The EU Mutual Learning Programme in Gender Equality

Tackling the gender pay gap

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Summary Report

Justice

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Introduction

The mutual learning seminar, held in Brussels on 20-21 October 2016, examined Belgian good practices on how to tackle the gender pay gap. The meeting was highly relevant given the entrenched nature of the gender pay gap despite progress in some EU countries. The measures contained in the Belgian Gender Pay Gap Law 2012 and their practical implementation formed the main focus of the seminar. Apart from Belgium, representatives and experts attended from 17 Member States, including Austria, Croatia, Czech Republic, Estonia, France, Germany, Greece, Ireland, Lithuania, Malta, Netherlands, Poland, Portugal, Romania, Slovakia and Spain. The European Commission and the European Institute for Gender Equality also participated.

1. The good practices of the host country

1.1 Background to the 2012 Belgian Gender Pay Gap Law

The Belgian gender pay gap was 9.9% in 2014 (Eurostat) compared to the EU-28 average of 16.7% and has been declining, albeit gradually, for more than a decade. There is a long history of promotion of gender equality within Belgian institutional wage-settings systems, dating back to a national collective bargaining agreement in 1975 on equal pay. Social partners have signed a series of inter-professional and national agreements on addressing gender bias in job classification systems and together with the Institute for the Equality of Women and Men (IEWM) produced a training manual on the issue in 2005. Hence the new Gender Pay Gap Law, adopted in 2012, is an acknowledgement by the Federal Parliament of these earlier social partner agreements and is a step-up from previous agreements both in terms of legal hierarchy and because for the first time it establishes mandatory requirements.

1.2 Main provisions of the 2012 Belgian Gender Pay Gap Law

The Gender Pay Gap Law establishes five different practices connected to social dialogue at national, sectoral and company level:

- **National:** From 2014, the National Labour Council (NLC) and the Central Economic Council (CEC) must report on gender pay gap developments in the biannual Technical Report. The objective is to facilitate negotiations on measures to narrow the gender pay gap in inter-sectorial negotiations.

- **Sectoral:** The Belgian Federal Public Service was tasked with screening all sectoral job classification systems to assess whether they were gender neutral and provide advice on revisions if any bias was detected. The government review was based on a 12-point checklist drawn up with the assistance of external experts. This review process is now an on-going duty of the Federal Service for any new job classification systems agreed by the social partners. In 2015, three-quarters of the 165 systems reviewed were considered satisfactory. In addition, 90 new agreements were registered. Those including gender-specific job titles were considered unsatisfactory and have been returned for mandatory revision. If after various stages of consultation, to take place in the coming months, no progress is reported, the list of sectors which are not in compliance will be published.

- **Company level**: The social balance sheet is an existing requirement for all Belgian companies with over 20 full-time equivalent employees. The new law requires that the information, which includes data about the workforce numbers, working hours and training opportunities, is gender-disaggregated. This record is publicly available. Companies with 50 employees or more must also produce a biannual gender-disaggregated report on the pay structure and depending on the size of the company, it is either a brief or extensive report. This measure affects some 7000 companies. The report is to be discussed with the Works Council or trade union delegation in order to determine whether an action plan is required to achieve a gender-neutral pay structure. The plan is to be reviewed in two-years. Finally, the new law provides for the company to appoint a gender mediator to assist in the consultations and development of the company action plan.

1.3 Impact of the Gender Pay Gap Law

It is too early to determine the full impact of the law on the evolution of the gender pay gap. At national level, as a consequence of the new reporting requirements in the bi-annual Technical Report, a gender committee of the NLC and CEC has been reactivated. The job classification system has been an important opportunity to highlight weaknesses in existing systems, many of which date back over 30 years. The criteria for the review drawn up by the experts are detailed and set useful guidelines for the consideration of the social partners. However, the actual review process may need further discussion. Analysis of the social balance sheets compiled in 2014 found that although data was sometimes incomplete, or masked for privacy concerns, it was nevertheless possible to reach some interesting conclusions. For example, in one study, in 69% of 2000 firms, hourly costs were higher for men than for women. The pay structure reports are not publicly available but according to trade union sources, in some regions one quarter of companies had submitted reports to the Works Councils.

1.4 Strengths and weaknesses of the Gender Pay Gap Law

The virtue of the new Law is that it relies on the social partners for its implementation and is an important instrument to raise awareness, create opportunities for joint reflection and promote negotiations on the gender pay gap at all the different levels where bargaining takes place. Some commentators consider that it could benefit from stronger mechanisms to monitor progress, or indeed enforce sanctions. While there are a number of design limitations, and it excludes the public sector and smaller firms, it nonetheless represents a significant commitment by a Member State to work with the social partners to identify and eliminate some of the structural causes of the gender pay gap.

2. The situation in the other participating countries[1]

Austria has one of the highest gender pay gaps in Europe of 22.9% in 2014 (Eurostat). Two measures were introduced in 2011 under the Equal Treatment Act designed to achieve greater transparency in pay systems. Firstly, from 2014, all companies employing more than 150 employees were required to produce a company equal pay report every two years, showing the number of men and women classified under each category as well as average or median income adjusted for working time. These reports were to be shared with the Works Council, or in their absence, with all employees. Secondly, from 2012, all job advertisements must state the minimum remuneration for each position and failure to comply is liable to a fine. The Austrian Federal Ministry for Education and Women's Affairs has also produced a manual and carried out training for companies on how to compile the equal pay reports. In 2015, an evaluation found that most companies had provided the report and forwarded it to the Works Council but very few had adopted any structured measures to address the gender pay gap. A further limitation is that in Austria, the majority of companies employ less than 150 employees so the provisions are limited in scope.

In **Croatia,** in 2012, the gender pay gap was 18% (Eurostat) and there are wide sectoral variations. The Gender Equality Act introduces mandatory reporting of gender-disaggregated statistics but there are no sanctions for non-compliance. The Labour Act and the Anti-Discrimination Act prohibit discrimination in employment. The Ombudsperson for Gender Equality is an independent body to combat gender inequality and there is a government office with promotional functions. There is no case law on equal pay and only four cases of gender discrimination which were not successful. In the former Yugoslavia, the concept of two breadwinners in the family was promoted and therefore the gender wage gap does not attract much public concern. Additional legislation on the gender pay gap might therefore not have an impact, and other approaches, including interventions to introduce obligations within collective bargaining, might be considered. At the moment, the focus is on the creation of a new education and qualification framework.

In the **Czech Republic**, the gender pay gap is 22% (Eurostat) and the gap is highest among the most educated sectors. There are no specific legal measures designed to encourage employers to monitor or take action to close the gender pay gap. The Anti-Discrimination Act 2009 stipulates equal treatment and equal pay principles, and the Labour Code refers to equal pay for equal work or work of equal value. The labour inspectorate is also empowered to impose fines on an employer if a victim reports a case of pay discrimination. However, although discrimination exists, employees are hesitant to take cases and it is also difficult to obtain proof of pay discrimination as there is a culture of secrecy around pay issues. In order to build greater awareness on pay discrimination, the Ministry of Labour and Social Affairs launched a new project in March 2016 which envisages the production of information materials and a web-based wage calculator.

[1] Further information on participating countries is available on the seminar website: http://ec.europa.eu/justice/gender-equality/other-institutions/good-practices/index_en.htm

In **Estonia**, the gender pay gap is the highest in Europe and was 28.3% (Eurostat) in 2014. A substantial part of the pay gap is due to unexplained factors. Social dialogue mechanisms are relatively weak and it is not common to include the gender pay gap within collective bargaining. The Gender Equality Act 2004 includes an innovative clause that requires employers to ensure that the numbers of men and women hired to different positions are as equal as possible. The law also stipulates that gender-disaggregated data on employment should be provided though in practice there are few examples of companies doing so. In 2012 the government adopted an action plan to reduce the gender pay gap, designed to raise awareness, bring about improvements in work/family life balance, and to tackle education and employment segregation. In 2014, a new job classification system for the public sector was introduced and from 2012, there have been regular surveys of public sector pay. The last survey in 2015 revealed that the gender pay gap in the public sector was 9.2% and decreasing slightly. Further measures are under consideration in terms of extending reporting requirements to private companies and giving the labour inspectorate the right to request companies to conduct gender audits.

In **France,** the gender pay gap was 19.9% (INSEE-2013) and the gap is highest in the higher pay scales. Statutory minimum wages protect those at the bottom end of the pay scales. The government has addressed the gender pay gap in a multifaceted manner, including through increased childcare provisions and parental leave measures. However, the proportion of fathers taking parental leave remains limited. Other measures include a mandatory requirement to have 40% women on the boards of all listed companies by 2017. There has been a progressive increase in the monitoring of gender equality in the workplace. Firms over 50 employees must produce a comparative analysis report with more or less detail depending on the size of the firm. Since 2014, the company must also produce an action plan and negotiate an agreement on gender equality. Because of dissuasive fines and sanctions, including ineligibility for public contracts, compliance has increased considerably. However, while the 2014 gender equality law requires job classifications to be gender neutral, no sanctions are attached. The recent 2016 law on work introduces measures to increase employment flexibility and reverses the hierarchical order of negotiations. It is too soon to estimate its impact on gender equality.

In **Germany,** the gender wage gap was 22% in 2014 with significant regional differences between East Germany (9%) and West Germany (23%), according to the Federal Statistics Office. There is considerable awareness about the gender pay gap. Since 2008, the Business and Professional Women's Association celebrates an Equal Pay Day and in 2011 a Federal Office for Equal Pay was created together with an Equal Pay Day Forum. There are also free internet tools for companies, trade unions and employees to use on a voluntary basis in order to analyse earnings structures. A bill on "more pay equity" is currently under discussion with the aim of increasing pay transparency. The draft provisions include an individual right to access comparative information on wages in companies with more than 200 employees to be administered by works councils where they exist, or in their absence, individuals can directly request information. The bill also includes plans to request companies with over 500 employees to report every five years on their equal opportunities measures as well as equal pay; and together with their collective bargaining partners develop measures to close the gender pay gap. At present, it is not clear what monitoring procedures, if any, will be put in place. There are concerns that the draft is not practical; and that the emphasis on an individual right is misplaced as it fails to address the structural dimensions of the gender pay gap.

In **Greece**, the gender pay gap was 15% in 2014 and has decreased from 22% in 2008. However, data by age group and sector are not available. One of the main reasons for this decrease has been the decline in male earnings following the economic recession. Because of austerity measures, the collective bargaining system has been frozen and many benefits, which predominantly favoured men, have been cut. The pension gender gap is much higher. The Ministry of Interior's General Secretariat for Gender Equality is responsible for tackling all forms of gender discrimination. At the moment the main focus of its programmes, together with those of the Ministry of Employment, are measures to tackle the high unemployment levels, including programmes to assist women to return to work or the provision of small business loans.

In **Ireland**, because of the economic recession and austerity measures, no data has been collected since 2012. The gender pay gap was 14.4% in 2012. It decreased sharply as a result of the economic recession, explained largely by job losses in male-dominated sectors. Legislation underpinning gender equality includes the Employment Equality Acts 1998 and 2008. Recent research has highlighted women's concentration in low paid work. In 2016, it was estimated that 60% of low paid employees were women. As the Irish economy recovers, there is the potential to further increase the gender pay gap as employment in low paid sectors begins to expand. Analysis of the cost of returning to work for mothers reveals strong financial disincentives because of additional taxes and loss of benefits, and the high cost of childcare. The new government in 2015 has committed to tackle the gender pay gap with a series of measures, including investment in child care, measures to support women returning to work; requirements for companies with over 50 employees to complete regular wage surveys; and a strengthened role for the Low Pay Commission.

In **Lithuania**, the gender pay gap was 14.8% in 2014. However, in recent years, the gap has been increasing from its lowest point in 2012 when it stood at 12.6%. The gender pay gap is more pronounced in the private sector. The Equal Opportunities Ombudsperson supervises the Law on Equal Opportunities for Women and Men (1998) and the Law on Equal Treatment (2005). The National Programme on Equal Opportunities for Women and Men (2015-2017) includes measures to increase transparency in pay systems and allows employees access to information on pay systems. It also includes activities to mark Equal Pay Day and other awareness-raising activities. Further legislation to strengthen the Lithuanian social model is under discussion.

Malta has the second lowest gender wage gap in the EU at 4.5% although other studies indicate it might be higher. These figures should be considered within the context of a relatively low national female employment rate and low gender equality achievement indicators in areas such as decision-making. With the succession of Malta to the EU in 2004, the country has since adopted all EU Directives on gender equality. However, there is little attention given to the issue and it is not a high priority for workers or social partners in collective bargaining. There are no specific measures at sectoral or company level designed to reduce the gender pay gap. Recent reports indicate the gender wage gap statistics may rise to over 10% in which case it is likely that the issue may receive greater attention.

In the **Netherlands,** the gender pay gap is 16% (Eurostat 2014). The Dutch equal treatment laws forbid unequal pay for equal work or work of equal value but there has been no further legislation. Instead the focus has been on voluntary measures, awareness-raising and tools, including an on-line equal pay website with checklists and instructions. Social partners negotiate at both sectoral and company level and the issue of the gender pay gap receives less attention in collective bargaining negotiations than previously. In 1999/2002, the Ministry of Social Affairs and Employment and the social partners developed an instrument to assess whether job classification systems were neutral and concluded in various studies, with the participation of trade unions, that no indirect discrimination could be found. However, research conducted in 2011 by the Netherlands Institute for Human Rights did identify some discriminatory practices in salary setting at recruitment and in promotions in the hospital and education sectors. In 2014, a private Members Bill was introduced to require mandatory company reporting to the works councils on women's and men's pay but the proposal was received quite critically and has been sent back for revision. In recent years the issue of precarious work, where women predominate, is of increasing concern. Temporary contracts, sub-contracting or self-employment weaken employment rights and make it difficult to claim equal pay.

In **Poland**, levels of pay inequality have remained relatively stable over the past two decades, at 7.7% in 2014 (Eurostat) compared to 6.4% in 2012. However, the motherhood penalty is quite high. While there has been an increase in early childhood education from age 3 onwards, child care provisions below that age remain quite limited. The recent extension of parental leave to 52 weeks may have a negative impact on the gender pay gap. In the informal (unregistered) sector, the gender earnings gap is widest at the bottom of earnings distribution, because of the inapplicability of minimum wage and other regulations. The high proportion of small enterprises, the prevalence of temporary contracts and low union density rates limits the bargaining power of workers. The National Action Plan for Equal Treatment 2013-2016 includes provisions to improve methodologies to monitor wage gaps and research and awareness-raising. The Ministry of Family, Labour and Social Policy participates in Equal Pay Days and has established an internet tool to allow companies to monitor and analyse pay structures.

In **Portugal**, the recent reduction in the gender pay gap is the consequence of the degradation of working conditions, particularly in male-dominated sectors, as a result of the economic recession, austerity measures and labour market reforms. Men have moved closer to women's vulnerable position. In 2014, the monthly basic female wage was 16.7% lower than that of men compared to 18% in 2010, according to the survey of employment records. Eurostat figures record a lower figure of 13% for 2013. The Commission for Citizenship and Gender Equality has published on-line guides and questionnaires on gender audits; how to draw up company action plans; and a manual on gender neutral job classifications. The tripartite Commission for Equality in Labour and Employment has established a forum of companies for gender equality and celebrates Equal Pay Day. In 2012, a government resolution made gender equality plans mandatory for state-owned companies and starting in 2014, the government published an annual report to assess the gender pay gap by sector. A further government resolution in 2014 made it mandatory for all state-owned companies to draw up wage differential reports every three years and to include measures to address gender-based wage differentials in their gender equality action plans. It was also recommended that private companies with over 25 employees carry out wage surveys. In 2016, the gender wage gap is one of the four critical topics for social partners at national level.

In **Romania,** the gender pay gap has remained relatively stable throughout the transition. In 2014, the gap was 10.1% and has increased slightly in recent years. Unlike many other countries, the gender pay gap is higher in the public sector than in the private sector. The Labour Code and the 2002 Equal Opportunities Policy include the principle of equal pay for equal work or work of equal value. National strategies on equal opportunities have included a focus on the gender pay gap, information and awareness campaigns and provisions to encourage companies to increase parental leave or provide child care services. Trade unions have also carried out campaigns to promote gender equality and the women's committee have sought to ensure equal treatment clauses are reflected in collective agreements. However, women's low participation in the employment market, occupational segregation and unequal sharing of care and domestic responsibilities remain challenges.

In **Slovakia**, the gender pay gap is 20.5% (Eurostat-2014). There are multiple reasons but despite good educational qualifications, women do not earn comparable sums to men, since education in "typically women's fields" is less valued. The Anti-Discrimination Act provides for equal treatment and includes the possibility to adopt affirmative action measures. The Labour Code and other legislation enshrine the principle of equal pay for equal work and work of equal value. Recently, there have been improvements to government statistics on gender inequalities and there is a website with improved data. There are also initiatives of the Ministry of Labour, Social Affairs and Family to support women on low pay and women with young children to enter the labour market. The Ministry organises an annual Gender Pay Day in association with other organisations. However, the gender pay gap continues to have a low profile in public debate and on the policy agenda.

In **Spain**, the gender wage gap was 19.3% in 2013 (Eurostat) and has increased since 2010. There are wide sectoral differences. The 2007 Equality Law makes it mandatory for companies with more than 250 employees to draw up equality plans together with workers' representatives and also includes promotional measures for smaller companies. There are well-established mechanisms for social dialogue but following the labour market reforms of 2012, the weight of collective bargaining has shifted to the company level. In view of the economic crisis and mass redundancies, the gender pay gap is not a prominent issue in collective bargaining. The Women's Institute for Equal Opportunities has developed tools for companies to self-assess the gender pay gap with a focus on gender-neutral job evaluations. The tools have been accepted by the main employers' federation but the largest trade union confederations are critical of their voluntary nature and believe collective bargaining is a preferable avenue. A recent good practice is the regional collective agreement for Catalonia 2015-2017 which includes an explicit objective to reduce the gender pay gap. There is some discussion among political parties and trade unions about drafting a new law on wage transparency.

In the **United Kingdom**, despite equal pay legislation dating back 40 years, the gender pay gap is 18.3% (Eurostat). The rate of decline has slowed in recent years. The government seeks to establish a flexible, market-friendly environment and minimise regulations and reporting obligations, preferring to engage in discussions on pay and policy with business associations and trade unions. Nearly two-thirds of the public sector is covered by sectoral agreements but in the private sector, collective bargaining is limited and tends to take place at company or workplace level. While union membership has declined, there is still a 33.5% trade union membership premium. The gender pay gap is higher for women over 40, for mothers, and for part-time workers (42.3% of women work part-time). The government is planning to introduce new legislation by 2017 which will include mandatory reporting of the gender pay gap for private companies and the voluntary sector, with more than 250 employees, based on the mean and median gender pay gap, the median gender bonus gap and the numbers of male and female employees in each pay quartile. The government has also introduced voluntary targets for increasing the numbers of women on company boards. These measures alone are insufficient to make a real difference. The Parliamentary Women's and Equalities Committee recommends additional measures to improve job flexibility, non-transferable parental leave, strategies to improve pay and productivity in women-dominated low pay sectors, and support for women returning to work. Trade unions and feminist organisations have also pointed to the issue of low pay and the high costs of child care, which is much higher than the OECD average. A comprehensive strategy is needed including national policies, pay legislation, working-time, and action on pay, recruitment and promotion at company level, provision of child and elder care and changes in gendered divisions within the household.

3. Key issues discussed during the seminar

There was a rich exchange on measures needed to tackle the gender pay gap, with many commenting that the Belgian law was inspirational and that they had appreciated the honest appraisal of its scope and potential. The level of public understanding and policy attention to the gender pay gap varied considerably from country to country, and in post-transition countries, there was generally a lower level of priority. In countries affected by the economic crisis and undergoing austerity measures, high levels of unemployment and precarious work have meant that in recent years, priorities have tended to focus elsewhere. In some countries, there are signs of a backsliding, and the principle of gender equality has been called into question.

In all countries, equal pay laws exist but in some instances, participants considered that they remained declaratory and it was important to engage in awareness-raising at different levels. Participants recognised the progression from discrimination issues linked to equal pay for equal work and equal pay for work of equal value to the multifaceted structural issues of tackling the gender pay gap, including working time, occupational segregation, the unequal sharing of domestic work, child and elder care, the "motherhood penalty" and other factors. In the context of austerity, participants cautioned that although the gender pay gap had declined in recent years, it was a consequence of the weakening of the collective bargaining system and the degradation in employment in male-dominated sectors, as men were now experiencing levels of vulnerability and precarious work similar to those of women.

Legislative and voluntary measures to improve reporting and monitoring on the gender pay gap, and in some instances to provide for an individual right to access information were viewed with interest. Many countries reported that the government equality institutions had launched on-line facilities on how to conduct pay audits, or draw up company reports on a self-assessment basis, and how to develop gender-neutral job classifications, accompanied by training and information materials. Others referred to on-line wage calculators for individuals to assess their pay on a comparative basis. In some countries, it is now mandatory for State companies to establish gender equality plans. There were also a number of countries publishing annual gender pay gap reports, though in some cases, as a result of austerity measures, data was no longer collected. Other tools included equality certificates or awareness-raising events, such as marking Equal Pay Day.

There was consensus about the need to achieve greater pay transparency, on the grounds that what is measurable is manageable. Participants referred to a culture of secrecy and the protection of personal data as obstacles. The extent to which mandatory legislative measures or voluntary encouragement is the best avenue varied depending on national circumstances, in particular the political priority afforded the gender wage gap, the overall context of wage determination processes and social dialogue mechanisms. Some participants considered that legislative measures were not necessary, and that the self-organisation of social partners was effective. Others referred to social partners' low enthusiasm to address the gender pay gap while others cited poor take-up of voluntary measures and noted that dissuasive sanctions, or ineligibility to bid for public contracts, had greatly improved compliance rates.

There was considerable interest in understanding the practical implementation of the Belgian Federal government review of the sectoral **job classification systems**. In some countries, the social partners might consider such a review as undermining their autonomy. In other countries, job classification systems were not negotiated by the social partners and again in some economies, given the large numbers of small enterprises, such a system could not easily be transferable. It was noted that the Belgian system was only applicable to the private sector and addressed issues of individual discrimination in wage-setting rather than structural issues, including the under-valuing of work in female-dominated sectors, such as health and education. Women were under-represented in STEM careers and their education qualifications were often under-valued. There was also discussion as to the extent to which it was possible to compare systems across different sectors, given that sectoral segregation was such a key factor in determining the gender wage gap. Some questioned whether it was feasible as there would be resistance from companies fearing it would open grounds for law suits. Participants also noted that in the context of austerity, opening negotiations on job classification systems could meet with resistance from social partners, as on the one hand it could potentially result in the decompression of wages, or on the other, raise wider issues of wage dispersion. In some countries, it is more common for discrimination on grounds of job classification or grading to be taken to pay tribunals, which might then lead to a pay audit. However, it was noted that if outcomes result in a lowering of male wages they can be highly contentious.

In the light of the Belgian example and draft legislative initiatives in other countries, there was considerable discussion about the role of **company wage reports** in achieving greater pay transparency. Depending on the extent of social dialogue mechanisms, reports were designed either to encourage individual companies to take action for fear of reputational damage or else to provide social partners with the necessary information to negotiate gender equality action plans. However, in some countries, there is limited follow-up once the reports are produced because works councils, trade unions or employees are not well-informed. In some countries, the reports are for internal use only. Detailed exchanges took place concerning the scope, content, follow-up and accountability measures of company reports. The practice of different requirements depending on the size of the company was considered an interesting option. Payroll agencies might be consulted on the report format and possibly information integrated from existing payroll databases or social security institutions. There was also discussion as to the extent to which reporting requirements should be prescriptive in the interests of comparability, or allow for flexibility; and how to balance privacy concerns with the goal of increasing pay transparency. The methodology of reporting forms was reviewed. Participants were particularly appreciative of the account of the practical challenges for companies in the Belgian context. There were discussions about how to strengthen the capacity of works council or union delegations to interpret the pay reports and how any follow-up actions, such as the development of gender equality plans, could be strengthened and monitoring mechanisms put in place. In some countries, either because of the large numbers of small and family enterprises, or because of the use of temporary or precarious workers, and the trend towards outsourcing and the use of self-employed service contracts, company reports could only provide a partial picture of the increasingly fragmented labour market. It was considered that one of their strengths would be to identify and address issues such as the glass ceiling and women's access to senior positions but would be less effective in addressing issues of women's low pay and precarious work.

There were discussions about the competencies, training and qualifications of the Belgian **gender mediators** and how the person is appointed and to whom the mediator reports. Some concerns were expressed as to the extent a company employee could be considered a neutral arbiter, or might be exposed to risk; or whether these functions could be better filled by an external appointment. Others considered a gender mediator could be a useful mechanism to open dialogue on the gender pay gap.

In countries with weak social dialogue systems, participants mentioned that the role of the **labour inspectorate** could be enhanced. In some countries, the labour inspectorate has been trained with a check-list to detect gender discrimination in the workplace and their powers extended to include carrying out pay audits. However, it was also noted that often labour inspectorates were understaffed and faced many demands on their time.

4. Conclusions and recommendations

Participants agreed that the Belgian example was inspiring not only because of the new law but because of the general perception that closing the gender pay gap is an important issue for the whole of society.

While the gender pay gap in Europe is gradually diminishing, there are worrying trends in some post-transition countries, as the gap appears to be widening. In countries undergoing austerity measures, a decrease in the gender pay gap is the consequence of the deterioration in employment conditions in male-dominated sectors and an overall increase in vulnerable and precarious work.

One of the key recommendations was that measures to promote pay transparency by themselves are insufficient to make a major impact on the gender pay gap. All participants recognised that tackling the gender pay gap requires a comprehensive holistic policy framework and strategy, which takes into account all the inter-related sources of segregation and discrimination on grounds of gender. The commonly used Eurostat definition of unadjusted gross hourly earnings must be looked at in conjunction with other indicators such as overall employment rates, occupational segregation (horizontal and vertical), girls' and women's educational choices, career breaks and the motherhood penalty, the fiscal incentives of work, the costs of child and elder care and the gendered division of domestic responsibilities. Inter-sectoral analysis is particularly valuable, taking into account women's predominance in low-paid sectors and precarious work, and the feedback loops related, for example, to the costs of child care.

The seminar's focus was particularly relevant in the light of the European Commission's 2014 Recommendation on pay transparency[2]. Many countries had followed-up on the recommendation and had developed different mechanisms and tools, including facilitating an individual entitlement to request pay information; company reporting in large and medium companies; pay audits and the promotion of gender equality and equal pay issues in collective bargaining. On these issues, it was recommended that consideration be given to the following actions:

- Take advantage of the existing momentum that exists at EU level as tackling the gender pay gap is a priority of the 2016 -2019 European Commission's strategic engagement for gender equality;
- At national level, issue and disseminate widely annual gender pay gap reports;
- Provide on-line tools for individuals, such as wage indicators, and for companies to self-report on the gender pay gap, carry out pay audits and review job classification systems to ensure they are gender neutral; and develop gender equality action plans;
- Develop additional mandatory or voluntary reporting obligations to increase pay transparency at company level and to encourage social partners to negotiate gender equality plans, including on the elimination of the gender pay gap;
- Ensure there are mechanisms in place to hold institutions to account;
- Provide information materials, guidelines and on-going training opportunities for the social partners;
- Provide evidence-based research to demonstrate that closing the gender pay gap is beneficial for business;
- Encourage awareness-raising activities, such as celebrating Equal Pay Day or developing equality certificate schemes;
- Develop strategies to tackle low pay and precarious work in female-dominated sectors;
- Provide training to the labour inspectorate and enhance their mandate to include conducting pay audits;
- Stop saying the gender pay gap is complex – it is no more complex than many other issues!

[2] See http://ec.europa.eu/justice/gender-equality/files/gender_pay_gap/c_2014_1405_en.pdf