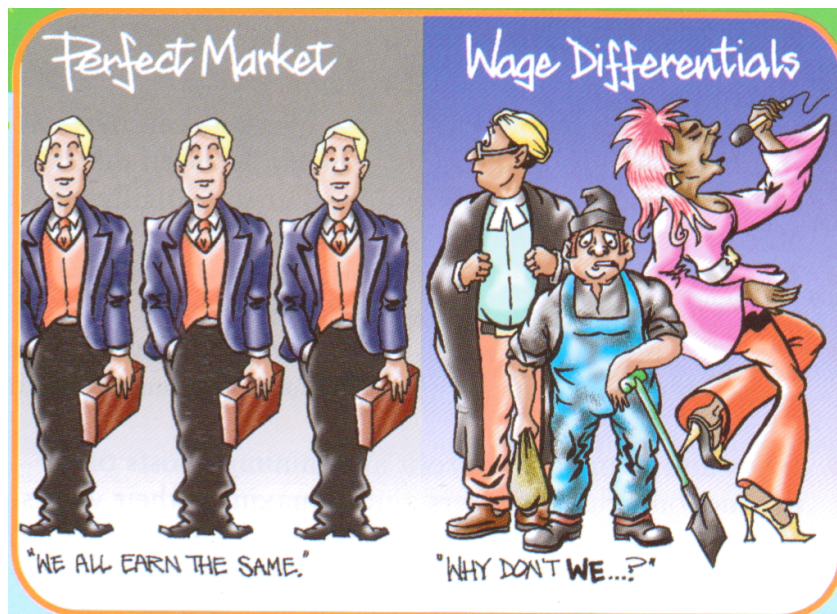


Issue 2: Have gender inequalities in the labour market vanished?

Introduction

What is meant by wage inequalities?

Document: Are all the worker's salaries the same?



Economics, Alan Anderton, Fifth Edition, 2008.

1. Give the four characteristics of a perfectly competitive labour market.

-
-
-
-

2. Quote some wage differentials from the picture and your knowledge.

Wage rates differ because labour is not Each worker is a unique of production, possessing a unique set of employment characteristics such as:

- Age – whether, or
- Sex – whether, or
-background ;
- Location :, or town,
- Ability to perform – including how hard they are prepared to work, their strength, and their manual or mental dexterity.
- Education, and work

2. Find out sources/ causes of wage differences using the characteristics of a competitive labour market.

- lack of due to not perfectly / completely mobile labour.
- trade unions might enforce employers to the wage.
- entry barriers → wage.

3. When do wage differences become inequalities?

The wage differences become inequalities when they involve an or a for the worker. It is called wage, according to the age, the gender ...

In this lesson, we are turning our attention to the analysis of **the wage inequality by gender**.

I. The awareness of the wage inequality by gender.

Movie: « *We want sex equality* »,
Nigel Cole, 2011, BBC Film and UK Film Council.
« Made in Dagenham »

Film credits

1. Recap the main features of the Ford Company.
2. Show the economic power of Ford in 1968.
3. Compare the number of men to women employees at Ford Dagenham in 1968.

Chapter 1: The start of the industrial action

- 1 Who are the main characters?
- 2 Describe the conditions of the working women in the Machinist Section at the River plant.
- 3 What is the source of the complain of the working women?
- 4 Why must they vote ?
- 5 Pick up two relevant factors showing the power of their industrial action.

Chapter 4 : The meeting

1. What kind of advice is provided by the shop steward, Monty Taylor, to Rita during the lunch?
2. Identify and compare the two separate periods of the meeting between the Unions and the Ford management.
3. Quote Rita's arguments in favour of the women employees of Ford.

Chapter 6 : An equality issue

1. According to Albert what should be the goal of **the dispute** instead of the skill issue? What are his arguments?
2. Explain why the equal pay is important for Albert?

Chapter 13: Rita's speech at the trade union conference (4 min)

1. Pick up all elements showing the conservative position of Monty Taylor, the senior shop steward.
2. What are the two verbs used by Rita inviting men to support the women 's dispute?
3. Quote Rita's sentences defending equal pay.

Chapter 14: The secretary estate of employment and production, a fiery Redhead (2 min)

1. What do the two assistants of the secretary state say about the meeting between the secretary and the working employees at Ford?
2. How does the secretary, Babara Castle, react? Find two types of reaction.

Chapter 15: The summit meeting (7 min)

1. Show that the two types of drinking are a sexist view.
2. Show Rita's determination demanding equal pay.
3. Lastly, what did women employees obtain after the talks with the secretary?

Key economic words:

Assembly line, shop steward, unionist, trade union, specialized worker, industrial action, strike, demonstration, over/ extra hours, dispute/conflict, wage discrimination, pay gap, equal pay, to walk out in protest against.

Summarize the story inspired from true events in the UK at the end of the 1960's.
Use the guide below:

Made in Dagenham is a 2010 British film directed by Nigel Cole. The film stars Sally Hawkins, Bob Hoskins, Miranda Richardson, Geraldine James, Rosamund Pike, Andrea Riseborough, Jaime Winstone, Daniel Mays and Richard Schiff. It dramatises the Ford sewing machinists strike of 1968 that aimed for equal pay for women. Rita O'Grady (a fictional character) leads the 1968 Ford sewing machinists strike at the Ford Dagenham plant, where female workers walk out in protest against sexual discrimination, demanding equal pay. The strike is successful and leads to the Equal Pay Act 1970.

1. The main features of the Ford Company in 1968.

.....

.....

.....

.....

.....

.....

.....

.....

2. The number of men AND women employees at Ford Dagenham in 1968.

.....

.....

3. The conditions of the working women in the Machinist Section at the River plant.

-

-

-

-

-

4. The source of the complain of the working women, an d then hheir **industrial action**.

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

5. According to Albert, the **shop steward, a trade-unionist**, show that the aim of the dispute has become the equal pay between men and women.

.....

.....

.....

.....

.....

.....

6. Lastly, women employees obtain after the talks with the secrtary:

.....

.....

.....

.....

II. The current wage inequalities by gender.

A. A rise in the number of women in the labour market ...

1. A long term perspective

Document 1: The impact of Claudia Goldin's work

The story so far:

On Monday, the Royal Swedish Academy of Sciences announced that the Sveriges Riksbank Prize in Economic Sciences for 2023 was being awarded to Harvard University Professor Claudia Goldin for “having advanced our understanding of women’s labour market outcomes”. Her work, it said, is the “first comprehensive account of women’s earning and labour market participation through the centuries”. Professor Claudia Goldin is only the third woman to have won the prize (for Economics) and the first to do it solo.

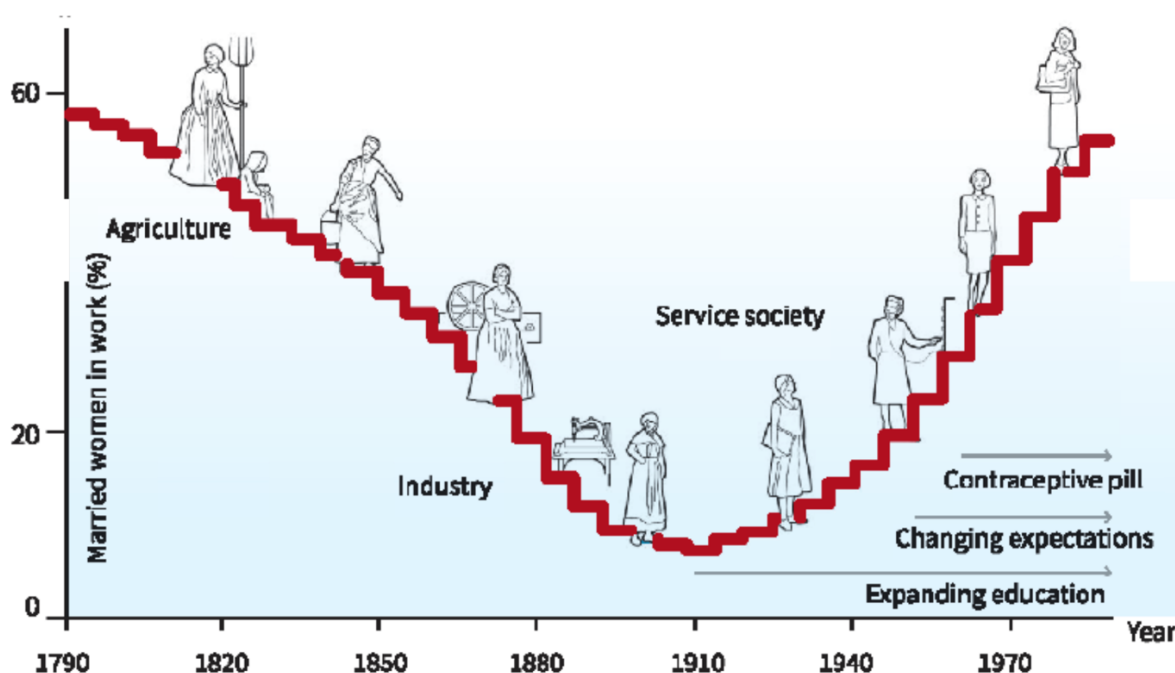
What is her research about?

Professor Goldin trawled through the archives of about 200 years of the United States to demonstrate how and why gender differences in earnings and employment rates have changed over time. The most significant of her observations was that female participation in the labour market did not exhibit an upward trend over the entire period, but rather a U-shaped curve. In other words, economic growth ensuing in varied periods did not translate to reducing gender differences in the labour market. She demonstrated that several factors have historically influenced and still influence the supply and demand for female labour. These include opportunities for combining paid work and a family, decisions (and expectations) related to pursuing education and raising children, technical innovations, laws and norms, and the structural transformation in an economy.

According to her, the most important in the unequal paradigm “is that both lose”. She told Social Science Bites blog earlier in December, “Men are able to have the family and step up because women step back in terms of their jobs, but both are deprived. Men forgo time with their family and women often forgo their career”.

The U-shaped curve

The economic growth in varied periods did not translate to reduced gender differences in the labour market. A lot of factors have influenced and still influence the supply and demand for female labour



Source: The Royal Swedish Academy of Sciences

How did female participation move between agrarian and industrial era?

The participation of married women with the transition from an agrarian to an industrialised society in the early nineteenth century. It started to again with the growth of the services sector in the early nineteenth century. The first of Professor Goldin's observations was about how female participation in labour force was incorrectly assessed and thereby, (incorrectly) stated in Censuses and public data. For example, a standard practice entailed categorising women's occupation as "wife" in records. This was incorrect because the identification did not account for activities other than domestic labour such as working alongside husbands in farms or family businesses, in cottage industries or production setups at home, such as with textiles or dairy goods. According to Professor Goldin, correcting the data about female participation established that the proportion of women in the labour force was considerably at the end of the 1890s than was shown in the official statistics. They enumerate that the employment rate for married women was three times greater than the registered Census.

She also observed that prior to the advent of industrialisation in the nineteenth century, women were likely to participate in the labour force. This was because industrialisation had made it harder for married women to work from home since they would not be able to balance the demands of their family. Even though her research held that unmarried women were employed in manufacturing during the industrial era, the overall female force had declined.

These two factors combined form the basis of the claim that there is no historical consistency between female engagement in the overall labour force and economic growth.

What made the curve move upwards?

The beginning of the twentieth century marked the trajectory for female participation in the labour force. According to Professor Goldin, technological progress, the growth of the service sector and increased levels of education brought an increasing demand for more labour. However, social stigma, legislation and other institutional barriers limited their influence.

Two factors are of particular importance here, namely, "marriage bars" (the practice of firing and not hiring women once married) and prevalent expectations about their future careers. The former, according to Professor Goldin, peaked during the 1930s' Great Depression and the ensuing years — preventing women from continuing as teachers or office workers. About expectations, Professor Goldin notes that women at varied points were subject to different circumstances when deciding on their life choices. Their decisions could be based on an assessment of expectations that might not come to fruition (se concrétiser).

How do expectations become a factor?

The Harvard professor observed that in the early twentieth century, for example, women were expected to exit the labour force upon marriage. When things turned marginally in the second half of the century, married women would return to the labour force once their children were older. However, this meant a reliance on educational choices that were made previously, as the author notes, at a time when they were not expected to have a career. The "underestimation" was overcome in the 1970s when young women invested more in their education.

As the Nobel Prize academy puts it, the exit for an extended period after marriage "also explains why the average employment level for women increased by so little, despite the massive influx of women into the labour market in the latter half of the century."

Another pivotal factor was the introduction of birth control pills. This created conditions for women to plan their careers better. Even if the pill influenced educational and career choices, this did not translate to the disappearance of the earnings gap between men and women, though it became "significantly smaller since the 1970s". (...)

https://epaper.thehindu.com/ccidist-ws/th/th_delhi/issues/55212/OPS/GUCBS113R.1+GN9BS3TH1.1.html

1. Rephrase the underlined sentence.

2. Using the chart, fill in the text

3. Quote factors:

- In favor of women's participation in the labour market:

- Against:

4. What is the paradoxical conclusion about female participation in the labour market?

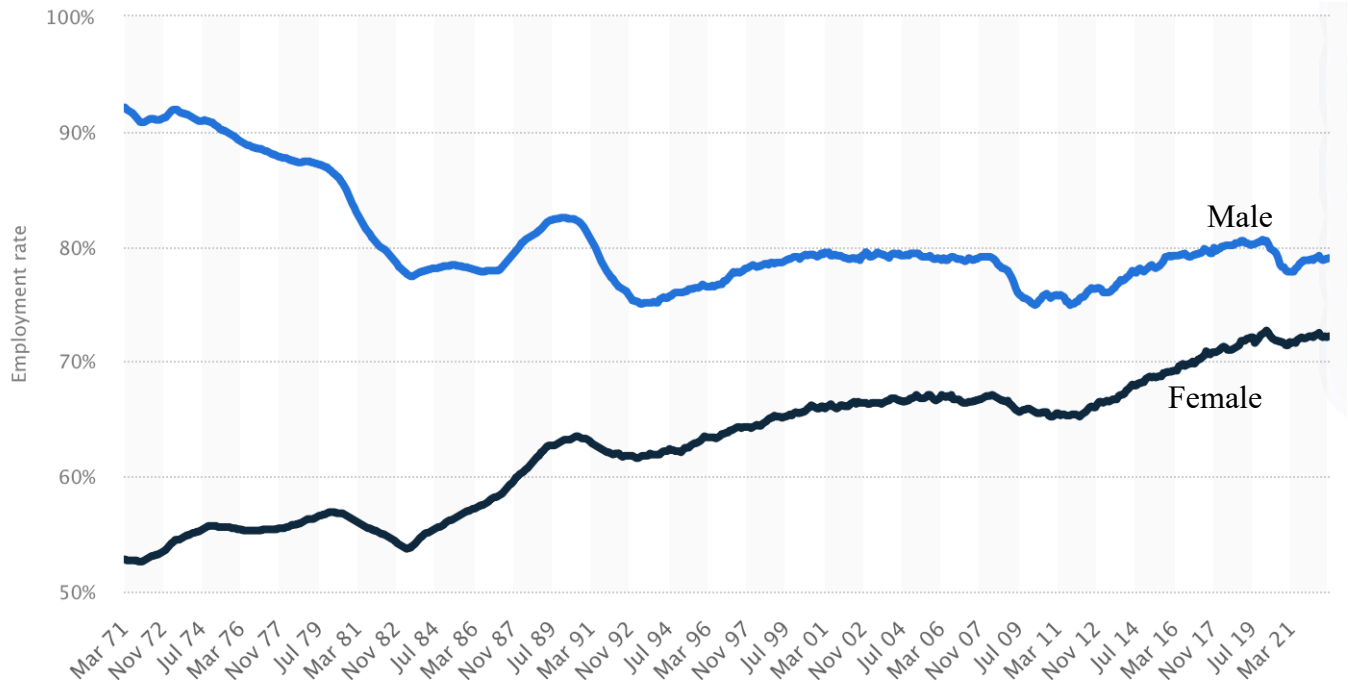
5. The important point is that both lose," she told the Social Science Bites blog last year. "Men forgo time with their family and women often forgo their career." (The Guardian, 9.10.2023).

What is the message at stake in this sentence?

2. In the recent / current period

→ In the UK.

Document 2: Employment rate in the United Kingdom from June 1971 to October 2022, by gender



Statista 2023

<https://www.statista.com/statistics/280120/employment-rate-in-the-uk-by-gender/>

1. Define employment rate.

.....

.....

Don't confuse with activity rate: % of any given population in the labour force (employed or unemployed people)

2. What do the two data mean in March 2021?

.....

.....

3. What was the main change during the last decade? Use some relevant data or calculations illustrating your answer.

.....

.....

.....

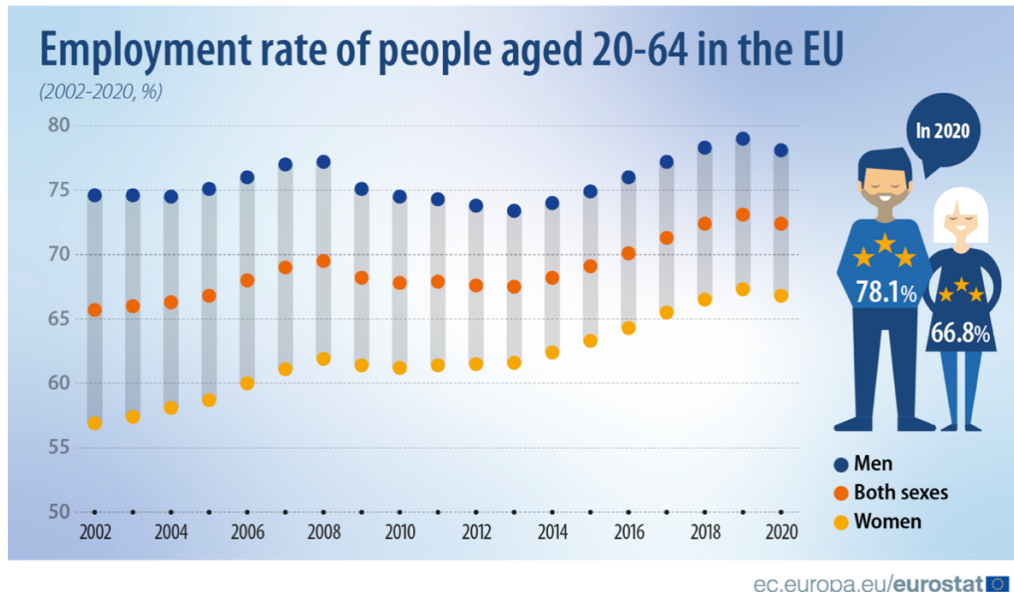
.....

.....

.....

→ In the European Union

Document 3: Females and males employment rates (in %) of people aged 20-64



<https://ec.europa.eu/eurostat/web/products-eurostat-news/-/ddn-20210421-1>

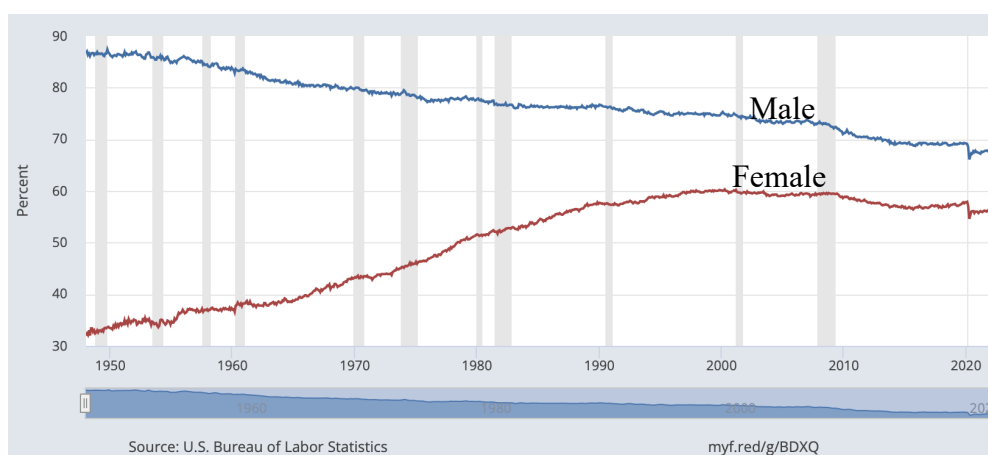
Using the chart 2 fill in the comments:

Women's employment rate in the EU stands at 66.8% - that of men at 78.1%. This gap between employment levels gradually thanks to targeted policies, which have led women to their participation in the economy and their contribution to family finances, with an employment rate increasing from 58% in 2002 to 67.3% in 2019. The gap also shrank as a direct consequence of the financial and economic crisis which affected particularly the male-dominated sectors in the labour market.

However, in 2020, the labour market in the EU was heavily impacted by the COVID-19 pandemic. The employment rate for persons aged 20-64 dropped to 72.4%, down by 0.7 percentage points (pp) in comparison to 2019. The employment rate for men of that age group stood at 78.1%, down from 79.0% in 2019. The employment rate for women was 66.8%, down from 67.3%. This development led to a further decrease in the gender employment gap, to pp, in comparison to pp in 2019.

→ in the USA.

Document 4: Male and female labor force participation rates (1), aged 24 to 54, 1948-2022



Comment the chart using relevant data:

While the labor force participation rate for men has slightly over the last decades (....% to%), significantly women have entered the labor force, as the LFP went up to 58% in 2020 from 39% in 60s.

https://fredblog.stlouisfed.org/2021/03/women-in-the-labor-force/?utm_source=series_page&utm_medium=related_content&utm_term=related_resources&utm_campaign=fredblog

B. ... but pay gap still remains ...

1. What is the gender pay gap?

→ In Europe

Document 5: Equal Pay Day across Europe

What is the European Equal Pay Day?

In the EU, women are hourly paid 14.1% less than men on average. This equals almost two months of salary. This is why the European Commission marks 10 November as a symbolic day to raise awareness that female workers in Europe still earn on average less than their male colleagues.

The Equal Pay Day in other countries

12 EU countries (Austria, Belgium, Cyprus, Czechia, Germany, Estonia, France, the Netherlands, Slovakia, Portugal, Spain and Sweden) organise and have organised an Equal Pay Day according to the respective Pay Gap in their country. Various awareness-raising activities are arranged to show the negative effect of the gender pay gap. Such activities involve equal pay actions organised by trade unions, public debates, seminars and press conferences.

Facts and figures

The gender pay gap in the EU stands at 13.0 % in 2020 and has only changed minimally over the last decade. It means that women earn 13.0 % on average less per hour than men.

The gender overall earnings gap, that measures the combined impact of the average hourly earnings, the monthly average of the number of hours paid (before any adjustment for part-time work) and the employment rate, stood at 36.7% in 2018.

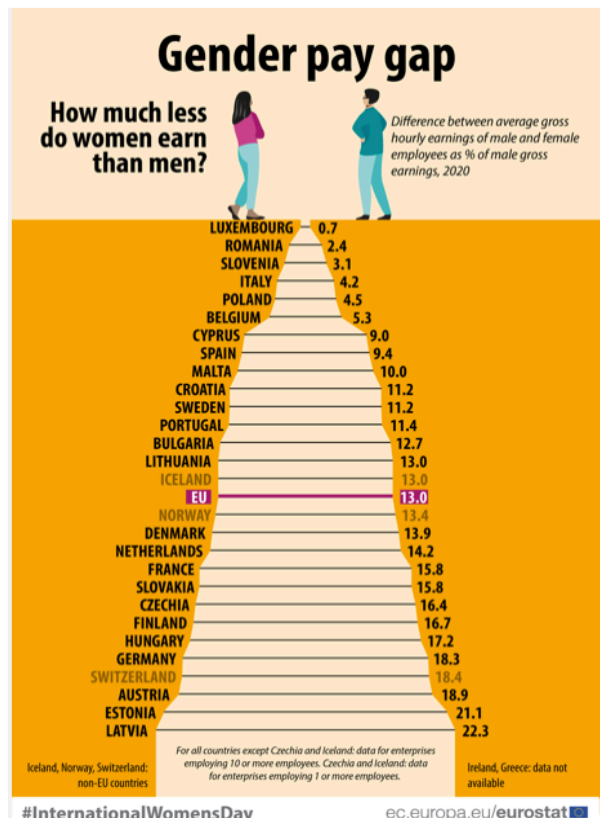
The gender employment gap stood at 10.8% in 2021, with 67.7 % of women across the EU being employed compared to 78.5% of men (EU27 data).

https://commission.europa.eu/strategy-and-policy/policies/justice-and-fundamental-rights/gender-equality/equal-pay/equal-pay-day_en

1. Underline how the gender pay gap is measured in the EU.

2. Explain what the European Equal Pay Day is.

Document 6: Gender pay gap statistics



Fill in the comments:

Differences between the EU countries

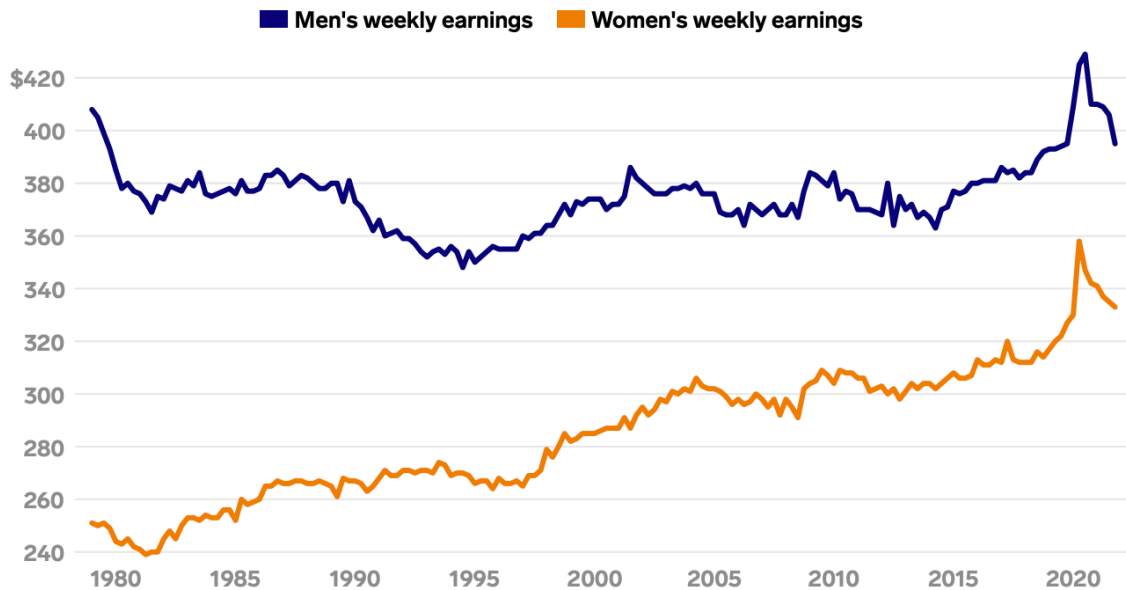
There are considerable differences between EU countries. The gender pay gap ranges from less than 5% in,,, and to more than 18% in,, and In most countries, the gender pay gap has decreased over the last ten years.

However, a lower gender pay gap in certain countries does not necessarily mean that the labour market in that country is more gender equal. A lower gender pay gap can occur in countries with a lower employment rate of women where mostly women with higher earning potential (e.g. better educated) enter the labour market.

https://commission.europa.eu/strategy-and-policy/policies/justice-and-fundamental-rights/gender-equality/equal-pay/gender-pay-gap-situation-eu_en#facts-and-figures

Document 7: The pay gap in the USA over 40 years

Median weekly earnings by gender



Note: Dollar amounts are in 1982-84 CPI Adjusted Dollars. Data shows real earnings for full-time workers who are at least 16 years old.

Source: Bureau of Labor Statistics

INSIDER

<https://www.businessinsider.com/gender-wage-pay-gap-charts-2017-3?r=US&IR=T#men-have-earned-more-than-women-since-1979-the-first-year-with-available-data-1>

Fill in the comments:

Based on real weekly earnings data from the Bureau of Labor Statistics, the gap has over time.

In the first quarter of 1979, median weekly earnings for men age 16 and over working full time was \$408, compared to \$251 for women. That is, women's weekly earnings were % of men's weekly earnings. There has been some progress over the years, and in the fourth quarter of 2021, median weekly earnings for men age 16 and over working full time was \$395, compared to \$333 for women. As a result, women's weekly earnings were% of men's weekly earnings.

→ In the UK

Document 8: Differences in earnings between men and women.

In recent years, although women have accounted for an increasing share of total employment in the UK, women's pay often continues to be lower than men's pay, despite the fact that equal pay legislation has been in place since 1972.

According to a poll undertaken by the Equal Opportunities Commission (EOC) in 2004, 88% of women expect to earn the same as a man with the same qualification, rising to 94% among women Under 25. According to the EOC report, these women are 'heading for disappointment' because the latest data showed that the difference in average pay between men and women working full time is just over £ 6,700 a year – about 18%. The poll also found that 29% of women did not know what their colleagues earned, compared with 20% of men. As a result, women were more likely than men to be unaware of pay discrimination. More people in professional and managerial positions than in clerical and manual jobs knew what most of their colleagues earned. The EOC concluded, rather depressingly, that 'discrimination flourishes in this culture of secrecy when people cannot be sure they are rewarded fairly'.

A2 Economics, AQA, Ray Powell, 2009, Philip Allan.

1. Recap:

- the Equal pay legislation in the UK

In 1970 it was becoming to separate pay scales between men and women.

- pay discrimination

Pay workers wages for doing the job.

2. Explain the women's disappointment showed in the poll undertaken by the EOC.

In 2004 women were disappointed because they expected a in pay gap while, in fact, it still

3. How can we explain the pay discrimination according to the poll?

According to the poll, the pay discrimination is connected to the culture of secrecy: women are aware of pay discrimination than men. As a result, the ignorance of pay discrimination prevents them from claiming incomes.

Document 9: The « glass ceiling »

The so-called glass ceiling that prevents women progressing in the workplace is more like 'reinforced concrete', the chief executive of the Equality and Human Rights Commission (EHRC) has warned. Nicolas Brewer, the Chief Executive of the Equality and Human Rights Commission, said:

'We always speak of a glass ceiling. These figures reveal that in some cases it appears to be made of reinforced concrete. We need radical change to support those who are doing great work and help those who want to work better and release talent.'

Young women's aspiration is in danger of giving way to frustration. Many of them are now excelling at school and are achieving great thing in higher education. And they are keen to balance a family with a rewarding career. But workplaces forged in an area of stay-at-home mums and breadwinner dads are putting too many barriers in the way – resulting in avoidable loss of talent at the top.

There are fewer women MPs in Westminster, where they make up just 19.3% of all MPs (...)

The Commission's report argues that its findings are not just a 'women issue' but are a powerful symptom of a wider failure.

A2 Economics, AQA, Ray Powell, 2009, Philip Allan.

1. What is meant by a 'glass ceiling' *?

.....
« The unseen, yet unbreakable that keeps minorities and women from to the upper rungs of the corporate ladder, regardless of their qualifications or achievements." »

Federal Glass Ceiling Commission. Solid Investments: Making Full Use of the Nation's Human Capital. Washington, D.C.: U.S. Department of Labor, November 1995, p. 4.

2. Why does glass ceiling exist?

.....
.....

3. Explain the last sentence of the text.

.....
.....
.....
.....

Sum 'up B:

Complete the following:

Gender pay gap*: it represents the difference between the women'sand the men's wages. More specifically, it is the average difference between women and men's hourlyacross the entire economy.

Equal pay*: refers to a law established in the UK in 1970, the Equal Pay Act. From the law in 70s', it was becoming illegal to pays scales between men and women.

Wage discrimination*: paying different workers different for doing the job.

Glass ceiling*: it means that minorities or women cannot rise to occupy jobs. Furthermore, it refers to unseen and unbreakable that keep minorities or women from rising to the upper rungs of the ladder, regardless of their qualifications or achievements.

C. ... due to several causes.

Document 10: 'Claudia Goldin on Career and Family: Women's Century-Long Journey toward Equity'

Professor Goldin highlighted that gender inequity at home can produce gender inequality in society. A century ago, it was a given that a woman with a college degree had to choose between having a career and a family. Today, there are more female college graduates than ever before, and more women want to have a career and family, yet challenges persist at work and home.

One of the key barriers women face in eliminating the gender wage gap is 'greedy work', paying employees disproportionately more for long hours and weekend work. Greedy work is particularly prevalent in jobs where one gets tenure, partnerships, salary promotions, and more. Further, caregiving responsibilities still disproportionately fall on women. Because of care responsibilities many working mothers opt for jobs with higher flexibility even though these jobs are less remunerative, thus widening the gender wage gap. This also propagates couple inequality as the male partner does 'greedy work' and has more financial reward. Not only does this give rise to a gender gap in earnings, but it also reinforces a couple's inequity in terms of career and family. Professor Goldin highlighted that a potential solution and silver lining of COVID-19 has been the growth of remote and flexible work, which can greatly benefit working mothers.

Claudia Goldin on Career and Family: Women's Century-Long Journey toward Equity | Gender and the Economy

1. What is the difference between female college graduates a century ago and nowadays?

.....
.....

2. What is 'greedy work'?

'Greedy work' refers
.....

3. How does a 'greedy work' explain the persistent gender pay gap?

.....
.....

Activity: The causes of the gender pay gap

The table below presents a number of complex and often interrelated factors that explain the existence of the gender pay gap.

1. Complete the explanations in column 2.

2. Recap the meaning of 'stereotype' and give one or two examples of it.

.....
.....

3. What sociological concept does 'educational paths' refer to?

.....

4. Complete column 1 matching each explanation to the following causes: Traditions and stereotypes, Segregation in the labour market, Direct discrimination, Balancing work and private life, The undervaluing of women's work.

5. Illustrate how gender stereotypes during the process of socialisation may influence the choice of a professional career.

.....
.....

Table of causes of the gender pay gap

Causes	Explanations
	Some women are paid than men for doing the same job. This factor only explains a small part of the gender pay gap, due to the effectiveness of the European Union and national legislation.
	<p>More frequently women earn less than men for doing jobs of equal value. One of the main causes is the way women's competences are valued compared to men's.</p> <p>Jobs requiring similar skills, qualifications or experience tend to be poorly paid and undervalued when they are dominated by rather than by For example, the (mainly female) cashiers in a supermarket usually earn less than the (mainly male) employees involved in stacking shelves and other more physical tasks.</p> <p>In addition, the evaluation of performance, and hence pay level and career progression, may also be biased in favour of For example, where women and men are equally well qualified, more value can be attached to responsibility for capital than to responsibility for people.</p>
	<p>The gender pay gap is also reinforced by the segregation in the market. Women and men still tend to work in different jobs. On the one hand, women and men often predominate in different sectors. On the other hand, within the same sector or company women predominate in valued and lower paid occupations.</p> <p>Women often work in sectors (for example in,, and public) where their work is lower valued and lower paid than those dominated by men. When we look at the health sector alone, 80% of those working in this sector are.....</p> <p>Moreover, women are frequently employed as administrative assistants, shop assistants, or low skilled or unskilled workers - these occupations accounting for an important proportion of the female workforce. Many women work in-paying occupations, for example, cleaning and work.</p> <p>Women are-represented in managerial and senior positions. For example, women represent only around 17% of board members in the biggest publicly listed companies within the EU, around 4% of chairs of boards, and a third of scientists and engineers across Europe.</p>
	<p>Segregation is frequently linked to traditions and stereotypes. Whilst in some cases this may reflect personal choices, traditions and stereotypes may influence, for example, the choice of educational paths and, consequently, careers that girls and women make.</p> <p>While around 60% of new university graduates are women, they are a in fields like mathematics, computing and engineering.</p> <p>Consequently, there are fewer women working in scientific and technical jobs. In many cases this results in women working in lower valued and lower paid sectors of the economy.</p> <p>Because of these traditions and stereotypes, women are expected to reduce their working hours or exit the labour market to carry out or elderly care.</p>
	<p>Women experience greater difficulties than men when it comes to balancing work and life.</p> <p>Family, care and domestic responsibilities are still not shared. The task of looking after dependent family members is largely borne by Far more women than men choose to take parental This fact, together with the lack of facilities for childcare and elderly care, means that women are often forced to the labour market: only 65.8% of women with young children in the EU are working, compared to 89.1% of men.</p> <p>Although part-time work may be a personal choice, women have recourse to part-time work in order to combine work and family responsibilities. There is evidence of a pay gap in hourly earnings of part-time and full-time workers. Across Europe around 32% of women work part-time, compared to only around 8% of men.</p> <p>Women are less involved in 'greedy work' as their family participation is higher than men's ones (Claudia Goldin).</p> <p>Consequently, women have more career or work shorter hours than men. This has a impact on their career development and promotion prospects. It also means financially rewarding careers.</p>

According to <http://ec.europa.eu/justice/gender-equality/gender-pay-gap>

Sum' up C: Summarize the main causes of gender pay gap in a short paragraph.