



The EU Mutual Learning Programme in Gender Equality

Tackling the gender pay gap

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Comments Paper – Greece



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Comments Paper – Greece

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1. The gender pay gap in Greece

1.1. Country context

1.1.2 The legal framework

According to the Article 22 of the 1975 Greek Constitution “All workers, irrespective of sex and other distinction are entitled to equal pay for work of equal value”. Gender equality has been a concern issue since the 1980’s. The emphasis given to Gender Equality in European employment policies was one of the key elements for the development of the legal framework in Greece. Law 1414/84 applies the principle of sex equality in employment relations, abolishes all forms of discrimination against women and differentiation between male and female jobs, and creates opportunities for the integration of women in the labour market through participation in training programmes. It also includes provisions for protection against displacement for maternity reasons. Legislation covers private sector employees, the self-employed, and also, those who provide independent services. Public sector employees are exempted, but they are covered by article 119 of the Treaty of Rome, which prohibits indirect discrimination in wages.

Law 3488/2006 on sexual harassment and equality in access to goods and services has been passed. By this law, equal treatment between men and women in access to employment and in employment relations was provided. The same law aided in defining and tackling sexual harassment in the workplace. Law 3896/2010 modified the 3488/2006 law, and since then, it prohibits gender discrimination in employment. Specifically, it has covered issues such as equal pay, equal treatment by social security and equal access to employment and opportunities for professional development between men and women. Law 4097/2012 was also passed, which targets the application of equal treatment of women and men in self-employment.

1.1.3 Tracing the gender pay gap

Gender pay gap is the difference between the earnings of men and women, the average difference in gross hourly earnings of all employees. In Greece the pay gap was 15 % (versus 16.3 % in the EU 27)¹, according to the latest published data of 2010 (EI.Stat.). This gap has narrowed comparing to 21.5 % in 2007 and 22 % in 2008.² There exist no official data on the evolution of the gender pay gap beyond 2010. A number of studies on gender wage gaps have estimated that the ratio of female to male earnings in Greece had declined from about 35 % in the 1970s to roughly 25-30 % in the 1990s.³ The Gender Pay Gap ought to be handled with reference to other social and economic phenomena, since its causes are multi-

¹ European Commission, *The Gender Pay Gap*, 2014.

² European Commission, *Report on Equality between women and men*, 2015.

³ Davaki Konstantina, “The Policy on Gender Equality in Greece”, European Parliament, Directorate General for Internal Policies, Gender Equality, 2013.

faceted. Gender inequalities in the workplace exist in the labor market, despite the absence of other determining factors, such as education. Greek women seem to do quite well in education, as compared to men. In 2010, for the age group 30-34, tertiary educational attainment was 31.4% for women (25.7 % for men) with EU-27 averages standing at 37.2 % and 30% respectively.⁴ However, more recent studies have switched attention from discrimination to the educational choices of university graduates that differ between women and men, the former selecting the less rewarding subjects of Humanities and Social Sciences, as opposed to Engineering, Science and Medicine for the latter.⁵

Some of the factors of the deep rooted inequality in Greece are: the nationality of employees, the big segregation in the labour market – horizontal in sectors and professions and vertical (glass ceiling phenomenon) –, and also the gap between high and low wages, the part-time work, the failure of balance work and family life.

The gender pay gap in pensions in Greece increased to 26.6 % in 2014⁶ from 22.6 % and 25.1 % in 2011, 2012 respectively⁷. Crisis measures have been taken in the retirement age. The retirement age for women in Greece increased to 67 in 2015 from 66 in 2014. Retirement age of women in Greece averaged 62.93 from 2009 until 2015, reaching a record low of 57 in 2009.⁸

1.1.4 Unemployment

Unemployment in Greece is predominantly female (62.5 %, compared to 37.5 % among men), according to the official data announced in June 2016. The unemployment rate by gender was 19.8 % males and 27.8 % females.⁹

1.1.5 The economic crisis

The economic crisis is long and deep: deregulation of the labour market, undeclared work, unpaid work; thousands of trapped employees (according to the Hellenic Labour Inspectorate (SEPE). In April 2015, one million workers haven't received their wages for 1-5 months. These are some of the crisis results. The crisis has led to a sharp drop in wages of both men and women, and the economic adjustment programmes have reduced the influence of collective labour negotiations. Due to austerity measures that have been imposed in 2011, a large number of full-time contracts were converted into flexible contracts. The number of the male part-timers has been increased to 100.68 % and of the female to 45.11 %. (SEPE 2015). The number of full time employees has been reduced to 7.84 % (6.89 % male, and 9 % female). Cuts in earnings of 15 % were introduced and more are expected. The crisis hit two male dominated sectors: the construction industry and the restaurant and catering services. The fear of men to lose their jobs is forcing them to readily accept to take a pay cut. A lot of redundancy programmes have been implemented both in the financial and utilities sector. A large number of middle managers have been replaced by cheap outsourcing workforce. Discrimination against female employees is widespread in the private sector, including arbitrary dismissals and the refusal of employers to fulfil their obligations, as well as forced acceptance of

⁴ European Commission, *Progress on Equality Between Women and Men in 2011, 2012*

⁵ Livanos, I. and K. Pouliakas, "Educational segregation and the gender wage gap in Greece." *Journal of Economic Studies* 39(5), p. 554-575, 2012

⁶ European Commission, *Report on Equality between women and men*, 2015.

⁷ European Commission, *Report on Equality between women and men*, 2015.

⁸ Ministry of Employment and Social Protection. Statistics.

⁹ Hellenic Statistics Authority, *Labour Force Survey (LFS)*, June 2016.

changes in employment status before or after return from maternity and parental leave.

Low public expenditures on social benefits have a large impact in women workforce. Women tend to spend periods off the labour market more often than men. Their career is interrupted. Women are obliged to take charge of important unpaid tasks such as caring for children and relatives.

2. Policy debate

The official body that debates in Greece on how to tackle the gender pay gap is the General Secretariat for Gender Equality (GSGE), which is attached to the Ministry of the Interior. The General Secretariat for Gender Equality is the governmental agency competent to plan, carry out, and monitor the implementation of policies on equality between women and men in all sectors. A key goal of the General Secretary for Gender Equality is the full and equal integration of women into the labour market. Also, GSGE, focuses on combating the increased and long-term unemployment of women in Greece. This issue requires a combination of multiple-pronged and holistic approaches, due to its multiple economic, social and psychological impacts.

The General Secretary for Gender Equality has started to implement a programme that includes interventions aiming at: a) combating unemployment by offering consulting services to help unemployed women return to the workforce b) combating gender inequality in specific policy fields (violence against women, multiple discriminations that are based on nationality, physical ability, isolation), c) reproductive and sexual health.

The Ministry of Employment has also implemented programmes for women's unemployment and entrepreneurship that grant low-interest loans.

Union representatives in the private sector have started to debate with employer representatives on the amelioration of women's working conditions.

Several NGOs have also implemented similar EU-funded training and counselling programmes for unemployed women. However, the future of these actions is undermined by cuts in the funding of gender equality policies.

The General Secretariat for Gender Equality draws up an annual report of the implementation on the policies for gender equality in Greece. The annual report for the year 2015 refers to employment issues without making any special mentions in the gender pay gap.

3. Transferability aspects

The two good practices provided by the Belgian Pay Gap Act of 22 April 2012 can be implemented in Greece, on the condition of the good functioning of the Social Dialogue.

- The neutrality of job classifications. Greece has to rebuild jobs classifications. All job classifications need to be reviewed by the Ministry of Employment and Social Securities and the social partners.
- Report on pay structure and Gender breakdown of social balance sheet date. Greece has to pass a law about the obligation for firms to produce data sufficient for enriching the social dialogue on gender equality.

4. Recommendations

- A review of all existing job classifications should be carried out by the Ministry of Labour. It has to be planned in the near future.
- The Ministry of Labour, in cooperation with the social partners, should take initiatives for tackling the gender pay gap at an individual company level, by making the gender breakdown of the social balance sheet data and the annual report on the gender pay gap compulsory. Special attention has to be paid to small firms, for which, it remains difficult to tackle gender equality. The Greek market is dominated by small companies (85 %)
- Gender experts and the main institutions responsible for the implementation and monitoring of gender equality law (General Secretariat for Gender Equality and Greek Ombudsman) has already started to make appropriate recommendations in order to promote gender equality in the labour market.
- Implementation of the existing legislation on gender equality in the labour market in the private sector through stricter controls and penalties for violations of gender labour rights on companies. The role of the Hellenic Labour Inspectorate needs to be enforced.
- Extension of legislation on gender equality in the labour market in precarious forms of employment, mostly domestic work, nursing, cleaning, project-based work and new media work has to be implemented.
- Implementation of gender equality training programmes for private employers, business owners, heads of personnel departments of large companies and other professionals has to be continued.
- Incentives for private companies to promote marketing and organisational strategies that encourage gender equality in the labour market have to be initiated.
- Public campaign for the equal sharing of domestic and care responsibilities of men and women at home and also the dissemination of information challenging stereotypes and social prejudices about men's roles in domestic and care work are on the way and have to be continued.
- Promotion of scientific research on the impact of the economic crisis and the economic adjustment programmes on gender equality in the labour market.
- Introduction of more gender variables in the collection of statistical data by the Greek statistical authority ELSTAT.

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