



Doc. 12151

09 February 2010

The wage gap between women and men

Committee Opinion¹

Committee on Economic Affairs and Development

Rapporteur: Mr Albrecht KONEČNÝ, Austria, Socialist Group

A. Conclusions of the committee

The Committee on Economic Affairs and Development warmly welcomes the report by Mr Paul Wille on the wage gap between women and men, and shares the main conclusions and suggestions contained in the draft resolution and recommendation tabled by the Committee on Equal Opportunities for Women and Men. The amendments submitted by the Committee on Economic Affairs and Development support the approach adopted by the Committee on Equal Opportunities for Women and Men and aim at clarifying and completing some provisions of the draft resolution and recommendation from an economic point of view.

B. Explanatory memorandum by Mr Konečný, rapporteur

1. The report rightly emphasises the fact that prohibition of discrimination in the labour market and in the workplace is enshrined in international laws, such as United Nations conventions, International Labour Organization (ILO) conventions and the revised European Social Charter, as well as in the domestic law of all Council of Europe member states and European Union law. However, women still encounter inequalities in the labour market which are reflected in the wage gap between women and men.

2. The report points out that despite a decreasing pay gap between men and women over the years, wage differences still persist. It also deals with the “traditional” reasons for differences in earnings such as access to education, training and the labour market, the undervaluation of women’s work and biased pay and promotion systems, as well as gender stereotypes which lead to a gender-patterned labour market.

3. While the report notes that lower incomes bring about the feminisation of poverty, I must say that it does not discuss the economic implications of this situation. Many studies have shown that childbirth leads to interruptions in the career of women who usually bear the entire responsibility for care of children and the elderly. As labour markets tend to reward experience, and these interruptions induce a lack of experience of women in the job market, their wages are thus lower. After childbirth, women tend to work in less well-paid sectors and/or in part-time jobs with low added value. Their skills do not reach their full potential, resulting in a loss in productivity and competitiveness for the entire economy. Hence the closing of the wage gap will certainly be followed by a significant increase in the Gross Domestic Product (GDP) of European countries.

4. It should be underlined that the poverty of women increases the need for social assistance. When it comes to single mothers, reliance on social programmes and benefit payments is significantly greater. Closing the pay gap between women and men will contribute to reducing the social expenditure of the European states. In turn, when pay equity is achieved through an increase in women’s earnings, states’ tax revenues will rise.

1. See [Doc. 12140](#) presented by the Committee on Equal Opportunities for Women and Men.



5. It should not be forgotten that the most extreme form of “wage gap” is the exclusion of women from the labour force. In many Council of Europe member states the participation of women in the labour force is still deplorably low. Ironically, most official statistics show only a small wage gap for those countries, due to the fact that only the most qualified and energetic women are able to secure a place in the workforce. This, of course, gives a completely wrong picture.

6. In conclusion, the wage gap between women and men is not only an issue which calls for legal protection, but is also a matter of overall economic prosperity for European countries. The Parliamentary Assembly should take into account the economic aspect of the wage gap when it calls on its member states to take action against gender inequality.

C. Amendments proposed by the committee

Amendment A (to the draft resolution)

In the draft resolution, paragraph 4, add the following sentence:

“This would not only remedy a deep-seated social injustice, but would also significantly boost productivity, competitiveness and national income throughout the European economies, as well as reduce governments’ social expenditure.”

Amendment B (to the draft resolution)

In the draft resolution, sub-paragraph 6.6, after the words “8 March” add the words “International Women’s Day”.

Amendment C (to the draft resolution)

In the draft resolution, sub-paragraph 6.6, replace the word “elimination” by the words “reduction of”.

Amendment D (to the draft recommendation)

In the draft recommendation, add the following new paragraph after paragraph 2:

“The Assembly recommends that the Committee of Ministers also give the stronger inclusion of women in the workforce appropriate high priority and strengthen its efforts to secure a high degree of female workforce participation in all member countries.”

Amendment E (to the draft recommendation)

In the draft recommendation, add the following new paragraph before paragraph 3:

“The Assembly recommends that the Committee of Ministers instruct its competent committee to initiate a thorough study on the relationship between workforce participation of women and the statistically measured wage gap and to send the results of this study to the Assembly.”

Amendment F (to the draft recommendation)

In the draft recommendation, paragraph 3, after the word “causes”, add the words “and effects”.

Reporting committee: Committee on Equal Opportunities for Women and Men

Committee for opinion: Committee on Economic Affairs and Development

Reference to committee: Reference 3469 of 27 June 2008

Draft opinion unanimously approved by the Committee on Economic Affairs and Development on 26 January 2010

Secretariat of the committee: Mr Newman, Ms Ramanauskaite, Mr de Buyer and Mr Pfaadt