Gender pay gap

European Parliament resolution of 30 January 2020 on the gender pay gap (2019/2870(RSP))

(2021/C 331/02)

The European Parliament,

— having regard to Articles 2 and 3(3) of the Treaty on European Union (TEU),

— having regard to Articles 8, 151, 153 and 157 of the Treaty on the Functioning of the European Union (TFEU),

— having regard to the Charter of Fundamental Rights of the European Union, in particular its provisions on gender equality,

— having regard to Articles 22 and 25 of the Universal Declaration of Human Rights,

— having regard to the European Pillar of Social Rights, in particular principles 2, 3, 6, 9 and 15 thereof,

— having regard to the UN 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs) thereof, in particular goals 1, 5, 8 and 10 and their respective targets and indicators,

— having regard to the International Labour Organisation (ILO) Equal Remuneration Convention of 1951, and to the ILO Violence and Harassment Convention of 2019,

— having regard to the Commission Recommendation of 7 March 2014 on strengthening the principle of equal pay between men and women through transparency (1),

— having regard to the Commission’s Strategy for equality between women and men 2010-2015 (COM(2010)0491),

— having regard to the Commission’s Strategic Engagement for Gender Equality 2016-2019,

— having regard to the Commission’s EU Action Plan on tackling the gender pay gap for 2017-2019 (COM(2017)0678),

— having regard to the Commission’s 2019 report on equality between women and men in the EU,


— having regard to the European Institute for Gender Equality’s Gender Equality Index, in particular the Index’s 2019 report,

— having regard to the Council conclusions of 7 March 2011 on the European Pact for Gender Equality 2011-2020 (4),

(1) OJ L 69, 8.3.2014, p. 112.
(3) OJ L 188, 12.7.2019, p. 79.
(4) OJ C 155, 25.5.2011, p. 10.
— having regard to the Council conclusions of 18 June 2015 on Equal income opportunities for women and men: Closing the gender gap in pensions,

— having regard to the Council conclusions of 13 June 2019 on Closing the Gender Pay Gap: Key Policies and Measures,

— having regard to the Council conclusions of 10 December 2019 on Gender-Equal Economies in the EU: The Way Forward,

— having regard to its resolution of 24 May 2012 with recommendations to the Commission on application of the principle of equal pay for male and female workers for equal work or work of equal value (5),

— having regard to its resolution of 26 May 2016 on poverty: a gender perspective (6),

— having regard to its resolution of 19 January 2017 on a European Pillar of Social Rights (7),

— having regard to its resolution of 14 June 2017 on the need for an EU strategy to end and prevent the gender pension gap (8),

— having regard to its resolution of 3 October 2017 on women’s economic empowerment in the private and public sectors in the EU (9),

— having regard to its resolution of 16 November 2017 on combating inequalities as a lever to boost job creation and growth (10),

— having regard to Rule 132(2) of its Rules of Procedure,

A. whereas gender equality is one of the common and fundamental principles of the European Union, enshrined in Articles 2 and 3(3) of the TEU, Article 8 of the TFEU and Article 23 of the Charter of Fundamental Rights; whereas Article 157 of the TFEU expressly states that the Member States must ensure that the principle of equal pay for male and female workers for equal work or work of equal value is applied; whereas economic independence is an essential prerequisite for the self-fulfilment of women and men, and whereas guaranteeing equal access to financial resources is critical to the process of achieving gender equality;

B. whereas principle no 2 of the European Pillar of Social Rights states that ‘equality of treatment and opportunities between women and men must be ensured and fostered in all areas, including regarding participation in the labour market, terms and conditions of employment and career progression’ and that ‘women and men have the right to equal pay for work of equal value’;

C. whereas the Commission’s 2014 Recommendation outlined a set of core measures to help Member States to enhance transparency and strengthen the principle of equal pay between men and women; whereas these measures encompassed the right of employees to obtain information on pay levels, reporting on pay, pay audits, collective bargaining, statistics and administrative data, data protection, a clarification of the concept of work of equal value, job evaluation and classification systems, support for equality bodies, consistent monitoring and enforcement of remedies, and awareness-raising activities;

D. whereas across the EU, women’s earnings are disproportionately lower than men’s; whereas according to the latest figures from the Commission, the EU gender gap in hourly pay is 16 %, although this varies significantly across Member States; whereas the gender pay gap rises to 40 % when employment rates and overall labour market participation are considered; whereas while only 8,7 % of men in the EU work part-time, almost a third of women across the EU (31.3 %) do so; whereas there is a specific negative correlation between the feminisation of an occupation and the level of wages, as attested to by the decline in average wages in companies where 65 % or more of the employees are women;

E. whereas the gender pay gap is defined as the difference between the average gross hourly earnings of men and women, expressed as a percentage of the average gross hourly earnings of men; whereas around two thirds of the gender pay gap cannot be explained by gender differences in labour market attributes such as age, experience and education, occupational category or working time and other observable attributes, revealing a clear discriminatory factor, with gender discrimination also intersecting with multiple forms of discrimination; whereas an intersectional approach is crucial to understanding the multiple forms of discrimination which compound the gender pay gap for women with a combination of identities and the intersection of gender with other social factors;

F. whereas women’s economic empowerment is key to eliminating the gender pay gap; whereas taking action in this field is not only a question of fairness, but is also an economic imperative, as the economic loss resulting from the gender employment gap amounts to around EUR 370 billion per year (11); whereas the failure to pay women equally limits their ability to attain economic independence and therefore their ability to live in full autonomy; whereas according to the Institute for Women’s Policy Research, the poverty rate among working women could decrease from 8.0% to 3.8% if women were paid the same as men; whereas 2.5 million of the 5.6 million children living in poverty today would be lifted out of poverty if the gender pay gap were closed;

G. whereas the gender gap in gross monthly earnings among employees aged 15-24 years (7%) was more than five times lower than among employees aged 65 years or above (gender gap of 38%); whereas a ‘motherhood pay gap’ also exists, with a pay gap between women with and without dependent children, as well as between mothers and fathers; whereas poverty is mostly concentrated in families where women are the sole earners, with 35% of single mothers in the EU at risk of poverty, compared to 28% of single fathers in 2017 (12);

H. whereas care is a fundamental pillar of our society and is to a large extent carried out by women; whereas this imbalance is reflected in the gender pay and pension gap; whereas motherhood and caring for children and for elderly, sick or disabled family members and other dependents represent additional or sometimes full-time work that is almost exclusively carried out by women; whereas this is reflected in labour market segregation and in the higher proportion of women working part-time, for lower hourly wages, with career breaks and with fewer years in employment; whereas this work is often unpaid and inadequately valued by society, even though it is of enormous social importance and contributes to social welfare;

I. whereas more than half of women of working age with disabilities are economically inactive; whereas in all Member States the severe material deprivation rate of women with disabilities is higher than that of women without disabilities;

J. whereas it is necessary to defend women’s rights, in law and in life, and to take measures to combat all forms of exploitation, violence, oppression and inequality between women and men;

K. whereas the ramifications of the gender pay gap include a 37% gender gap in pension income, a situation that will persist for decades to come, and an unequal level of economic independence between women and men, with 1 in 5 women workers in the EU belonging to the lowest wage group, compared to 1 in 10 men; whereas reducing the pension gap is also a matter of intergenerational solidarity;

L. whereas this pension gap stems from accumulated inequalities throughout the course of women’s working lives and from the periods of absence on the labour market that are imposed on women as a result of multiple forms of inequality and discrimination, as well as lower pay and wage discrimination; whereas in order to overcome pension inequalities and safeguard and increase pensions in general, it is imperative that social security systems continue to exist within the public sphere and integrate the principles of solidarity and redistribution, and that the most strenuous efforts are made to fight precarious and deregulated work;

M. whereas the gender pay gap and its causes have exponentially damaging consequences for women throughout their lives, culminating in a gender pension gap that is currently more than double that of the pay gap; whereas the risk of poverty rises sharply along the life course, revealing the gradually accumulating impact of pay inequalities; whereas poverty among those aged 75 years and over is consistently concentrated among women, mainly as a result of the impact of gendered unpaid care duties, life-long differences in pay and working time with the lower pensions that result, different retirement ages for men and women in some Member States, and the fact that more older women live alone;

N. whereas Directive 2006/54/EC has contributed to the improvement of women's situation in the labour market, but has not brought about any profound changes in the legislation on closing the gender pay gap in many Member States;

O. whereas pay transparency can play a crucial role in ensuring substantial progress is made in addressing the gender pay gap, as it helps to reveal the undervaluation of women's work and to highlight gendered labour market segmentation, including through tools providing objective criteria that allow for gender-neutral assessment and comparability of the value of work in different jobs and sectors;

P. whereas job evaluation methods free from gender bias are essential to enabling jobs to be compared on the basis of their scale and complexity in order to determine the position of one job in relation to another within a given sector or organisation, regardless of whether the jobs in question are held by women or men;

Q. whereas the risk of poverty and lesser degree of financial autonomy induced by both the gender pay and pension gaps further exposes women to gender-based violence, in particular domestic violence, making it more difficult for them to leave an abusive relationship; whereas according to the UN, psychological or sexual harassment at the workplace or harassment with serious consequences in terms of personal and professional aspirations is experienced by almost 35% of women worldwide and are harmful to women's self-esteem and their negotiating position for fairer remuneration;

R. whereas the causes of the gender pay gap are numerous, and include both structural and cultural factors, on the one hand gender-segregated labour markets and sectors, a lack of work-life balance options and services, with women being the main caregiver for both children and other dependents, the persistence of 'glass ceilings' not allowing women to reach the top levels of their career and thus top-level salaries, and on the other hand, gender stereotypes about women's roles and aspirations, gender bias in wage structures and wage-fixing institutions, and deep-rooted expectations about women's role as mothers leading to career breaks, interruptions, or a move to part-time work, as well as a lack of pay transparency;

S. whereas the causes of the gender pay and related gender earnings and pension gaps are numerous, structural and often interlinked; whereas these causes can be divided into two components, firstly, one which can be ostensibly 'explained' by differences in the labour market attributes of women and men and secondly, one which ostensibly remains 'unexplained' by such characteristics, with the latter being the dominant component of the gender pay gap in almost all countries globally;

T. whereas these differences in the labour market attributes of women and men include age, experience and education, occupational sector or working time; whereas they are reflected in the fact that women more often work part-time, are confronted with the corporate glass ceiling, work in female-dominated and lower paid sectors and positions or often have to take the primary responsibility for the care of their families as a result of gendered social norms, leading to time away from employment; whereas the larger 'unexplained' component can be attributed to gender stereotypes, pay discrimination and the frequent undervaluation of female-dominated work, which can be both direct or indirect, and remains a hidden phenomenon which must be tackled more effectively;

U. whereas although women account for almost 60% of graduates in the EU, they remain disproportionately under-represented in science, technology, engineering and mathematics (STEM) and digital careers; whereas, as a result, inequality in occupations is taking on new forms and, in spite of the investment in education, young women are still twice as likely as young men to be economically inactive;
1. Recalls that equal pay for equal work or work of equal value is one of the EU's founding principles, and that the Member States have an obligation to eliminate discrimination on grounds of gender with regard to all aspects and conditions of remuneration for the same work or for work of equal value; strongly regrets the fact that the gender pay gap for work of equal value continues to persist with minimal improvement in the EU average figure over the last decade;

2. Calls on the Commission to come forward with an ambitious new EU Strategy for Gender Equality, building on the previous strategy and strategic engagement, and which should include binding measures on the gender pay gap and pay transparency, as well as clear targets and monitoring processes to promote gender equality and measure progress towards achieving it, particularly as regards the related gender earnings and pension gaps and the promotion of women and men as equal earners and carers;

3. Recalls that the gender pay gap and its causes have exponentially damaging consequences for women throughout their lives, culminating in a gender pension gap that is more than double the pay gap; recalls that women are more at risk of poverty in old age than men on account of lifelong differences in pay and working time, different pension ages for men and women in some Member States, and the fact that more older women live alone; calls on the Member States to implement specific measures to combat the risk of poverty for older women, by increasing pensions but also by offering social support; affirms that in addition to the promotion of labour regulation based on greater labour rights, regulated work and the prohibition of precarious work, collective bargaining should be restored, defended and promoted as a decisive tool for overcoming inequalities, notably in terms of salaries, but also in terms of defending and consolidating labour rights;

4. Calls for the immediate revision and an ambitious update of the Gender Pay Gap Action Plan by the end of 2020, which should set clear targets for the Member States to reduce the gender pay gap over the next five years and ensure that such targets are taken account of in the country specific recommendations; highlights, in particular, the need to include an intersectional perspective in the new Action Plan; calls on the Commission to pay particular attention to the factors leading to the pension gap under the Action Plan, and to assess the need for specific measures to reduce this gap at EU and national level;

5. Calls on the Member States to strengthen their efforts to eliminate the gender pay gap by rigorously enforcing the principle of equal pay for equal work or work of equal value, not only through legislation and measures to combat salary discrimination but also by restoring, promoting and defending collective bargaining; calls, furthermore, for measures that tackle vertical and horizontal segregation in employment and discriminatory practices in decisions concerning recruitment and promotion; calls for measures that increase social protection in the fields of maternity, unemployment, sickness, workplace accidents and occupational diseases;

6. Welcomes the commitment of both the Commission President and the Commissioner for Equality to table measures to introduce binding pay transparency measures in the first 100 days of the Commission's mandate; considers that the forthcoming directive should include strong enforcement policies for those failing to comply, and should apply to both the private and public sector, with due account taken of the specificities of small and medium-sized enterprises (SMEs), and to the entire remuneration package, including any components thereof, and have a broad scope; calls on the Commission to consider introducing concrete measures, building on its 2014 Recommendation, such as (a) the clear definition of criteria for assessing the value of work, (b) gender-neutral job evaluation and classification systems, (c) gender pay audits and reports to guarantee equal pay, (d) workers' entitlement to request full pay information and right to redress, and (e) clear targets for companies' equality performance; strongly believes that such measures are necessary to identify cases of pay discrimination in order for workers to make informed decisions and take action where necessary; calls on the Commission to promote the role of the social partners and of collective bargaining at all levels (national, sectoral, local and company) in the upcoming pay transparency legislation;

7. Calls on the Commission to complement the pay transparency initiative by developing, in close cooperation with social partners, and introducing guidelines for gender-neutral job evaluation and classification systems and the definition of clear criteria (such as qualifications, level of responsibility, physical and psychological burdens, shift patterns, etc.) for
assessing the value of work, making it possible to compare the value of work in different jobs and sectors with the aim of obtaining fairer remuneration for work in female-dominated sectors, which is generally held in lower esteem and is thus not as well remunerated as work in male-dominated sectors;

8. Calls on the Commission to take the current review of the functioning and implementation of the EU’s equal pay laws and the equal pay principle as the basis for its action, and to present a timely revision of Directive 2006/54/EC in order to update and improve existing legislation on the equal pay principle in practice, to improve enforcement in line with the case law of the Court of Justice of the European Union (CJEU) and to include the prohibition of any discrimination based on sexual orientation, gender identity or gender reassignment; calls for improved access to justice and the introduction of stronger procedural rights to combat pay discrimination;

9. Recalls that the Commission’s 2017 Report on the implementation of the Commission Recommendation on strengthening the principle of equal pay between men and women through transparency (COM(2017)0671) found that the measures were not effective and that their implementation was inadequate; welcomes, therefore, the commitment by the Commission President in her Political Guidelines for the next European Commission 2019-2024 that the principle of equal pay for equal work will be the founding principle of a new European Gender Strategy, and further welcomes the acknowledgement that gender equality is a critical component of economic growth, as well as an issue of fundamental rights and fairness;

10. Reiterates its call for making the European Pillar of Social Rights, which promotes upward convergence, a reality at both EU and Member State level in order to ensure equal treatment and equal opportunities for women and men, as well as to uphold the right to equal pay for equal work or work of equal value for women and men; highlights that closing the gender gap should be a specific objective in the successor programme to the Europe 2020 Strategy;

11. Calls on the Member States to strengthen their efforts to definitively close the gender pay gap by strictly enforcing the equal pay principle, ensuring that wages for part-time workers are in line with the full-time equivalent, adopting legislation increasing pay transparency and improving legal clarity to detect gender bias and discrimination in pay structures, fighting occupational segregation, whether it be vertical or horizontal in nature, and combating employer prejudice in recruitment and promotion decisions;

12. Stresses that access to work and the conditions that facilitate it are central to ensuring women’s emancipation and independence in every sphere of life, from labour to social, economic and political participation, amongst others; considers that advancing towards achieving equality between women and men and the promotion of women’s rights represent a path of social progress for society as a whole while allowing the improvement of women’s socio-economic situation;

13. Further calls on the Member States to adequately invest in the provision, accessibility, affordability and quality of formal early childhood education and care services, using European Structural and Investment Funds in line with the Barcelona Targets, as well as to invest in long-term care services and family-friendly working arrangements to ensure women’s equal and continued participation in the labour market by providing adequate flexibility to help promote higher employment rates among women; reiterates that in order to combat the risk of poverty among older women, as well as to tackle the causes of the gender pay gap, Member States should ensure that adequate provision is made for older women, including measures such as credits for care periods, adequate minimum pensions, survivor’s benefits and family leave entitlements for men in order to prevent the feminisation of poverty; calls on the Council to introduce targets for care for older people and people with dependents similar to the Barcelona Targets for childcare;

14. Calls on the Commission and the Member States to implement policies that promote the employment of women and their financial independence, including policies that promote the integration of women from marginalised groups into the labour market; calls on the Member States to combat gendered labour market segmentation by investing in formal, informal and non-formal education and lifelong learning and vocational training for women to ensure they have access to
high-quality employment and opportunities so as to reskill and upskill for future labour market changes; calls, in particular, for greater promotion of entrepreneurship, STEM subjects, digital education and financial literacy for girls from an early age in order to combat existing educational stereotypes and ensure more women enter developing and well-paid sectors;

15. Calls on Member States to ensure the swift adoption and implementation of the Work-Life Balance Directive, and for the Commission to closely monitor their progress with a view to the eventual report and accompanying studies on its implementation;

16. Notes the impact that women’s underrepresentation in leadership positions has on the gender pay gap, and highlights the urgent need to promote equality between men and women at all levels of decision-making in business and management; calls on the Member States to unblock the negotiations in the Council on the proposed Women on Boards directive as it could help eliminate the glass ceiling;

17. Calls on both the Commission and the Member States to collect disaggregated data in order to better gauge and monitor progress in closing the gender pay gap, while paying particular attention to groups that experience multiple and intersectional forms of discrimination such as women with disabilities, migrant and ethnic minority women, Roma women, older women, women in rural and depopulated areas, single mothers and LGBTIQ people;

18. Stresses that the collection of gender-disaggregated data needs to be further improved in areas such as informal employment, entrepreneurship, access to financing and to healthcare services, violence against women and unpaid work; emphasises the need to collect and make use of quality data and evidence for informed and evidence-based policymaking; calls on both the Commission and the Member States to collect disaggregated data in order to better evaluate and monitor progress in closing the gender pay gap, while paying particular attention to groups that experience multiple and intersectional forms of discrimination such as women with disabilities, migrant and ethnic minority women, Roma women, older women, single mothers and LGBTIQ people;

19. Calls on the Commission to involve the social partners in developing new policies to close the gender pay gap; calls, in this context, on the social partners to engage in discussions and work together to address the pay gap, including through positive action measures, as well as to collaborate with civil society organisations in order to strongly engage public opinion, since closing the gender pay gap is a universal priority;

20. Call on the Commission and Member states to step up their work to combat precarious female-dominated work and the feminisation of poverty; highlights the high levels of undeclared work performed by women, which have a negative impact on their income, social security coverage and protection, and calls on the Member States to ratify the ILO Domestic Workers Convention of 2011;

21. Calls for the Member States to strengthen the protection of maternity, paternity and parenthood in labour legislation, namely by increasing the amount of leave and guaranteeing that it is fully paid and reducing the number of working hours during breastfeeding, and by taking suitable measures to enforce such protection, but also by investing in the provision of a free public network of early childhood education and care services and long-term care services; notes that a lack of availability, prohibitive costs and a lack of sufficient infrastructure for quality childcare services remain a significant barrier to — primarily — women’s equal participation in all aspects of society, including employment;

22. Acknowledges that gender-based violence and harassment can also be exacerbated by the gender pay gap, as victims are often forced into lower-paying jobs as a result of hostile work environments; calls on the Member States to sign and ratify the ILO Violence and Harassment Convention of 2019 to introduce effective measures to define, prevent and prohibit violence and harassment at work, including safe and effective complaint and dispute resolution mechanisms, support, services and remedies;

23. Calls on the Commission to lead by example and present a full analysis of the gender pay gap in the EU institutions on EU Equal Pay Day;

24. Instructs its President to forward this resolution to the Council, the Commission and the governments of the Member States.