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**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN  
PARLIAMENT, THE COUNCIL AND THE EUROPEAN ECONOMIC AND SOCIAL  
COMMITTEE**

**EU Action Plan 2017-2019  
Tackling the gender pay gap**

## 1. THE GENDER PAY GAP IN THE EU

*The gender pay gap has stagnated as a result of...*

Gender equality is one of the fundamental values of the European Union. Yet, it is not a reality at work. Women in the EU, across the economy, earn on average over 16% less per hour than men do. This gender pay gap has been plateauing over the last 5 years. At the current rate of changes, it would only be closed at the breach of the next millennium. The recent stagnation raises questions as to the need to strengthen and adapt existing initiatives: gender inequalities in the labour market have been contained, but not erased<sup>1</sup>.

*... pervasive segregation on the labour market,*

Sectors and occupations are segregated: most European workers have colleagues mainly of the same sex<sup>2</sup> and the sectors where women are clustered are often lower paid than those where men are clustered<sup>3</sup>. Although a number of initiatives have been successful in encouraging women to enter male dominated sectors such as the sciences and technology, the level of segregation in occupation and sectors has barely changed overall<sup>4</sup>. Moreover, in almost all sectors men are more often promoted to supervisory roles or management, culminating at the top with less than 5% of CEOs being women. This "vertical" segregation accounts for a significant proportion of the gender pay gap<sup>5</sup>.

*... persistent stereotypes fuelled by inadequate work-life balances policies,*

Stereotypes persist about the role of men and women in society and, by extension, whether they should be on the labour market or at home. This is one of the root causes of the gender pay gap. Men, on average, spend far less time than women taking care of children or dependent relatives, while women cannot spend that time in paid work, or gain experience that will help them throughout their working life<sup>6</sup>. Work-life balance policies can, if they are well-designed, help to reduce the gender pay gap. Investing in formal care facilities and in adequate family related leaves for both women and men contributes to reducing the gender pay gap, as it leads to fewer career interruptions and less discontinuous employment for women. Flexible working arrangements (including flexible working hours, reduced working hours and remote working) should be better

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<sup>1</sup> In particular, data shows that the gender pay gap may increase as more women are entering in the labour market. See Boll, C.; Leppin, J.; Rossen, A.; Wolf, A. (2016), "Magnitude and Impact Factors of the Gender Pay Gap in EU Countries, Report prepared for and financed by the European Commission – Directorate-General for Justice and Consumers. Moreover, labour market developments have been in general unfavourable to low-wage workers. Women have therefore been "swimming upstream" unfavourable trends. See Blau F and Kahn L (1997), "Swimming Upstream: Trends in the Gender Wage Differential in the 1980s", Journal of Labor Economics, Vol. 15, No. 1, Part 1 (Jan., 1997), pp. 1-42

<sup>2</sup> See Burchell B., Hardy V., Rubery J. and Smith M. (2015) , A new method to understand labour market segregation, Report prepared for and financed by the European Commission – Directorate-General for Justice and Consumers: only 18% of women and 15% of men work in mixed occupations (60-40% men & women).

<sup>3</sup> Boll et al. (2016): segregation in sectors contributes to widen the gender pay gap in all countries. The effect of segregation in occupation is more heterogeneous across countries: in a number of countries; segregation in occupation may actually protect women.

<sup>4</sup> See Index of occupational and sector segregation published every year in the European Commission's report on equality between women and men.

<sup>5</sup> See Boll et al. (2016):

<sup>6</sup> EC (2015) An ever closer union among the peoples of Europe? Rising inequalities in the EU and their social, economic and political impacts. Outcomes of EU-funded research. DG RTD, Brussels, pp. 54-55.

valorised for both women and men and not be seen as a cost for the employers who often tend to penalise employees in the form of wage penalties<sup>7</sup>.

*... and discrimination, allowed by a lack of transparency*

In almost all occupations, on average men are paid more than women. Pay discrimination is still pervasive: a woman may be paid less than a man for exactly the same job; and work typically done by women is paid less than work typically done by men, even when it is of equal value. Moreover, the secrecy around pay levels makes it even more difficult to detect discrimination cases. If most Europeans (69%) are aware of the existence of a gender pay gap across the economy, employees do not think that such a gap exists in their own company, while a third of employees do not know the wages of their colleagues. Europeans would support more transparency at work: almost two thirds would be in favour of publishing the average wages per sex and per job type earned in the organisation or company where they work<sup>8</sup>.

Almost half of workers are actually uncomfortable with the idea of negotiating their salary, and this proportion is higher among women than among men. However, the context also matters: women tend to negotiate as much as men when it is explicitly stated that wages are negotiable and that negotiation is therefore an appropriate behaviour. Work organisation and the design of recruitment and wage policies can actually have a big impact: if well-designed, they can counteract our unconscious bias about men and women, and avoid the "double standards" of women and men not being rewarded equally.

The magnitude of the gender pay gap across the economy also depends on wage-setting institutions. Cross-sectoral minimum wages and wage-settings mechanisms can contribute to raising wages in low-paid sectors and therefore reduce the gender pay gap<sup>9</sup>.

The current situation suggests the need to consider further-reaching measures at EU level. Such measures would contribute to boosting jobs and growth in the EU and to having a fairer single market for employment. This Communication presents an Action Plan to further tackle the gender pay gap and ensure the full application of the principle of equal pay between women and men.

## **2. POLICY PRIORITIES**

Closing the gender pay gap remains a major objective within the overarching goal of achieving gender equality<sup>10</sup> and delivering on the Sustainable Development Goals of the UN 2030 Agenda. It also contributes to taking further the European pillar of social rights [proclaimed by the Parliament, the Council and the Commission at the [Social Summit for Fair Jobs and Growth](#) on 17 November in Gothenburg], notably its principle 2 on ensuring gender equality in all areas and principle 3 on equality of opportunities.

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<sup>7</sup> Goldin C. (2014), "A Grand Gender Convergence: Its Last Chapter.", *American Economic Review*, 104 (4) :1091-1119.

<sup>8</sup> Eurobarometer 465.

<sup>9</sup> For instance, the introduction of a minimum wage in Germany is estimated to reduce the gender pay gap by 2.5 percentage points. Women should also benefit from the recent minimum wages' increase in some of the countries with the highest gender pay gap (Czech Republic, Slovakia and the UK).

<sup>10</sup> It accounts for a third of earnings inequalities between women and men during working lives. See 2017 Commission's report on equality between women and men and Eurostat: [http://ec.europa.eu/eurostat/statistics-explained/index.php/Gender\\_statistics](http://ec.europa.eu/eurostat/statistics-explained/index.php/Gender_statistics)

Therefore it remains a political priority for the Commission<sup>11</sup>. This Action plan aims to further translate this commitment to close the gender pay gap into a list of key, concrete actions.

The Action Plan includes a broad and coherent set of activities to tackle the gender pay gap from all possible angles, rather than singling out only one factor or cause. These activities will mutually reinforce each other.

Eight main strands of action have been identified:

- 1- Improving the application of the equal pay principle
- 2- Combating segregation in occupations and sectors
- 3- Breaking the glass ceiling: initiatives to combat vertical segregation
- 4- Tackling the care penalty
- 5- Better valorising women's skills, efforts and responsibilities
- 6- Fighting the fog: uncovering inequalities and stereotypes
- 7- Alerting and informing about the gender pay gap
- 8- Enhancing partnerships to tackle the gender pay gap

To be effective, synergies will be needed between measures taken by key stakeholders at European, at national and at corporate level.

#### **ACTION 1: IMPROVING THE APPLICATION OF THE EQUAL PAY PRINCIPLE**

*The Commission will assess the need for further legal measures to improve enforcement of the principle and will further monitor and enforce existing EU rights.*

The TFEU enshrines the principle of equal pay in its Article 157. Article 4 of the Gender Equality Recast Directive (2006/54/EC) establishes the principle of equal pay by providing that, for the same work or for work of equal value, direct and indirect discrimination on grounds of sex is prohibited in all aspects and conditions of remuneration.

In 2013, the Commission adopted an implementation report on the Gender Equality Recast Directive<sup>12</sup>. The report provides a state of play of the Directive's implementation on the ground, including on the issue of equal pay.

In 2014, the Commission adopted a Recommendation on Pay Transparency<sup>13</sup>, which promotes a more effective application of equal pay legislation through a toolbox of concrete measures to improve pay transparency<sup>14</sup>. The Recommendation invites Member

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<sup>11</sup> Closing the gender gap is one of the objectives of the Commission's Strategic engagement for gender equality (2016-2019) [http://ec.europa.eu/justice/gender-equality/files/documents/151203\\_strategic\\_engagement\\_en.pdf](http://ec.europa.eu/justice/gender-equality/files/documents/151203_strategic_engagement_en.pdf)

<sup>12</sup> Report on the application of Directive 2006/54/EC of the European Parliament and of the Council of 5 July 2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation (recast), COM(2013) 861 final -- [http://ec.europa.eu/justice/gender-equality/files/gender\\_pay\\_gap/com-2013-861-final\\_en.pdf](http://ec.europa.eu/justice/gender-equality/files/gender_pay_gap/com-2013-861-final_en.pdf)

<sup>13</sup> Commission Recommendation of 7 March 2014 on strengthening the principle of equal pay between men and women through transparency, COM(2014) 1405 final -- [http://ec.europa.eu/justice/gender-equality/files/gender\\_pay\\_gap/c\\_2014\\_1405\\_en.pdf](http://ec.europa.eu/justice/gender-equality/files/gender_pay_gap/c_2014_1405_en.pdf)

<sup>14</sup> These include: (i) allowing employees to request information on pay levels, broken down by gender, for categories of employees doing the same work or work of equal value; (ii) regular reporting by employers on wage structures by category of employee or position, broken down by gender (limited to large and medium companies); (iii) pay audits in large companies; and (iv) a discussion of equal pay issues at the appropriate level in collective bargaining

States to choose and implement at least one of the above measures in the light of their domestic circumstances.

Together with this Action Plan, the Commission adopted an evaluation report on the Transparency Recommendation. The report takes stock of the follow-up given by Member States and gives an overview of existing national measures<sup>15</sup>. The assessment of the national measures notified by the Member States revealed that the current national transparency measures in place are insufficient and not effective on their own.

Both, the report on Gender Equality Recast Directive implementation and Transparency Recommendation implementation, bring evidence of the need to foster the existing legal framework and enhance its enforcement.

*In particular, the Commission will:*

- assess the possibility of targeted amendments to the Gender Equality Recast Directive by looking at:
  - the need for and possibility of making some or all of the measures on pay transparency foreseen in the 2013 Recommendation binding, such as:
    - Entitlement of employees to request information on pay levels;
    - Regular reporting by employers of wages by category of employee or position;
    - Clarification of the notion of work of equal value;
  - improving sanctions and compensation to victims by evaluating the need to introduce measures such as<sup>16</sup>:
    - having minimum sanctions in case of breach of the principle of equal pay, and
    - having minimum standards on compensation which would put the victim in the position in which she would have been if the principle of equal pay had been respected.
  - ensuring gender equality in occupational pension schemes in order to adjust the Gender Equality Recast Directive to Court of Justice case law: the Directive allows different treatment of women and men in relation to occupational pensions due to their different statistical life expectancy, which leads to women receiving a lower monthly pension because on average they live longer (therefore contributing to the gender pension gap); such practice was found discriminatory and

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<sup>15</sup> COM/2017/671

<sup>16</sup> The Gender Equality Recast Directive obliges Member States to put in place penalties which shall be effective, proportionate and dissuasive. However, sanctions provided for in the national laws of the Member States vary widely which leads to an unequal enforcement of the rights granted under the Directive

prohibited by the Court of Justice for state pensions<sup>17</sup> in 2014 and for private pensions (insurance contracts) in 2011<sup>18</sup>.

- strengthening the enforcement role of equality bodies, for instance by:
  - ensuring that equality bodies can actually and fully play their role, notably through the monitoring and enforcement of the applicable rules;
  - clarify the requirements under the Directive and/or set horizontal standards for equality bodies in line with their monitoring status, in particular as regards their independence, effectiveness, and competences<sup>19</sup>.
- continue to evaluate whether the EU acquis is implemented correctly in the different EU Member States and monitor how the principle of equal pay is applied on the ground; in case of non-compliance, the Commission will continue to pursue infringement procedures against the Member State concerned for failure to comply with its EU obligations
- adopt, in 2019, a report on the national measures adopted on the basis of Article 157-4 TFEU, providing for specific advantages in order to make it easier for the underrepresented sex to pursue a vocational activity or to prevent or compensate for disadvantages in professional careers
- continue to work together with the network of equality bodies (EQUINET), the Advisory Committee on equal opportunities between women and men and the High Level Group on gender mainstreaming to strengthen the enforcement of the principle of equal pay in Member States.

## **ACTION 2: COMBATING SEGREGATION IN OCCUPATION AND SECTORS**

*The Commission will support practices to tackle early on in education and professional life stereotypes leading to differences in the employment of women and men in different fields. The Commission will support companies and other employers in their efforts to ensure equal pay and to attract and retain the underrepresented sex.*

Segregation in sectors is one of the main drivers of the gender pay gap.

The representation of men and women varies from one economic sector to other. Women are less represented in some sectors of the economy, such as construction, manufacturing, transport, the sciences and ICT<sup>20</sup>. Conversely, men rarely enter key sectors for the future of Europe's society and economy, such as education, nursing, and carer professions in healthcare.

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<sup>17</sup> In Case C-318/13, Proceedings brought by X, 3 September 2014, the CJEU held that differentiated benefits on the basis of gender-specific actuarial data are inadmissible in statutory social security pensions under Directive 79/7/EEC.

<sup>18</sup> In Case C-236/09, Test Achats, 1 March 2011, the CJEU annulled Article 5(2) of Directive 2004/113/EC which permitted the use of sex-based actuarial factors in insurance contracts. The ruling obliged Member States to make unisex premiums and benefits mandatory by 21 December 2012.

<sup>19</sup> As announced in its report on the evaluation of the 2014 Recommendation.

<sup>20</sup> Women only represent 10% of the workforce in the construction sector, 22% in the transport sector and 30% in manufacturing (compared to 46% of the whole economy)

The ICT sector has been growing in the last 10 years and is expected to continue to create jobs. However, only around 16% of the almost 8 million people working in ICT are women. In the engineering and scientific sectors, a gender divide is still perceptible among the young generation: while in 2014 women made up 46 % of all PhD graduates in the EU, they accounted for just 28% of PhD graduates in engineering, manufacturing and construction, and only 21% of those graduating in computing. Conversely, men account only for 33% of PhD in teaching subjects.

Attracting more women to the science, technology, engineering and mathematics (STEM) sector<sup>21</sup> would contribute to an increase in EU GDP per capita of 2.2 to 3.0% in 2050. This could build on new trends such as girls' interest in coding or the emergence of female led start-ups.

As career and study choices are made quite early in life and are too often irreversible, tackling segregation in the labour market requires actions at school level. PISA data<sup>22</sup> show that gender stereotypes are still prevalent, leading to differences in self-confidence and engagement in different fields. A few good practices are available on how to tackle segregation in education and in the labour market. Mutual learning and evidence on "what works" are needed in this field.

*In particular, the Commission will:*

support transnational projects to tackle stereotypes and segregation in education, training and in the labour market, with a focus on experimentation generating sound evidence. The support will be provided through the Rights, Equality and Citizenship Programme (REC) 2014-2020. This complements support provided to Member States through the ESF and through Erasmus+;

- organise a stock-taking conference (in 2018) and final conference (2019) on the results of projects combatting stereotypes and segregation<sup>23</sup>; in cooperation with key stakeholders, notably representatives of schools, training providers, universities, public employment services and career guidance providers. The conferences are intended to highlight the most promising experiences and further disseminate them to a broad range of stakeholders and national governments;
- initiate regular sharing of best practices among companies, leading to the elimination of gender segregation and continue to facilitate the EU Platform of Diversity Charters<sup>24</sup>;
- continue to fund grass-roots projects questioning stereotypes led by the education and training communities through Erasmus+;

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<sup>21</sup> See EIGE study on reducing the gender gap in Science, Technology, Engineering and Mathematics (STEM)--  
<http://eige.europa.eu/gender-mainstreaming/policy-areas/economic-and-financial-affairs/economic-benefits-gender-equality/stem>

<sup>22</sup> The OECD is responsible for the Programme for International Students Assessment (PISA) which is a triennial survey of 15-year-old students around the world. Survey from 2015.

<sup>23</sup> Action grants to support transnational projects to promote good practices on gender roles and to overcome gender stereotypes in education, training and in the workplace - JUST/2015/RGEN/AG/ROLE. See [http://ec.europa.eu/justice/grants1/calls/2015\\_action\\_grants/just\\_2015\\_rgen\\_ag\\_role\\_en.htm](http://ec.europa.eu/justice/grants1/calls/2015_action_grants/just_2015_rgen_ag_role_en.htm)

<sup>24</sup> The EU-level platform of Diversity Charters was set up in 2010 and is funded by the European Commission. The platform now consists of 18 Diversity Charters from the following countries: Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Luxembourg, The Netherlands, Poland, Portugal, Slovakia, Spain and Sweden. See [http://ec.europa.eu/justice/discrimination/diversity/charters/index\\_en.htm](http://ec.europa.eu/justice/discrimination/diversity/charters/index_en.htm)

- implement particular initiatives in various sectors to eradicate stereotypes on women's and men's skills, abilities and roles, such as:
  - continuing to invite companies to join the Grand Coalition on digital skills and jobs<sup>25</sup> and in particular inviting them to equip more women and girls with digital skills and encourage them to pursue ICT studies and careers; EU funding will be made available to organisations and companies to continue the exchange of good practices on gendered innovation, diversity and inclusion, and balanced leadership;
  - publishing and considering appropriate follow-up to autumn 2017 study on *Women in Digital Age*, which provides an overview of the trends in this field;
  - providing tools to promote institutional changes that can foster equality in scientific careers (such as the Gender Equality in Academia and Research - GEAR tool developed by the European Institute for gender equality) and continuing to regularly monitor key trends in science and research in *She Figures*, the Commission's flagship publication in this field;
  - continuing to highlight women's achievements in science by organising the EU Prize for women innovators;
  - launching an EU Platform for change to increase female employment and equal opportunities in the transport sector<sup>26</sup> and publishing a study in 2018 on the business case for increased female employment in transport; upon its widely disseminated results, best practices from the sector will be shared and other sectors encouraged to undergo a similar exercise;
  - supporting peer learning between Member States on the careers of teachers and school leaders to address the gender imbalance in teaching<sup>27</sup>; this will be done under the Education and Training 2020 programme through a series of expert seminars and linked to the European sectorial social dialogue in education<sup>28</sup>;
  - supporting data collection on teacher wages by Eurydice<sup>29</sup> in cooperation with the OECD and encouraging Member States to take action to eliminate under-remuneration in this sector.

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<sup>25</sup> The Digital Skills and Jobs Coalition brings together Member States, companies, social partners, non-profit organisations and education providers, who take action to tackle the lack of digital skills in Europe.

<sup>26</sup> As from December 2017, stakeholders from all transport sectors will be able to make their concrete actions in favour of women's employment visible and to exchange good practices.

<sup>27</sup> Strengthening teaching in Europe, New evidence from teachers compiled by Eurydice and CRELL, June 2015 [http://ec.europa.eu/dgs/education\\_culture/repository/education/library/policy/teaching-profession-practices\\_en.pdf](http://ec.europa.eu/dgs/education_culture/repository/education/library/policy/teaching-profession-practices_en.pdf)

<sup>28</sup> Supporting teachers and school leaders for excellent teaching and learning, part of the COM Communication on School Development and excellent teaching for a great start in life (COM(2017) 248).

<sup>29</sup> [http://eacea.ec.europa.eu/education/eurydice/index\\_en.php](http://eacea.ec.europa.eu/education/eurydice/index_en.php)



### **ACTION 3: BREAKING THE GLASS CEILING: COMBATING VERTICAL SEGREGATION**

*The Commission will support practices improving gender balance in decision making processes and positions across sectors.*

In each sector and each occupation, women are less likely to be promoted and to get management responsibilities. Actions are therefore needed to improve gender balance in decision making and to ensure gender equality at all levels<sup>30</sup>.

*In particular, the Commission will:*

- work towards the adoption of the Commission proposal for a Directive on improving gender balance among directors of companies listed on stock exchanges. The proposal lays down quantitative objectives for Member States and emphasises the importance of boards setting transparent selection criteria for candidates;
- monitor the implementation of board gender diversity policies in the EU's largest listed companies in the context of Directive 2014/95/EU amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups; follow-up on the Commission guidelines on non-financial reporting, examining in particular to what extent the largest companies address the gender balance in their diversity policies<sup>31</sup>;
- continue funding, through the Rights, Equality and Citizenship programme, projects of governments, social partners, business, NGOs and universities aiming to improve the gender balance in management positions at all levels<sup>32</sup>
- engage in dialogue with social partners to promote measures to improve gender balance in decision making and initiate and implement projects aiming to improve the gender balance in decision making positions.
- encourage governments to adopt strategies that include concrete measures leading to better representation of the underrepresented sex in decision making.
- engage in dialogue with sectorial regulatory bodies to adopt measures improving gender balance in the decision making.
- implement the Work-Life balance initiative (see Action 4) which supports better balance and share of caring responsibilities between women and men, thereby encouraging women to apply to higher positions.

### **ACTION 4: TACKLING THE CARE PENALTY**

*The Commission will support women's economic empowerment by promoting work-life balance policies.*

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<sup>30</sup> For example, data from October 2016 show that women still account for less than one in four (23.9%) board members in the largest publicly listed companies registered in EU Member States. In local politics, in 2015, women accounted for only just over one in seven (15.1%) mayors or other council leaders (2017 Report on equality between men and women).

<sup>31</sup> [http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52017XC0705\(01\)](http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52017XC0705(01))

<sup>32</sup> Between 2014 and 2016, EUR 5 million were allocated to 23 projects on this topic.

Today, young women are leaving school with better qualifications than young men, but in 10 Member States they are already earning 10% less than men before they turn 34<sup>33</sup>. This gap becomes wider with age, particularly as a result of the so-called motherhood penalty<sup>34</sup>. Women leave the labour market to take care of children and/or dependent family member/s and, when they do not drop out of the labour market entirely, they often accept lower qualified positions to accommodate their family duties upon their return. Work-life balance policies are a pre-condition for improving women's economic empowerment, as a good work-life balance increases opportunities for women in the labour market and removes barriers to accessing employment<sup>35</sup>.

In the context of the European Pillar of social rights, the Commission has adopted an initiative to improve the Work Life Balance for working parents and carers, modernising the current EU legal framework on family-related leaves and flexible working arrangements and developing a comprehensive policy framework on improving the design of family-related leaves and flexible working arrangements, improving the quality, affordability and accessibility to formal care services and addressing economic disincentives for second-earners. The initiative aims to tackle women's underrepresentation on the labour market thanks to a better sharing of caring responsibilities between men and women, thereby reducing the risk that women are less able to progress in their careers and addressing stereotypes discouraging employers from hiring and/or promoting women. This should have a positive impact on tackling vertical gender segregation in the labour market, reducing women's incentives to self-select into lower-paid sectors or levels of job that are currently perceived as providing them with a better work-life balance and that are often lower paid (such as family doctors, school teachers or local authority workers).

*In particular, the Commission will:*

- strive towards a swift adoption of the Directive on work-life balance for parents and carers<sup>36</sup> by the co-legislators,
- ensure the swift implementation of the non-legislative actions laid down in the Communication<sup>37</sup>.

## **ACTION 5: BETTER VALORISING WOMEN'S SKILLS, EFFORTS AND RESPONSIBILITIES**

***Segregation in occupations and in sectors is pervasive and the situation is changing only slowly<sup>38</sup>. In the shorter or medium term, measures are also needed to improve***

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<sup>33</sup> Eurostat, Structure of Earnings Survey

<sup>34</sup> Reduced earnings, higher concentration in part-time work and career gaps linked to caring responsibilities make many women economically more dependent on their partners or the State and contribute substantially to the gender pay gap and gender pension gap. This results in a higher risk of exposure to poverty and social exclusion for women, with negative impacts also extending to their children and families (see the Commission Communication COM(2017)252 final An initiative to support work-life balance for working parents and carers).

<sup>35</sup> Oláh S., Hobson B, and L. Carlson (2017) "Changing families and sustainable societies: Policy contexts and diversity over the life course and across generations" FP7 Project FamiliesAndSocieties (GA 320116).

<sup>36</sup> Proposal for a directive on work-life balance for parents and carers and repealing Council Directive 2010/18/EU, COM(2017) 253 final

<sup>37</sup> COM(2017) 252

<sup>38</sup> Recent research confirms that sectoral gender segregation on the labour market accounts for a significant proportion of the gender pay gap in all EU countries: women are entering relatively low-paid sectors. Sectoral segregation has evolved very slowly (2017 Report on equality between women and men in the EU).

*wages in female-dominated occupations as a recognition of the skills, efforts and responsibilities mobilised in female-dominated sectors.*

*In particular, the Commission will:*

- work towards the better recognition of skills in all sectors, including in female-dominated sectors under its New Skills Agenda<sup>39</sup>. The tools<sup>40</sup> developed in the context of this Agenda (on qualifications, skills and the validation of informal learning) are gender-neutral and will help make the most of such skills and improve the transparency of qualifications. Special attention will be paid to gender issues in the implementation of the New Skills Agenda. In particular, mutual learning activities will be organised on how recognition and validation of skills can promote gender equality with key stakeholders<sup>41</sup>.
- continue to raise awareness on the importance of gender neutral job classification systems to ensure equal pay in practice. The Commission will publish and widely disseminate an updated Guide on gender neutral job evaluation and classification systems in 2018<sup>42</sup>.

#### **ACTION 6: FIGHTING THE FOG: UNCOVERING INEQUALITIES AND STEREOTYPES**

*The Commission will keep collecting and providing the relevant data about the existing gender pay gap and its consequences on earnings and pensions.*

Tackling the gender pay gap requires to have adequate knowledge of the problems inherent in this area and their extent to be able to propose the adequate remedies. The Commission is therefore working continuously to provide the relevant data about the persisting gender pay gap and about its consequences<sup>43</sup> for individuals, economies and societies<sup>44</sup> and to disseminate relevant studies<sup>44</sup>.

*In particular, the Commission will:*

- continue to report regularly about the evolution of the gender pay, earnings, and pensions gap in Europe via:
  - its annual Report on equality between women and men published at the occasion of the International Women's Day;

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<sup>39</sup> A new skill agenda for Europe, working together to strengthen human capital, employability and competitiveness, COM(2016) 381 final.

<sup>40</sup> Over the last 10 years, European cooperation and tools have been developed to foster transparency in skills: i) the European Qualifications Framework; ii) a multilingual classification of European Skills, Competences, Qualifications and Occupations (ESCO); iii) a Council Recommendation on the validation of non-formal and informal learning.

<sup>41</sup> Key stakeholders are national qualifications authorities, information, advice and guidance services, and authorities responsible for the validation of non-formal and informal learning.

<sup>42</sup> In its implementation Report on Directive 2006/54/EC (COM(2013) 861 final, 6.12.2013) the Commission provides in its annex a guide on gender neutral job evaluation and classification systems (SWD(2013) 512 final, 6.12.2013).

<sup>43</sup> See Bettio F. and Ticci E. (2017), Violence against women and economic independence.

<sup>44</sup> Such as the Report on the situation of pay transparency in Europe published in May 2017 by the European network of legal experts in the field of gender equality and the study on Magnitude and impact factors of the gender pay gap in EU countries prepared by the Directorate General for Justice;

- data on the "adjusted" gender pay gap<sup>45</sup> developed jointly by the Commission and Eurostat in 2017 and 2018 and data on the "unadjusted" gender pay gap developed by the Commission in the Social scoreboard<sup>46</sup>;
- the Eurobarometer on the gender pay gap and pay transparency which will be published in Autumn 2017;
- a report on the enforcement of equal pay published together with this Action Plan;
- launch work to better assess gender equality in the collaborative economy as data collected in Europe and the United States<sup>47</sup> show that more women are entering the "platform economy". This trend might contribute to widening the gender pay gap. A specific module on this topic will be included in the Eurostat's annual labour Force Survey;
- include a dedicated gender perspective in the 2018 Pension Adequacy Report.

#### **ACTION 7: ALERTING AND INFORMING ABOUT THE GENDER PAY GAP**

***The Commission will actively engage in awareness raising activities about the gender pay gap and provide guidelines on the principle of equal pay.***

The gender pay gap will decrease only with the strong involvement of all actors concerned, i.e. workers, companies and public authorities. Information is crucial to enable victims of discrimination to assert their rights, to enable companies to adjust their practices and policies and to enable public authorities to take the necessary accompanying measures and/or adopt guidelines.

*In particular, the Commission will:*

- draw attention to the gender pay gap and its underlying causes, notably by marking the European Equal Pay Day
- update and disseminate every year specific communication material and country fact sheets on the gender pay gap
- continue to publicise the results of the projects funded under the EU's PROGRESS programme, namely eight transnational projects, run by civil society and social partners to understand and tackle the gender pay gap, with a focus on specific sectors. The projects include the development of a calculator enabling companies to better understand and tackle their gender pay gap (inspired by LOGIB)

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<sup>45</sup> The gender pay gap can be explained by a number of factors: segregation, differences in school attainment, differences in experience, etc. The remaining "unexplained" part of the gender pay gap is called the "adjusted" gender pay gap. This decomposition of the gender pay gap into an adjusted and unadjusted part can provide further insights for policy-makers.

<sup>46</sup> Social scoreboard is available at:  
<https://composite-indicators.jrc.ec.europa.eu/social-scoreboard/#>

<sup>47</sup> See Krueger and Katz (2016), "The Rise and Nature of Alternative Work Arrangements in the United States, 1995-2015". American data shows "a notable rise in the likelihood of working in an alternative work arrangement for women. From 2005 to 2015, the percentage of women who were employed in an alternative work arrangement more than doubled, rising from 8.3 percent to 17.0 percent. The percentage increased by a more modest amount for men, from 11.6 percent to 14.7 percent". See also "The situation of workers in the collaborative economy", In-depth-analysis, European Parliament for EU data

- publish and disseminate in 2018 an updated Guide on the case law on the principle of equal pay drawing on the Annex<sup>48</sup> of the implementation Report on Directive 2006/54/EC<sup>49</sup> which provides an overview of landmark case-law
- prepare and widely disseminate in 2018 an updated Guide on best practices reflecting the latest actions taken by Member States to ensure the application of equal pay on the ground<sup>50</sup>.

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<sup>48</sup> SWD(2013) 512 final, 6.12.2013.

<sup>49</sup> COM(2013) 861 final, 6.12.2013.

<sup>50</sup> Deriving from SWD(2013) 512 final, 6.12.2013.

## **ACTION 8: ENHANCING PARTNERSHIPS TO TACKLE THE GENDER PAY GAP**

*The Commission will continue to engage with key players to exchange good practices, provide funding and address the consequences of the gender pay gap through the European Semester process.*

The Commission supports Member States, companies, civil society and social partners through funding and actions on the exchange of good practices. Recent examples include:

- the EU Diversity Charters Platform specific meeting on gender mainstreaming (June 2016);
- an EU seminar with cross-industry partners and sector social partners (November 2016); and
- a mutual learning seminar organised to discuss the Belgium's good practice in promoting gender neutral job classification (October 2016).

The Commission also supports Member States' efforts to tackle the gender pay gap through the European Semester process, eventually by recommending to a Member State to address this specific issue or some of its root causes, such as a lack of investment in childcare or fiscal disincentives preventing second earners – mainly women - to work or to work more.

In 2017, the gender pay gap was addressed in the Country Reports of nine Member States<sup>51</sup>. In May 2017, the Commission issued Country Specific Recommendations (CSRs) focusing on investment in childcare facilities and fiscal disincentives and on other measures to address the gender pay gap<sup>52</sup>.

*The Commission will in particular:*

- organise mutual learning seminars for governmental representatives on the gender pay, earnings, and pensions gap and its root causes. The focus will be on concrete tools and legal instruments and on the challenges involved in implementing them;
- support mutual learning and capacity-building among social partners, companies and other stakeholders, to tackle the gender pay gap;
- provide financial support to Member States willing to reduce the gender pay gap, through restricted calls for proposals under the Rights, Equality and Citizenship Programme (REC) 2014-2020; and
- continue to follow-up on the gender pay gap in the context of the European Semester and engage in dialogue with respective Member States on measures needed to eradicate it.

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<sup>51</sup> DE, EE, IE, ES, IT, AT, PL, RO, SK.

<sup>52</sup> Notably in EE.