

## The gender pay gap as a lens



According to Stats SA, in South Africa women make up almost 51% of the 15 - 64-year-old population yet, depending on sources, there's a difference of between 20 to 28% in pay and remuneration.

The Global Wage Report for 2018/19 delivers some hard-hitting truths about the problems faced in the workplace:

*"South Africa has the highest wage inequality in the world, according to a new study by the International Labour Organisation (ILO) into hourly wages among 64 countries. In its Global Wage Report 2018/19, released last week, the ILO states: "South Africa, Namibia ... Tanzania and Malawi are the countries with the highest levels of wage inequality among the 64 countries considered." ~ News24, Nov 2018*

### **Ultimately, it's a Systemic Issue**

Ultimately the gender pay gap is a manifestation of underlying social challenges. Whilst certain factors can be attributed to differences in labour market attributes or characteristics (human capital endowments, job characteristics and workplace characteristics) there are deeper, more complex factors that impact gender remuneration differences.

#### Education compounded by economics

Our education system continues to influence gender norms that lead girls into lower paying jobs which are less valued. This is due to a variety of factors ranging from the fact that female students often drop out due to unwanted pregnancy or the demands placed on them by their families. (Source: Borgen Project)

In a challenging economic situation such as the one we currently face in South Africa, women often feel more compelled to take a lower paying role or job than none at all. Additionally, especially in South Africa, gender pay gap reporting, or rather the lack thereof, does not give women the information they

need to challenge unequal pay. For that they need to know what their colleagues earn.

Difference in assertiveness

Dr Julie Davies of The University of Huddersfield concurs that the roots of the gender pay gap are formed early on, telling *The Independent*: *“This happens when women don’t negotiate their salary in their first role due to societal pressures, and so there is a cumulative effect as they move from one job to another. Often women don’t ask for more money and are just grateful to be offered a job.”*

Motherhood

Also known as the motherhood penalty, the motherhood gap refers to the disadvantages that many women face in the workplace after having children. This includes taking part time roles in order to allow for taking care of children and not progressing in one’s career during the most demanding years of motherhood.

*“But this has a knock-on effect on other things, too, like women’s pensions. The gender pension gap is even bigger than the gender pay gap because money that women don’t pay into their pensions while they’re off work caring children, or while they are earning less to begin with, compounds over time.”*

### **Asking new questions, opening new opportunities**

Closing the gender pay gap isn’t just about building and maintaining a more diverse work force. It offers South Africa the opportunity to address a range of factors seemingly removed from the gender pay gap itself.

PwC estimated conservatively that closing the gender pay gap by just 10% would result in a 3.2% growth in GDP and a 6.5% reduction in unemployed job seekers, with low income households receiving 2.9% more income. That’s a substantial shift in country and economic context overall.

You may agree but feel despondent at what you may be able to do both as an individual and within your various communities but if there’s one thing I believe we, as leaders and citizens of this country need to do it to start seeing ourselves as key to the solution. We begin by asking key questions

*How do we begin to see ourselves as the leaders of the change we desire, in our homes, families and communities? What can we uniquely do that the world of tomorrow needs?*

As organisations we need to consider new questions such as;

*How does what we do serve the needs of all stakeholders and future generations?*

If the gender pay gap provides a lens into some of our most complex societal, political and economic issues, how could we use it as a two-way lens to focus on ourselves and on the outcomes that we desire to achieve?