cyprus are below average in that order.

Other female employment characteristics such as average working hours, full time employment and fixed contract jobs are also important indicators. More specifically, all the countries concerned are above average in terms of average weekly working hours of women. Women in Slovakia work the most hours per week while women in Cyprus, Greece and Italy follow in that order. Moreover, all the four countries are below the EU-25 average in terms of female share of fixed term contracts. The female share of full time jobs is below the European average in Italy and Greece and above average in Cyprus and Slovakia.

The other important characteristic is the absolute gender gap in unemployment rates. According to Eurostat (2005), all the four countries exhibit positive gaps and this implies that women experience higher unemployment rates than men. In particular, Slovakia had a positive unemployment gap of 2%, Cyprus a 2.3%, Italy 4.5% and Greece 8.5% (the reference year for Slovakia and Cyprus is 2004 and for Greece and Italy the year 2003). All four countries have a higher figure than the EU-25 average which was +1.7% for 2004.

According to theoretical studies, female pay, female occupational segregation and female unemployment are related to female educational attainment and to the average age of women at birth of first child (see for instance Mincer and Polachek, 1974; Becker, 1991 and Waldfogel, 1998). In terms of educational attainment as measured by completion of at least upper secondary school of women aged between 20 and 24, Slovakia has a percentage of 92%, Greece of 88% and Cyprus of 86%. The figure for Italy is at 74% and it is the only of the four countries under the EU-25 average which is at 79% (Eurostat, 2005). The data on first child birth for the year 2002, is Greece 27.5, Italy 28.5, Cyprus 26.5 and Slovakia 25 (Eurostat, Demography statistics).

It is evident from the above discussion and data that the four countries under review exhibit important aspects of gender labour market inequalities. It is also clear that individual countries differ in many aspects of gender discrimination ranging from top and above EU average performers to worst and below EU average. It seems that contributing factors to these differences are the national social and economic structures, the level of economic development, the legislative framework and the effectiveness of anti-discriminatory policies. It has to be mentioned though that there are certain improvements in many gender gap indicators in these countries and part of the improvements might be the result of the EU legislative and policy initiatives.

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