

Women, Gender Pay, Variables and Sectors

Roshan Sallagundla Chowdary

INTRODUCTION

This article consists of a detailed analysis gender pay gap and how it is not sexism but motherhood that accounts for the gap. The Healthcare sector is a major source of employment, especially for women. There is an obvious generational difference and an overrepresentation of men among top earners in the health and care sector. This issue needs to be addressed by public policy that creates a gender balance in the sector's jobs. The gender pay gap in the health and care industry is still largely unaccounted for by the labour market characteristics that, in theory, should be the only elements used to determine pay. This, however, would not be sufficient to close the gender pay gap in the industry. There is evidence of a motherhood gap among women working in the health and care industries. Last but not least, it is critical to emphasise how COVID-19 disproportionately impacted low-paid workers, the majority of whom are women, especially women working in the health and care sector. Disparities between the traits that men and women bring to the labour market, as well as the portion that these differences are unable to account for. The first section, which covers factors including age, education, working hours, and institutional sectors, can only partially account for the gender pay gaps that have been reported in the industry and the gender pay gap in the health and care sector is generally larger than the disparity in other economic sectors for many nations. In light of the hourly mean gender pay difference, 44 out of the 54 nations exhibit this. When compared to other sectors, the gender wage gap in some of these nations is just slightly different. The majority of the gender wage gap is still unaccounted for by the data on labour market characteristics that are currently accessible.

This study looks into the claims that overall wage compression and a limited supply of women relative to demand reduce the gender pay gap in a nation. Using microdata for 22 nations between 1985 and 1994, the study discovered that a low or female net supply and more compressed mail structures are both connected to a reduced gender pay difference. The fact that the gender pay gap is inversely correlated with male wage inequality suggests that mechanisms for establishing wages, such as collective bargaining agreements that set relatively high wage floors, can increase the relative pay of women, who are typically paid the least in the workforce. This is due to the likelihood that a sizable amount of variations in wage inequality among countries can be attributed to labour market structures.

A quantitatively significant portion of the gender pay gap between high gap and low gap countries can be attributed to variations in overall which structures with variations in female lead supply according for a further potentially significant portion, according to this research. Additionally, the impact of pay structures on the gender pay gap is a quantitatively significant portion of the gender pay gap between the high gap and low gap countries.¹

The pay gap between men and women is one of the most common and ongoing gender inequities in the workforce. The ongoing salary disparity between men and women disadvantages women and families financially. Families are deprived of the resources necessary to support their families. Additionally, it makes it harder for women to become financially independent and meaningfully contribute to their households. When families are taken into consideration, women continue to have financial disadvantages. Women have greater financial difficulties than men when it comes to raising children. Women are typically the primary carers for children, so this is particularly alarming. Mothers consequently frequently need to take time off work to care for their kids. But I believe that there is no gender pay gap but then there is a motherhood gap so the gender pay is not all about sexism but it's about motherhood because it's clear that a mom holds more responsibility for a child and it's hard to give 100% of her dedication towards the job and since it's not equal to a man's dedication and sincerity towards the same job, equal gender pay in all cases is hard to reach. Despite the fact that there are many factors contributing to women's lower salaries than males, economists have historically focused on two primary causes. Since they are expressly linked to distinctions between men and women in terms of their qualifications or treatment, this is referred to as "gender-specific" features. The potential importance of education and experience in terms of qualifications has been highlighted by the human capital model in a significant way. Despite having a higher possibility, women were less likely than males to continue their education after high school. Men also preferred to concentrate their studies in fields like engineering, law, medicine, and business since they paid better and were more career-oriented. These educational discrepancies have greatly decreased recently, especially at the college level where women now account for more than half of the student body.

¹ *The gender pay gap in the health and care sector: A global analysis in the time of COVID-19*, (July 13, 2022), www.ilo.org/global/publications/books/WCMS_850909/lang--en/index.htm.

Additionally, women now make up a larger percentage of workers in formerly male-dominated fields. Variations in education levels have never been the primary explanation for the gender wage gap; most recently, in some samples, gender inequalities in years of schooling favour women. The gender wage gap, as well as gender inequalities in qualifications and the intensity of discrimination, may be impacted by the self-selection of men and women into full-time employment and, more broadly, into the labour force.

Or, to put it another way, persons may differ in terms of both their measurable and unmeasured characteristics from those who opt to leave the labour force or work part-time. For instance, it's feasible that those that are employed are a positively selected group who have received higher compensation offers. Full-timers may be more qualified and committed to the job market than part-timers are. The gender pay gap at a given point in time is narrower if only full-time workers are taken into account than if part-timers and non-participants are included, which is a result of changes in female and male selection into the labour market.²

There has been and still is a gender wage gap for many years. A life course technique is used to study gender income disparities over a 24-year period. This study's aim is to investigate income patterns and how they vary for men and women. The study also examines how variables affecting human capital, professions, and traits that progressively worsen over time contribute to the explanation of the GPG in Germany. Consequently, the aim of this effort was to increase our understanding of GPG over the course of our lives.

The data shows that there is a tendency for the gender pay gap to widen as we move from lower to higher quantiles of the wage distribution. The hourly wage distribution in every country differs greatly from one another. Despite the fact that men are often underrepresented in the health and care sector globally, men are disproportionately represented at the top decile of the hourly compensation distribution, where the gender pay gap is significantly bigger. In terms of characteristics relevant to the labour market, neither within nor between deciles of the hourly wage distribution, there are no appreciable variations between men and women.

However, due to their age and experience, particularly at the top of the wage scale, males in other countries are more likely than women to be employed and have higher levels of education. The age, education, and gender segregation across occupational categories are the main contributors to the gender pay gap in the health and care sector.

The salary discrepancy between men and women is a recurrent issue worldwide. For instance, women still make an average of 84% of what males make per hour in countries that are members of the Organization for Economic Cooperation and Development. Country studies repeatedly shown that the wage gap persists even when gender variations in education and employment status are taken into account. Additionally, the distance is being closed with inconsistent progress. In the United States (US), the gap decreased in the 1980s following a stable era that began in the 1960s, but pay convergence subsequently slowed, resulting in the difference remaining nearly constant since the early 1990s. Other sophisticated economies with similar conclusions are those of Sweden and Denmark. Understanding the core reason of the wage gap is crucial because it may deter women from investing in human capital or engaging in the labour market, effectively creating a vicious cycle that impedes women's progress toward equality in the future.

The result was confirmed by a sizable empirical literature that employs household- or individual-level data and a variety of proxy variables. The evolution of the gender wage gap over time as a result of labour market experience is a significant characteristic of this phenomenon. When employees are young, the gender wage difference is very small; but, as workers get older because, on average, women tend to leave the labour force earlier, the disparity widens. For workers who consistently work full-time, the gender wage gap grows smaller with age. The growth in women's labour force participation, professional-occupation representation, and hours worked is found to be significantly influenced by an increase in the aggregate productivity in professional occupations. One of the most crucial qualifications is believed to be labour market expertise. The so-called family gap is also captured by variations of explanatory variables, including greater occupational segregation (where men and women are assigned gender-specific categories for occupations that differ in wages paid) and greater self-selection of women into industries with slower wage growth.³ Women whomarry and have children experience a wider wage gap than unmarried women without children.

Although productivity-related factors at the individual and household levels have mostly been the factors influencing the gender wage gap variance, existing literature also identifies macro-level factors that can explain variation in the wage gap among countries. These include things like family-friendly laws that might have a negative impact on women's salaries. The structure of the industry and the mix of skills that are in demand therein play a significant role. Having more children would, as expected, result in a wider gender wage difference, but this effect only occurs in developing nations; it does not occur in industrialised nations.

² www.nber.org/system/files/working_papers/w8200/w8200.pdf.

Furthermore, we discover that for developing nations, increasing women's labour market participation or length of education on their own would not result in a reduction in the gender wage gap. These findings indicate problems with employment quality and industry structure. In these economies, for instance, the development of the service sector should lead to the creation of higher-paying jobs. Otherwise, completing more years of education would not reduce the wage disparity. On the other hand, in developed nations, more female labour force participation does appear to reduce the gender wage gap. This is likely because more female workers are entering the labour force to fill higher-paying service sector jobs, which are typically only available in a few developed economies. From a life course viewpoint, there are pay disparities between men and women on the German labour market. Our findings showed that factors affecting human capital have persisted in being significant in explaining the GPG throughout time. When attempting to explain the disparities in income between men and women, it is also crucial to include elements of working disadvantages like marginal work or unemployment. The availability of more work data over the duration of the life course with corresponding individual data would aid in further research and aid in a deeper understanding of the GPG.

The gender pay gap in a nation is reduced by overall wage compression and a small female labour supply compared to demand. Lower female net supply and more compressed male wage structures are both related to a smaller gender pay difference. The inverse relationship between the gender pay gap and male wage inequality suggests that wage-setting mechanisms, like encompassing collective bargaining agreements, that provide for relatively high wage floors raise the relative pay of women, who typically are at the bottom of the wage distribution. This is because it is likely that labour market institutions account for a significant portion of international differences in wage inequality. In the health and care industry around the world, gender segregation is a common practise. As we move from lower to higher quantiles of the wage distribution, the gender pay gap tends to grow, the analysis demonstrates. It differs significantly across the hourly wage distribution for all nations. Males are disproportionately represented at the top decile of the hourly salary distribution, where the gender pay gap is considerably higher, despite the fact that men are generally underrepresented in the health and care sector across all countries. There are no significant differences between men and women in terms of labour market traits, either within or across deciles of the hourly wage distribution.

However, in other nations, men are more likely than women to be employed and have greater levels of education due to their age and experience, especially at the top of the pay scale. The gender pay gap in the health and care industry is mostly caused by age, education, and gender segregation across occupational categories. Despite the high level of feminization, there exist gender inequities in the health and care sector, notably in terms of remuneration. This report is the first of its kind and uses data from 54 nations, which collectively account for nearly 40% of the industry's wage employees globally, to analyse the gender pay gap globally and throughout the sector. The analysis reveals that the gender pay gap in the health and care industry spans from roughly 15% (in the case of median hourly wages) to about 24% using weighted global estimates (in the case of mean monthly earnings). When taking into account the range of values across four configurations of assessing the gap, wage workers for the health and care industry make about 20% less than men do. The gender pay gap in the health and care sector is typically wider than it is in other economic sectors, according to a report that compares it to other (non-health) economic sectors. This is especially true when professional categories within the health and care sector are contrasted with professional categories in non-health sectors.

Especially for women, the health and care sector is a significant global employer. 3.4% of all employment worldwide is in the health and care sector, which includes 10% of all employment in high-income countries (HIC) and just over 1% in low- and middle-income nations (LMIC). The fact that women make up roughly 67% of the sector's global workforce and that there is a considerable degree of gender segregation is one aspect of employment in this sector that distinguishes it globally. The proportion of women in the sector's workforce, however, fluctuates depending on economic development. Women make up 63.8% of the sector workforce in LMIC versus 75.3%. According to the estimates in this report, the sector is highly feminised across all nations and regions. Higher proportions of women in the workforce may not always translate into higher health and care spending. As a result of the economic depression brought on by the COVID-19 pandemic, the health and care sector lost less jobs than non-health economic sectors. However, the working conditions for those employed in the industry have drastically declined, especially for those leading the fight against the pandemic (the majority of whom are women), whose risk of infection is therefore disproportionately high. By December 2020, employment in the health and care sector had recovered almost completely on average, but for other groups of employees, particularly women with less education and those in informal employment, the recovery had been slower.⁴

³ d1wqtxts1xzle7.cloudfront.net/51346178/AMP.2007.2428616120170113-22225-s5mey2-with-cover-page-v2.pdf

⁴ Maria Bohdalova, *urse A Multilevel Analysis*, The Gender Pay Gap: Income Inequality Over Life Co www.frontiersin.org/articles/10.3389/fsoc.2021.815376/full.

The COVID-19 crisis disproportionately affected low-paid workers, the majority of whom are women, therefore by the end of 2020, it appeared as though average hourly wages (or monthly salaries) had grown for those who had stayed in the industry.

However, this is a constructed reality, and the actual total wage cost for the industry has decreased. The gender pay gap in the industry appears to have decreased only marginally between January 2019 and December 2020, controlling for composition effects in terms of the traits of health and care professionals prior to and following the start of the epidemic. Gender differences in occupation and industry are substantial and help to explain a considerable portion of the gender wage gap. Men are more likely to be in blue-collar jobs and to work in mining, construction, or durable manufacturing; they are also more likely to be in unionized employment. Women are more likely to be in clerical or professional jobs and to work in the service industry. Taken together, these variables explain 53% of the gender wage gap—27% for occupation, 22% for industry, and an additional 4% for union status.⁵

CONCLUSION

All these theories show that sexism is not the driving factor of the gender pay gap. It is not denying that sexism plays a role but it is not all. Many variables like age, interest, family pressure etc. and also characteristics and responsibilities play a huge role. Many countries made their efforts to close gender pay but ended up proving that it's not just sexism or gender discrimination that constitutes gender pay but also many responsibilities, variables and many more factors that constitute gender pay. The gender pay gap is complex with a lot of variables to consider for women and also for men and thus mere policies or reforms will not help in bringing a change no matter the position of the country in the world economy or employment.

REFERENCES

- [1]. The gender pay gap in the health and care sector: A global analysis in the time of COVID-19
UNDERSTANDING INTERNATIONAL DIFFERENCES IN THE GENDER PAY GAP
- [2]. The Gender Pay Gap: Income Inequality Over Life Course – A Multilevel Analysis
Gender pay gap : A macro perspective
The Gender Pay Gap: Have Women Gone as Far as They Can?

⁵ www.adb.org/sites/default/files/publication/404406/ewp-538-gender-pay-gap.pdf.