



# Gender Pay Gap in Belgium Report 2008

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# Foreword

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In 2006, the Federal Government instructed the Institute for the equality of women and men and the FPS Employment, Labour and Social Dialogue to submit an annual gender pay gap report.

The purpose was, first and foremost, to provide objective and centralised data every year on pay inequality, to take stock of the factors that cause it, to be able to analyse the development thereof in time, and to raise the awareness of the governmental authorities and the social partners about possible approaches for a sustainable reduction of the pay gap.

Flagrant forms of unequal pay for equal work are indeed rare in our country, and there are legal instruments available for dealing with any cases which may persist. Nevertheless, the complexity and diversity of the causes of the pay gap and the abundance of areas in which actions are recommended (child care, educational orientation, segregation on the labour market, etc.) require going beyond the purely legal approach, i.e. reacting on a case-by-case basis.

Actually, a far broader, global approach is needed to reduce the pay gap. A fundamental change of mentality is required, much akin to a 'cultural revolution' the effects of which can be measured only in the long term.

Such a change can only come about through extensive cooperation by and between the different policy levels and the social partners; and through the ongoing confirmation that the fight against the pay gap is a social and political priority that calls for a sustainable investment from all parties involved.

We hope that this second report will again provide us with a valuable instrument to measure the progress made in concrete terms and to assess such measures as are still needed.

As Federal Ministers, we hereby pledge to subscribe resolutely to the perspectives set out in this report and, especially through cooperation with the social partners, to spare no effort in putting the policy recommendations to practice.

We hope you will find it most informative.

Christian DUPONT,  
Minister of Pensions and Social Integration, in charge of Equal Opportunities

Josly PIETTE,  
Minister of Employment





# Introduction

## The pay gap report

The average woman earns less than the average man in Belgium. This simple observation led the Institute for the equality of women and men and the Federal Public Service Employment, Labour and Social Dialogue last year to issue a first report on the pay gap, so as to feed the discussion with clear figures from official sources and to provide lines of thought that can bolster the fight against the pay gap.

This second report goes further in the same vein, encouraged by the positive reactions its predecessor elicited. The data have been updated, and an attempt has been made to broach the gender pay gap from other lines of approach. The calculations are again being carried out by the Directorate-General Statistics and Economic Information. Furthermore, a cooperation has been set up this year with the Federal Planning Bureau, thanks to which survey data can be supplemented with administrative data so as to make an estimate of the pay gap in the entire Belgian economy.

## Pay

Those who follow socio-economic trends in our country see very different figures crop up on a regular basis which are supposed to reflect 'the' gender pay gap. Although this is really confusing, it is almost unavoidable. First, because the concept of 'pay' is not that clear: are we talking about hourly pay or monthly pay, for instance? Furthermore, the inclusion or exclusion of part-time work naturally makes an important difference. Or are we looking at annual pay? Then we must also take account of such elements as the end-of-year bonus or one-off premiums.

We must also decide whether we are looking at net pay or gross pay. The pay slip shows the gross pay, but only the net pay finds its way to one's bank account, after social security contributions and taxes have been withheld. The amount of such withholdings moreover depends on one's family situation.

The choice we make in this respect is not neutral. Since women tend to spend fewer hours per week on average on the labour market than men, the difference in monthly pay is greater than in hourly pay. The difference based on gross pay is greater than the difference based on net pay, for taxes and contributions tend to be heavier on the higher pay categories, where there are more men than women.

## Pay statistics

The choice of one pay concept or another as the basis for calculating the pay gap is important. But it is not unlimited: due account must be taken of the availability of the data.

As in the first report, we have opted for the **Structure of Earnings Survey (SES)** as the basic source. The survey is conducted annually by the DGSEI. Questionnaires are sent to companies as to the gross monthly pay and the number of hours worked in October, as well as various individual characteristics of the workers. This information is combined with Social Security data which also contain information on annual pay. Furthermore, certain data from the National Register are specifically linked for the purposes of this report. The survey has a very large sample and provides very reliable data. The disadvantage is that it does not cover the entire economy. To limit administrative charges, only companies with at least ten employees are included. Furthermore, up to 2006, only companies from industry and the market service sector were surveyed. These are sectors C to K from the NACE classification (see appendix). Since 2006, this sample has been expanded to include non-market services (Sectors M, N and O). These data are not yet available, and consequently this report is based on data from 2005.

An analysis by the **Federal Planning Bureau** has shown that the SES is representative only for two thirds of the male population, and one third of the female population. To tackle this problem, the Planning Bureau was asked to estimate the pay gap in the missing parts of the Belgian economy. This was done by means of a database set up within the EUKLEMS – a European initiative to analyse growth and production at sectoral level and SAM projects.<sup>1</sup> This database contains a further breakdown into personal characteristics of the data concerning pay, work volumes, and employment in terms of number of individuals published by the Institute of National Accounts. The breakdown is based chiefly on the processing of the administrative data sources that cover the entire economy (NSSO, NSSOPLA, NISSE and NEO).<sup>2</sup> The data of the Federal Planning Bureau are used in this report to expand the SES estimate of the pay gap to the entire economy and to differentiate it according to characteristics which are not fully if at all available in the SES, namely company size, statute of the employee and the distinction between public and private sector.

As in the previous report, data from the **Statistics on Income and Living Conditions** survey (EU-SILC) of the DGSEI are used for making European comparisons. This survey questions families about their income. The sample, however, is rather limited and the data concerning the pay gap that this survey provides are often not in line with other results. On the other hand, this source has the advantage that all sectors and company sizes are represented in it. Eurostat, the statistical office of the European Commission, therefore relies on EU-SILC for the official pay gap indicator for EU countries, unless other sources are available that cover the entire economy. The European pay gap indicator is used in particular in the European Employment Strategy which is part of the Lisbon Strategy for growth and jobs. In the course of 2007, it was decided to use SES data for this indicator in the future. The SES is organised every four years on a European harmonised basis. Where the SES does not cover the entire economy, additional estimates based on other sources will be used by the Member States to obtain a full and relatively comparable indicator. As regards Belgium, the chartered course for cooperation by and between the DGSEI and the Federal Planning Bureau will be continued.

For certain data, the DGSEI's **Labour Force Survey** (LFS), a large-scale survey among families about their participation in the labour market, is used. The pay data from it are not processed directly for the time being, however.

In addition, certain administrative data, chiefly those of the National Social Security Office, are also processed directly in this report. The **National Social Security Office data** are pretty complete and thus make it possible to calculate the total pay differences between men and women. A complete picture of the pay gap based on said data is not possible, however, because information on the characteristics of workers, such as education, is lacking. Furthermore, the link between pay and working time is not always simple in NSSO data, which makes it difficult to assess certain forms of part-time work correctly. Compiling statistics is after all neither the sole nor the prime goal of the National Social Security Office.

There are also various non-official sources of data concerning the pay gap, such as those stemming from the employers' social accounting secretariats or from (Internet) surveys. These certainly provide valuable additional information, but are often subject to restrictions: a small sample, self-selection of the participants, a limitation to certain sectors, occupations, etc. Only official data are used in this government publication.

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<sup>1</sup> The official name of the EUKLEMS project is "Productivity in the European Union: A comparative Industry Approach". SAM stands for Social Accounting Matrix.

<sup>2</sup> This database is further honed with details that are not administratively available, such as the education level, through information from the Labour Force Survey and the Structure of Earnings Survey (both by DGSEI). For a methodological description of employment in terms of numbers of individuals, cf. Bresseleers, Vaast, et al. 'Kwalitatieve werkgelegenheidsdata voor Belgium, een SAM-aanpak voor de periode 1999-2005', Working Paper 02-07, Federal Planning Bureau, February 2007. The abbreviations NSSO, NSSOPLA, NISSE and NEO stand for National Social Security Office, National Social Security Office for Provincial and Local Authorities, National Institute for the Social Security of the Self-Employed and the National Employment Office respectively.

## The adjusted or unadjusted gap

As the voluntaristic opponents of the pay gap rapidly find out, the pay gap results, to a large extent, from the structure of the labour market. So-called composition effects actually play an important role: proportionally more women work in sectors where wages are relatively low. This immediately explains in part why the average woman in the Belgian economy earns less than the average man – the starting point of this report. There is no immediate issue about a direct discrimination of the women involved. It can therefore be argued that the ‘sector’ factor must be eliminated from the comparison. That is technically feasible, and factors such as part-time work, choice of occupation, training, seniority, etc. are also susceptible to such an adjustment. An attempt can thus be made to get a picture of the pay gap to the degree that it is attributable to discrimination. Such an approach obviously has its limitations: not all factors can be measured; furthermore, behind the so-called ‘objective’ factors lie effects that can be discriminating, or the removal of which may not be desired. It is well known that a computer expert normally earns more than a historian. As there are more male computer experts and more female historians, part of the pay gap can be ‘adjusted.’ But is the pay difference between the two groups so logical? And aren’t women at times, consciously or unconsciously, geared to a certain direction in their choice of studies? Explaining or adjusting the pay gap must not lead to ‘justifying’ it.

The choice for a pay gap that is as much adjusted as possible or alternatively for a broad pay gap concept, corresponds to two different views of the issue, each of which has its legitimacy. The first view is based on non-discrimination: unequal pay for the same work is forbidden by law, and such practices must be contested. A second view is based on an equal evaluation of the work of men and women. There, differences in objective characteristics cannot be brought to account too fast, because they may result from unequal opportunities on the labour market. That women are promoted less rapidly is an objective explanation for part of the pay gap, but in point of fact, it is part of the problem that has to be tackled.

Sometimes, observations, causes and solutions from both approaches are confused. Saying that the entire non-adjusted pay gap in Belgium is the result of ‘pure’ discrimination, i.e. unequal pay for equal work, is clearly a wrong observation that ignores the composition effects. To draw the conclusion that a firm approach with legal means can eliminate the problem fully in the short term is to compound the fallacy. On the other hand, to claim that the entire pay gap can, for all but an insignificant part, be explained – and what is not explained now, would be so when more data were made available – and go on to conclude that there is no problem any more to tackle, is to make essentially as great a mistake.

In this report, we start with the non-adjusted pay gap, i.e. the total pay difference between men and women. We then analyse the structure of the gap and the factors that explain it. Finally, we look at the adjusted gap and the weight of the different explanation factors. This method makes a more targeted approach to the problem possible.

## Part-time work

Women work part-time more often than men. Those who work part-time, naturally earn a lower monthly or yearly pay than those who work full-time. But just as described above for other aspects of the difference, part-time or full-time work is no neutral datum. Women work part-time more often, but the question can and must be stated as to the extent to which this is a choice that is curtailed by factors such as whether full-time work is available, the possibilities of combining work and private life, stereotypical views about the distribution of care work... Furthermore, the hourly wages for full-time and part-time are not equal, although the work time plays no role therein. Working part-time has a negative effect on the pay structure through the years: part-time workers accumulate less seniority, often have less promotion prospects, are less eligible for certain extra-legal perquisites, etc.

In principle, the figures in this report are based on data for full-time employees; in addition, we also provide data for part-time workers and for the two groups together.

$$\frac{M-F}{M} \times 100$$

The pay gap can be calculated in different ways, and that too means that different figures will surface here and there. We calculate the pay gap in the most usual manner: the difference between the average male pay and the average female pay, expressed as a percentage of the average male pay, or with the formula:

$$\frac{M - F}{M} \times 100$$

But there are other possibilities for calculating the pay gap, and they lead to other percentages: a comparison can be made with the average worker, with the average female pay, the difference can be shown in itself... To keep everything in a somewhat surveyable manner, we try to include the pay amounts themselves each time.

### **One percentage point more or less**

There is always a 'margin' in survey data; they do not pertain to the entire population but only to a (sufficiently) large sample thereof. To be precise, reliability intervals would have to be indicated. This was not done in order to keep the report legible. Due account must, however, be taken of the fact that no conclusions can be drawn from small fluctuations. One percentage point more or less does not yet mean that the pay gap has grown or shrunk.

### **Indicators**

This report provides a summary of indicators concerning the gender difference in pay. An 'indicator' in this context is a specific processing of data on pay difference: one or a few key figures that shed light on the problem. As in the first report, we have first relied on indicators established by the Council of the European Union in 2001, which we supplemented with a number of extra data. In so doing, we retained the structure that was approved in 2001. This approach provides a broad picture of the pay gap issue and also makes it possible to put the Belgian data in an internationally comparable perspective.

# I. General gender pay gap indicators

The European set of indicators provides first a number of figures that show the gender pay gap for the entire economy. There is no adjustment here for, e.g., sector, job, or age. Only the effect of part-time work is taken into account. The first indicator is based on a comparison of the average wages; the second on the ratio for the total sum of wages for men and women.

## Indicator 1: differences in average male and female gross wages

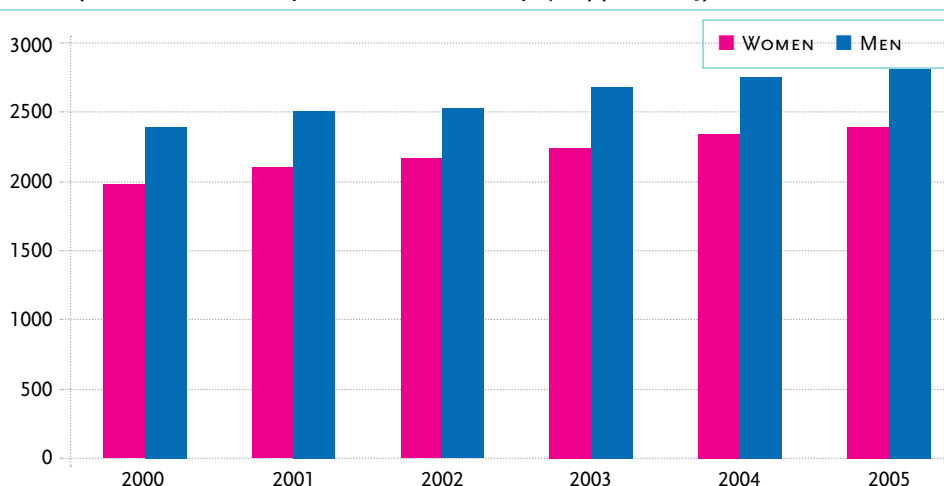
In this paragraph, the pay gap is first calculated for men and women working full-time, on the basis of the different pay concepts. The same is then done for all employees, i.e. full-time and part-time. Then the pay differences in small companies and in the other sectors are examined. Next, the pay gap in the private sector is compared with that in the public sector. Longer time series have also been established to be able to study the development in the pay gap over the last decades. Finally, we make a comparison with other European countries.

### 1.1 Full-time employees

We begin with the comparison between the gross monthly wages of full-time employees in industry and market services. The graph below shows that male and female wages have risen over the years. In percentage terms, however, the average female wages rose faster than the average male wages. Between 2000 and 2005, the average female gross monthly wages rose by 20%, while the average male gross monthly wages rose by 17%.

This development had only a limited impact on the pay difference. For 2005, the pay gap between male and female full-time workers in industry and market services, amounted to 15%.

**GRAPH 1: Average gross monthly wages of full-time employees (in euros)**  
(NACE-sectors C-K; companies with at least 10 employees) (2000-2005)



Source: DGSEI, Structure of Earnings Survey

**TABLE 1: Average gross monthly wages of full-time employees (in euros) and the pay gap (NACE-sectors C-K; companies with at least 10 employees) (2000-2005)**

	2000	2001	2002	2003	2004	2005
WOMEN	1,974	2,099	2,165	2,231	2,343	2,387
MEN	2,392	2,502	2,529	2,679	2,757	2,807
PAY GAP	17%	16%	14%	17%	15%	15%

Source: DGSEI, Structure of Earnings Survey

We can deduce from table 1 that the average full-time working woman in Belgium in industry and market services earns €420 gross per month less than her male colleague. In other words, women earned about 85% of what men earned in 2005. 'Average' here means over the sectors involved, and not per job. The pay difference appears to have remained pretty stable over the years. Differences of around 1 percentage point are not significant, as already indicated, as the results come from a random sample survey.

If we look at the gross hourly wages, we note a similar trend and a smaller pay gap than for the gross monthly wages, as we pointed out in the introduction. A part of the pay differences in monthly wages is for that matter attributable to the fact that men work more hours per month on average than women, even among full-time employees. The pay gap calculated on the basis of the hourly wages of full-time employees in industry and market services amounted to 14% in 2005.

**TABLE 2: Average gross hourly wages of full-time employees (in euros) and the pay gap (NACE-sectors C-K; companies with at least 10 employees) (2000-2005)**

	2000	2001	2002	2003	2004	2005
WOMEN	11.89	12.56	12.88	13.14	14.15	14.38
MEN	14.05	14.73	14.89	15.60	16.25	16.68
PAY GAP	15%	15%	13%	16%	13%	14%

Source: DGSEI, Structure of Earnings Survey

Annual wages can be divided into two components: the pay part that contains the different monthly wages, and the bonus part, e.g. the end-of-year bonus. The following table shows the pay gap in gross annual wages in themselves and according to the 'pay' and 'bonus' components. The gap in the 'bonus' part is smaller than in the 'pay' part. This is no accident, since the end-of-year bonus, for instance, is composed of a fixed amount and a percentage of the wages. The flat-rate part is relatively more advantageous for lower wages, so that the percentage difference becomes somewhat smaller. Such bonuses do not really weigh in annual wages, so that the pay gap on the basis of the annual wages is always close to that on the basis of monthly wages.

**TABLE 3 : Average gross annual wages of full-time employees (in euros) and the pay gap (NACE-sectors C-K; companies with at least 10 employees) (2000-2005)<sup>3</sup>**

	2000	2001	2002	2003	2004	2005
WOMEN	26,739	28,528	29,832	28,386	30,282	31,317
MEN	32,069	33,752	34,590	33,616	35,675	36,819
PAY GAP	17%	15%	14%	16%	15%	15%
PAY COMPONENT						
	2000	2001	2002	2003	2004	2005
WOMEN	23,507	25,134	26,433	25,977	27,056	27,960
MEN	28,631	30,128	31,095	30,859	32,027	33,085
PAY GAP	18%	17%	15%	16%	16%	15%
BONUS COMPONENT						
	2000	2001	2002	2003	2004	2005
WOMEN	2,948	3,128	3,399	2,409	2,617	3,357
MEN	3,216	3,362	3,495	2,757	3,012	3,734
PAY GAP	8%	7%	3%	13%	13%	10%

Source: DGSEI, Structure of Earnings Survey

In addition to the bonuses, there are also extra-legal perquisites, such as company cars, laptops and mobile telephones. These are not included in the survey. The literature shows that men get these sorts of perquisites more often than women.

### 1.2 Full-time and part-time employees

In the summer of 2007, the official pay indicators were discussed and reviewed at European level. In addition to the aforementioned change in the statistical basic source, it was also decided to calculate the indicator on the basis of the hourly wages of full-time and part-time workers together. Given the high percentage of part-time workers among women, a pay gap calculated on the basis of the wages of full-time employees is indeed not necessarily representative for many women. The pay gap increases when the data of part-time workers are included. This can be explained by the fact that the great majority of part-time workers are lower-paid women. The hourly pay gap among part-time workers is in itself considerably lower; male part-time workers earn on average a lot less per hour than male full-time workers. In the calculation of the pay gap for full-time and part-time workers together, the wages of male part-time workers do not really weigh in, because these workers are a small minority.<sup>4</sup>

The pay gap on the basis of the gross hourly wages for full-time and part-time workers together amounts to 17% in industry and market services. This pay gap has equally been relatively stable over the years.

**TABLE 4 : Average gross hourly wages of full-time and part-time employees (in euros) and the pay gap (NACE-sectors C-K; companies with at least 10 employees) (2000-2005)**

	2000	2001	2002	2003	2004	2005
WOMEN	11.39	12.12	12.41	12.77	13.44	13.78
MEN	13.92	14.59	14.80	15.44	16.06	16.54
PAY GAP	18%	17%	16%	17%	16%	17%

Source: DGSEI, Structure of Earnings Survey

<sup>3</sup> In 2003, the multifunctional social security declaration (DMFA) was introduced. This change in submitting social security data can cause a break.

<sup>4</sup> Cf. also Van den Cruyce, Bart and Johan Wera 'Results of the Belgian SAM-subaccount for labour demand', 2007.

One way to calculate indicator 1 fully 'non-adjusted' for the work volume, is to consider the pay gap on the basis of the monthly wages of full-time and part-time workers together. The effect of a part-time career is fully perceptible in the difference in monthly wages. Part-time workers have in general lower monthly wages than full-time workers. As there are many more female part-time workers, the pay gap increases sharply when we take account of the part-time as well as the full-time employees. In fact, the calculation of the date of the 'Equal Pay Day' – i.e. the day when women must work through in the new year to earn the same as men in the previous year – is based on this indicator.<sup>5</sup> As in the pay gap for full-time workers, these figures show a relative stability.

**TABLE 5: Average gross monthly wages of full-time and part-time employees (in euros) and the pay gap (NACE-sector C-K; companies with at least 10 employees) (2000-2005)**

	2000	2001	2002	2003	2004	2005
WOMEN	1,719	1,806	1,834	1,932	2,003	2,049
MEN	2,338	2,440	2,462	2,592	2,677	2,720
PAY GAP	26%	26%	26%	25%	25%	25%

Source: DGSEI, Structure of Earnings Survey

### 1.3 Expansion to sectors that are not included in the Structure of Earnings Survey

As explained in the introduction, the Structure of Earnings Survey contains only companies with at least 10 employees in sectors C to K of the NACE classification. These are industry, the commercial sector, hotel and catering, transport, real estate and other services to businesses.<sup>6</sup> On the basis of the figures of the survey and administrative data, the Federal Planning Bureau has estimated the average gross hourly wages for all company sizes and for nearly all sectors. Apart from the sectors C to K, the primary sector (agriculture and fishing), public administration, education, healthcare and the socio-cultural sector are included. In terms of the NACE classification the sectors A to O are covered by this expansion.<sup>7</sup>

The tables below provide the estimates of the Federal Planning Bureau on the basis of the survey and administrative data. The original survey data are supplemented in two ways: with companies with fewer than 10 employees, and with sectors A, B and L to O.

In table 6, a distinction is drawn between companies with fewer than 10 employees and companies with 10 or more employees in sectors C to K, and table 7 compares sectors C to K with sectors A to O.

<sup>5</sup> Cf. also [www.equalpayday.be](http://www.equalpayday.be).

<sup>6</sup> Industry includes mining and manufacturing, electricity, gas and water supply, and construction.

<sup>7</sup> Two sectors are left out of consideration here: the household sector and the small sector of extra-territorial organizations (e.g. EU or UN personnel).



**TABLE 6: Average gross hourly wages of full-time and part-time employees (in euros) and the pay gap in companies with at least 10 employees and in companies with fewer than 10 employees (NACE-sectors C-K) (2000-2005)**

	2000	2001	2002	2003	2004	2005
<b>Men</b>						
COMPANIES WITH 10 OR MORE EMPLOYEES	13.92	14.59	14.80	15.44	16.06	16.54
COMPANIES WITH FEWER THAN 10 EMPLOYEES	10.78	11.40	11.53	11.78	12.44	12.83
TOTAL	13.47	14.12	14.35	14.92	15.53	15.96
<b>Women</b>						
COMPANIES WITH 10 OR MORE EMPLOYEES	11.39	12.12	12.41	12.77	13.44	13.78
COMPANIES WITH FEWER THAN 10 EMPLOYEES	9.42	10.05	10.22	10.41	10.93	11.29
TOTAL	10.98	11.69	11.98	12.29	12.92	13.24
<b>Pay gap</b>						
COMPANIES WITH 10 OR MORE EMPLOYEES	18%	17%	16%	17%	16%	17%
COMPANIES WITH FEWER THAN 10 EMPLOYEES	13%	12%	11%	12%	12%	12%
TOTAL	18%	17%	16%	18%	17%	17%

Sources: Federal Planning Bureau; DGSEI, Structure of Earnings Survey

The average hourly wages of workers in companies with fewer than 10 employees are lower in sectors C to K than in companies with 10 or more employees, irrespective of gender. Furthermore, the pay difference between companies with 10 or more employees and companies with fewer than 10 employees is smaller for women than for men, so the pay gap is smaller in companies with fewer than 10 employees. In companies with fewer than 10 employees wages are lower, and the number of possible jobs is also smaller than in large companies.

However, when companies with fewer than 10 employees are included in the calculation of the pay gap for sectors C to K, the result, contradictorily enough, is a slightly higher pay gap. This is known as a composition effect: the share of women in the labour volume, i.e. in the total number of working hours put in, is higher in small companies, to wit 38.9% compared with 30.3% elsewhere. The gross hourly wages are considerably lower, both for men (€12.8 compared with €16.5) and for women (€ 11.3 compared with €13.8). The addition of this lower pay segment pushes the average hourly wages among women downward more than among men, so that on balance, the overall pay gap increases slightly. A comparable phenomenon has been observed above for part-time work.

A second supplement to the SES data concerns sectors A, B and L to O.

**TABLE 7: Average gross hourly wages of full-time and part-time workers in NACE sectors C-K and A-O (in euros) and the pay gap (2000-2005)<sup>8</sup>**

	2000	2001	2002	2003	2004	2005
<b>Men</b>						
SECTORS C TO K	13,47	14,12	14,35	14,92	15,53	15,96
SECTORS A TO O	13,42	14,09	14,37	14,97	15,51	16,00
<b>Women</b>						
SECTORS C TO K	10,98	11,69	11,98	12,29	12,92	13,24
SECTORS A TO O	11,45	12,18	12,50	12,86	13,51	13,98
<b>Pay gap</b>						
SECTORS C TO K	18%	17%	16%	18%	17%	17%
SECTORS A TO O	15%	14%	13%	14%	13%	13%

Sources: Federal Planning Bureau; DGSEI, Structure of Earnings Survey

The pay gap is smaller when more sectors are studied. The average gross wages remain nearly identical for men, whether they work in sectors C to K or elsewhere, while the average gross hourly wages for women are higher when they are not working in industry or market services. This can actually be explained by the fact that the government administration and education are now also included in the calculation. In the public sector, the pay differentiation is less great than in the private sector. Hence, the pay gap is substantially smaller there.

#### **1.4 The pay gap according to statute**

It does not make much sense, in fact, to calculate the pay gap for the public and the private sector together. The result will be somewhere between the two, very divergent values. Furthermore, wage base determination is different in the public sector: basically, there is no individual pay component above the pay fixed in the wage scales. The composition of the labour force is pretty balanced, although there is a 'glass ceiling' here too: women experience more difficulties in ascending to higher positions.

The data of the Federal Planning Bureau make a distinction between the Social Security Service [NSSO(PLA)] statute of the employee and the NSSO(PLA) sector of the company. This allows of the pay gap to be calculated for civil servants, blue-collar workers, and white-collar workers separately. Because of the gender inequality in the public sector in terms of statutory appointments (two thirds of male civil servants are statutorily appointed, compared to barely half of the women), that distinction is included here.<sup>9</sup>

<sup>8</sup> The calculation of the data of sectors A to O was based on the SES results for sectors C to K, supplemented with sectors A, B and L to O.

<sup>9</sup> The term 'civil servant' is here used in the broad meaning of employee in the public sector.

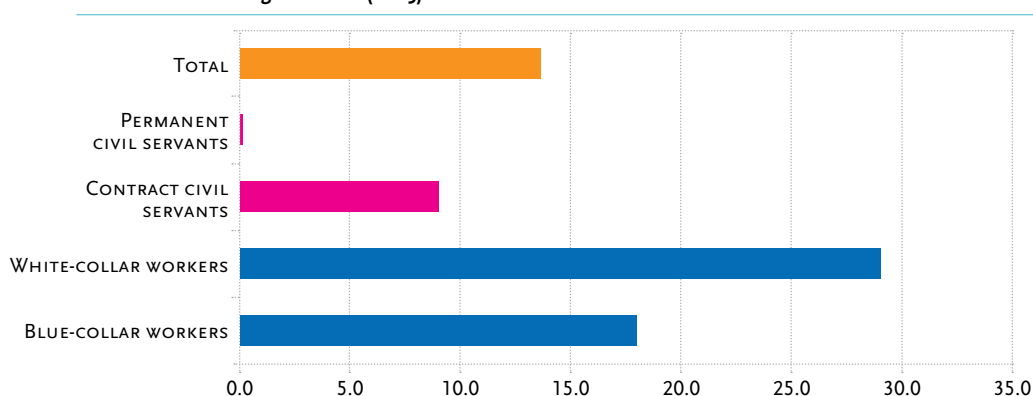
**TABLE 8: Average gross hourly wages of full-time and part-time employees (in euros) and the pay gap according to statute (2005)<sup>10</sup>**

	Private sector		Public sector		Total
	BLUE-COLLAR WORKERS	WHITE-COLLAR WORKERS	CONTRACT CIVIL SERVANTS	PERMANENT CIVIL SERVANTS	
WOMEN	10.24	14.28	13.67	17.26	13.98
MEN	12.50	20.19	15.01	17.24	16.00
PAY GAP	18%	29%	9%	0%	13%

Source: Federal Planning Bureau

The pay gap on the basis of gross hourly wages for white-collar workers is nearly thirty percent, whereas it is a small twenty percent among blue-collar workers. Among permanent civil servants (i.e. civil servants that are statutorily appointed), the pay gap is almost non-existent, but among contract civil servants, it is about ten percent. Consequently, the general pay gap figure hides major differences depending on statute.

**GRAPH 2: Pay gap on the basis of gross hourly wages of full-time and part-time employees according to statute (2005)**



Source: Federal Planning Bureau

The effect of part-time work is in large measure done away with in the pay gap on the basis of gross hourly wages. Only the fact that part-time workers earn lower hourly wages on average continues to play a role. The effect of part-time work does come into play, however, when we calculate the pay gap on the basis of annual wages. Then, blue-collar workers appear to 'keep pace with' white-collar workers; female blue-collar and white-collar workers have at the end of the year earned 35% to 40% less than their male colleagues. For contract civil servants this figure is 20%, and for permanent civil servants 10%.

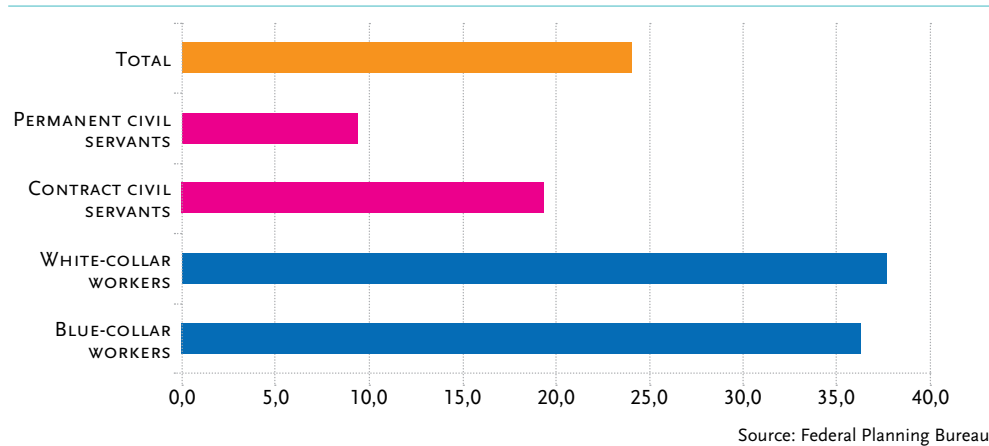
**TABLE 9: Average gross annual wages of full-time and part-time employees (in euros) and the pay gap according to statute (2005)**

	Private sector		Public sector		Total
	BLUE-COLLAR WORKERS	WHITE-COLLAR WORKERS	CONTRACT CIVIL SERVANTS	PERMANENT CIVIL SERVANTS	
WOMEN	14,624	25,263	20,320	31,074	23,108
MEN	22,969	40,523	25,195	34,300	30,438
PAY GAP	36%	38%	19%	9%	24%

Source: Federal Planning Bureau

<sup>10</sup> A 'contract civil servant' is an employee in the public sector who has not been appointed permanently and thus works under a contract of employment. In principle, a distinction can be drawn for this category between blue-collar and white-collar workers. Such a distinction is not made here.

**GRAPH 3: Pay gap on the basis of gross annual wages of full-time and part-time employees according to statute (2005)**

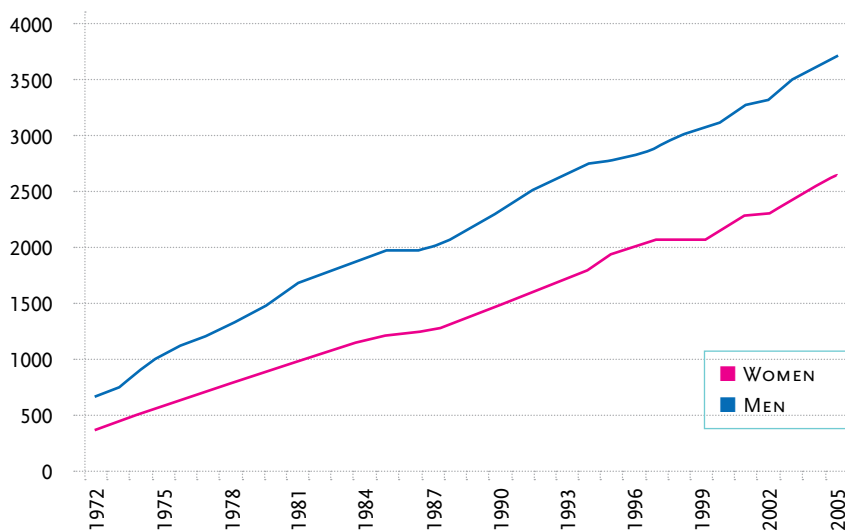


One category that is usually not included in statistics is that of undeclared workers. A recent European report nonetheless attempted an estimate, and has published a pay gap on the basis of hourly wages of 60% for the EU as a whole.<sup>11</sup> It actually seems plausible that there is extensive segregation in the informal sector: well-paying 'undeclared' jobs, whether in combination with a formal job, tend to go to men, while domestic jobs are poorly paid and are filled mostly by women.

### 1.5 Trend in the pay gap

If we want to expand our data by going back to the past, we must restrict ourselves to figures concerning full-time and part-time employees in industry; this means we are no longer referring to all employees in NACE-sectors C to K. This enables us to conduct an analysis of gross monthly wages from 1972 to 2005.<sup>12</sup>

**GRAPH 4: Average gross monthly wages of full-time and part-time employees in industry (in euros) (1972-2005)**



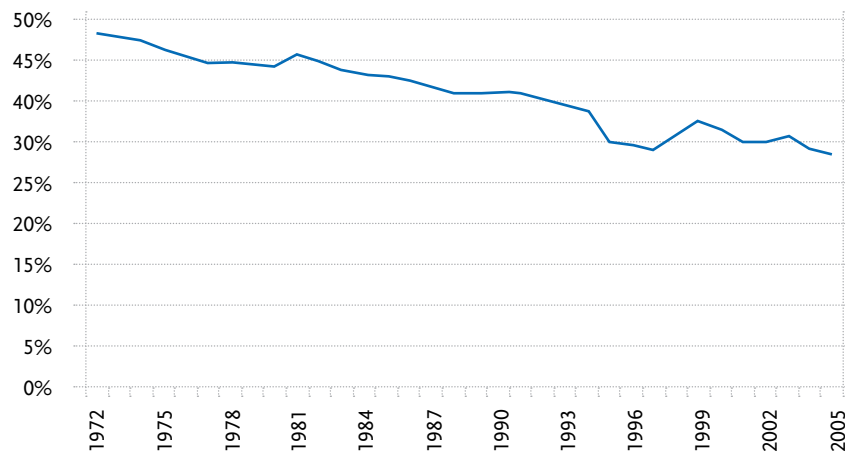
Sources: DGSEI, Structure of Earnings Survey (as from 1999) and the Half-yearly survey on salaries and wages (processed by the FPS ELSD)

<sup>11</sup> Eurobarometer, Undeclared Work in the European Union.

<sup>12</sup> Please note that there is a break in the data in 1998 and 1999, which causes the slight break in graphs 4, 5 and 6.

As shown in graph 4, the wages of men and women have risen through the years. The tendency of the pay gap to drop is clearly shown in graph 5. Whereas the pay gap still amounted to 43% in 1972, in 2005 it had been reduced to 28%. This can be explained by the fact that women are more and more present on the labour market in general, but also in positions that used to go to men more easily. Furthermore, young women nowadays arrive on the labour market with as high or higher levels of education than young men. In addition, recent generations of women have been acquiring longer seniority.

**GRAPH 5: Pay gap on the basis of the gross monthly wages of full-time and part-time employees in industry (1972-2005)**

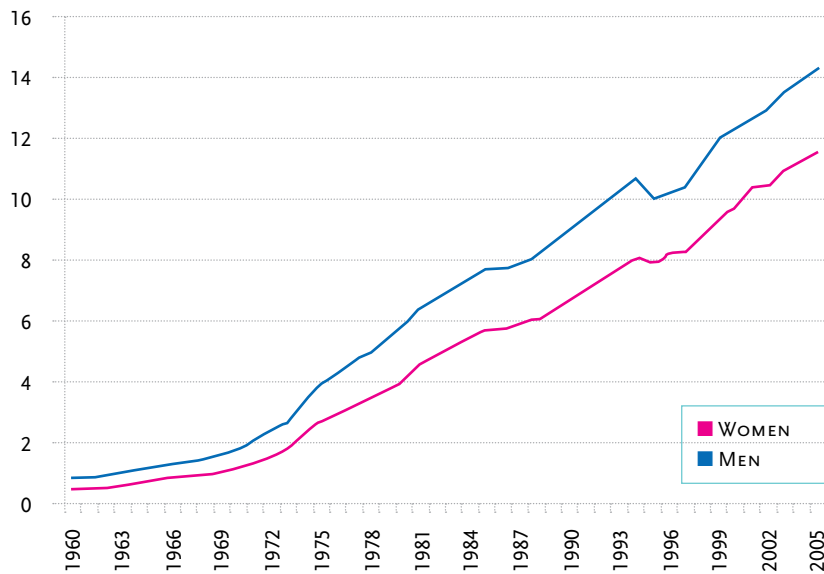


Sources: DGSEI, Structure of Earnings Survey (as from 1999) and the Half-yearly survey of salaries and wages (processed by the FPS ELSD).

For gross hourly wages we can go back to the 1960s if we restrict ourselves to full-time and part-time employees in industry.<sup>13</sup>

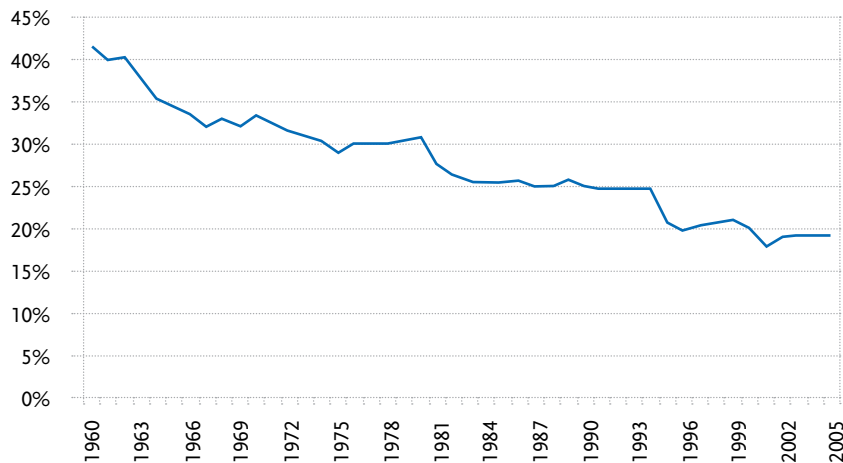
<sup>13</sup> As for gross monthly wages, there is a break in the data series here in 1998 and 1999.

**GRAPH 6: Average gross hourly wages of full-time and part-time employees in industry (in euros) (1960-2005)**



Sources: DGSEI, Structure of Earnings Survey (as from 1999) and the Half-yearly survey of salaries and wages (processed by the FPS ELSD).

**GRAPH 7: Pay gap on the basis of the gross hourly wages of full-time and part-time employees in industry (1972-2005)**



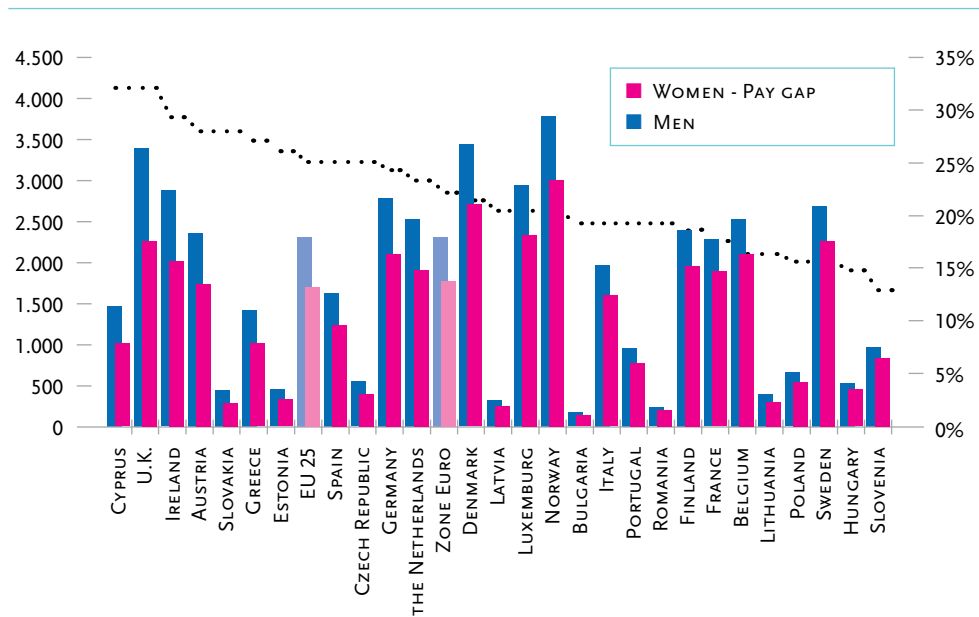
Sources: DGSEI, Structure of Earnings Survey (as from 1999) and the Half-yearly survey of salaries and wages (processed by the FPS ELSD).

The graphs show similar trends for the monthly and hourly wages with a smaller pay gap for hourly wages. In 1960, the pay gap on the basis of gross hourly wages amounted to 41%; in 2005 it was down to 19%. There is a steeper drop by comparison with the pay gap on the basis of gross monthly wages. This can be explained by the increase in part-time work. The effect of which is partially neutralised in the pay gap on the basis of gross hourly wages.

### 1.6 European comparison

As already mentioned, an international comparison can be carried out every four years. Table 10 contains the data for 2002, which show that Belgium is among the countries with the smallest pay gap, together with France, Lithuania, Hungary, Poland, Slovenia and Sweden. However, it is worth pointing out that not all these countries are at a comparable pay level as Belgium. The highest pay gap was ascertained in the United Kingdom and Cyprus. A large dispersion between high and low wages in general, usually results in a large gender pay gap.

**GRAPH 8: Average gross monthly wages of full-time and part-time employees (in euros) and the pay gap in the EU Member States (2002)**



Source: Eurostat, Structure of Earnings Survey

**TABLE 10: Average gross monthly wages of full-time and part-time employees (in euros) and the pay gap for the EU Member States (2002)<sup>14</sup>**

	MEN	WOMEN	PAY GAP
EU25	2,348.88	1,731.68	26%
EUROZONE	2,357.83	1,816.78	23%
CYPRUS	1,496.84	1,010.05	33%
UK	3,471.17	2,308.98	33%
IRELAND	2,948.77	2,049.91	30%
AUSTRIA	2,409.93	1,719.69	29%
SLOVAKIA	413.68	292.98	29%
GREECE	1,419.36	1,015.35	28%
ESTONIA	451.22	329.82	27%
SPAIN	1,659.76	1,236.50	26%
CZECH REPUBLIC	537.46	399.25	26%
GERMANY	2,866.59	2,138.85	25%
THE NETHERLANDS	2,592.42	1,964.53	24%
DENMARK	3,545.30	2,780.01	22%
LATVIA	312.52	246.40	21%
LUXEMBURG	3,018.83	2,384.35	21%
NORWAY	3,896.20	3,070.57	21%
BULGARIA	161.22	128.98	20%
ITALY	2,008.90	1,612.32	20%
PORTUGAL	970.54	771.72	20%
RUMANIA	209.12	167.22	20%
FINLAND	2,477.19	1,995.25	19%
FRANCE	2,341.60	1,921.16	18%
BELGIUM	2,577.08	2,145.38	17%
LITHUANIA	350.94	289.59	17%
POLAND	625.40	525.80	16%
SWEDEN	2,738.77	2,303.35	16%
HUNGARY	497.10	422.35	15%
SLOVENIA	958.65	831.52	13%

Source: Eurostat, Structure of Earnings Survey

<sup>14</sup> In this calculation, the working time has been corrected, so that these figures deviate from table 5, where the monthly wages have been processed without being weighted. The results for this table are therefore closer to the pay gap on the basis of the gross hourly wages of part-time and full-time employees together (Table 4).



Eurostat relied on the EU-SILC data for the calculation of the pay gap up to now, because certain sectors and companies with fewer than ten employees are not included in the Structure of Earnings Survey (see introduction). For Belgium, the SILC data for 2004 show a major trend break with figures of previous studies based on the Panel Study on Belgian Households (PSBH). Some countries use other exhaustive data. Table 11 shows the pay gap for European countries calculated on the SILC data. Both the level of the pay gap and the order of ranking of the countries differ from the calculations based on the Structure of Earnings Survey. Various factors play a role here. First, the SILC sample is very small. Only six thousand households were surveyed. Taking into account the number of self-employed, inactive and unemployed persons, the wage data pertain to only a few thousand employees. This is in contrast with the more than one hundred thousand from the Structure of Earnings Survey. Furthermore, people were asked about their monthly wages – often people know only their net wages – and the gross hourly wages were calculated from the responses, a practice which entails a certain margin of error. Finally, all sectors are included in the SILC data, including the public sector. As in many countries, the pay gap in the public sector in Belgium is substantially smaller. A pay gap calculated on the basis of the public sector and the private sector together is usually smaller, as could be seen in tables 7, 8 and 9.

**TABLE 11: Pay gap in the EU Member States based on the SILC (2000-2005)**

	2000	2001	2002	2003	2004	2005
EU25	16 (s)	16 (s)	16 (s)	15 (s)	15 (s)	15 (s)
CYPRUS	26	26	25	25	25	25
ESTONIA	25	24	24	24	24	25
SLOVAKIA	22	23	27	23	24	24
GERMANY	21	21	22 (b)	23	23	22
FINLAND	17	17	20 (b)	20	20	20
UK	21	21	23 (b)	22	22	20 (p)
CZECH REPUBLIC	22	20	19	19	19	19
DENMARK	15	15	18 (b)	18	17	18
THE NETHERLANDS	21	19	19	18	19	18
AUSTRIA	20	20	:	17 (b)	18	18 (p)
LATVIA	20	16	16	16	15	17
BULGARIA	:	23	21	18	18	16
NORWAY	17	17	16	16	16	16
SWEDEN	18	18	17	16	17	16
LITHUANIA	16	16	16	17	16	15
LUXEMBURG	15	16	17	15	14	14
RUMANIA	17	18	17	18	14 (b)	13
SPAIN	15	17	21 (b)	18	15	13 (p)
FRANCE	13	14	13	12 (b)	12	12
HUNGARY	21	20	16	12 (r)	14 (r)	11
POLAND	:	12	11	11	10	10
GREECE	15	18	17	11 (b)	10	9
IRELAND	19	17	:	14 (b)	11 (p)	9 (p)
ITALY	6	6	:	:	7 (p)	9
PORTUGAL	8	10	8	9	5 (b)	9
SLOVENIA	12	11	9	:	8 (p)	8 (p)
BELGIUM	13	12	:	:	6 (b)	7
MALTA	11	9	6	4	4	4

Source: Eurostat, SILC

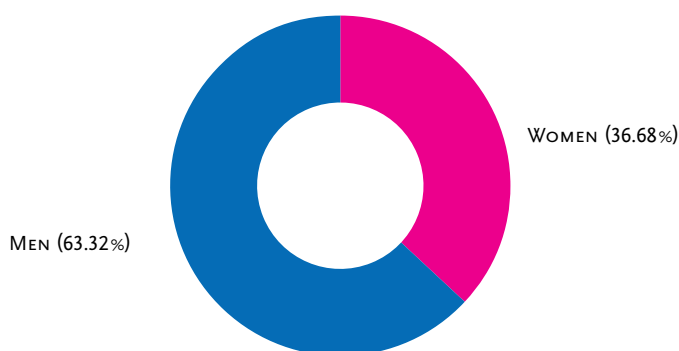
(:) Not available - (s) Estimate - (r) Reviewed value - (b) Break in the series - (p) Provisional value

## Indicator 2: share of the total sum of wages

The second general indicator is calculated on the basis of the distribution of the total sum of wages: which share from the total sum of wages is earned by women and which by men? Please note that at first no corrections are made.

This indicator is calculated on the basis of data from the National Social Security Office. In 2005, a total of €86,541,415,000 was paid out in gross wages: 36.68% of this figure went to women, and 63.32% to men. In 2004, the respective figures were 36.16% and 63.64%.

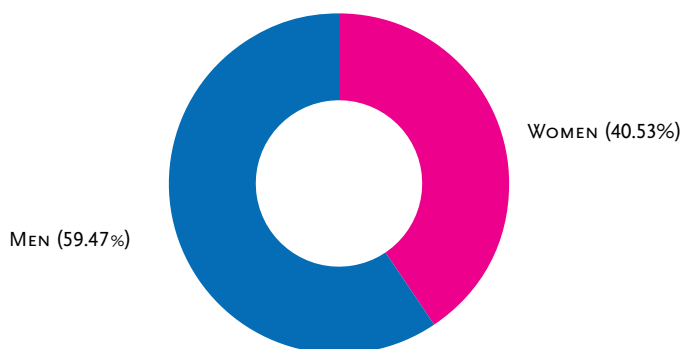
**GRAPH 9: Share of all wages earned by women and by men in the total sum of wages (2005)**



Source: NSSO

In order to obtain a correct picture, this ratio must be compared with the distribution of paid work between men and women. The distribution of the number of paid work days between men and women is given in the second pie chart.<sup>15</sup> Here too, the share of women has risen slightly from 2004: from 40.04% to 40.53% in 2005.

**GRAPH 10: Share of women and of men in the total number of paid workdays (2005)**

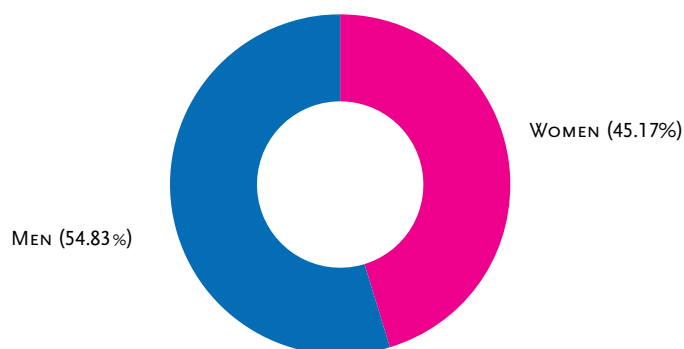


Source: NSSO

The pay gap report for 2007 compared the share of women and of men in the working population; since this population contains self-employed workers too, it is preferable to include only wage earners in the comparison: 45.17% of wage earners were women, compared with 44.61% in 2004.

<sup>15</sup> The paid work hours of part-time workers were converted into workdays at a ratio of 7.6 hours per workday (i.e. 7 hours and 36 minutes).

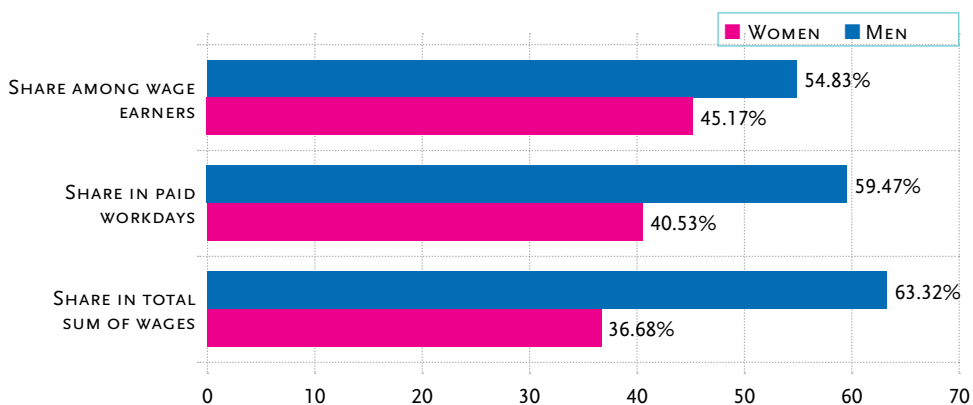
**GRAPH 11: Share of women and of men among employees (2005)**



Source: DGSEI, Labour Force Survey

When the ratios are compared, it becomes clear how the distribution between women and men is becoming more and more lopsided.

**GRAPH 12: Share of women and of men among employees, in paid workdays, and in the total sum of wages (2005)**



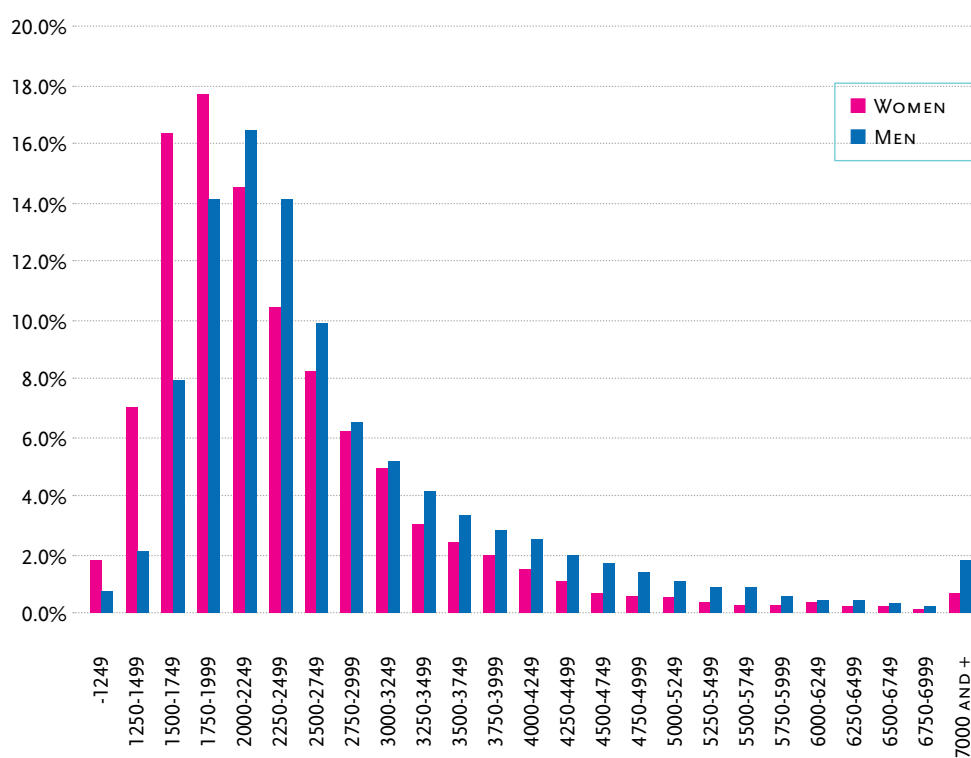
Sources: NSSO; DGSEI, Labour Force Survey

The total pay gap can now be calculated as the discrepancy in the number of women in the total sum of wages and their share in wage work. 45.17% of employees are women. If all women together had earned 45.17% of the total sum of wages (€86,541,415,000) in 2005, they would have, together, earned €7.347 billion more. When the fact that women tend to work more frequently on a part-time basis is taken into account, and the share of women in the total number of paid workdays is compared, the total pay gap still amounts to €3,332 billion.

The report for 2007 did not compare in terms of wage earners, but of the working population. If we make the calculation on the basis of share among wage earners, then the total pay gap for 2004 was €7.060 billion. Although the share of women in the total sum of wages, in paid workdays and among wage earners has risen, the total pay gap was still up from the previous year. This can be explained by the fact that the total sum of wages has grown stronger than the share of women. Women are thus getting a somewhat bigger piece of the pie; but as the pie has become bigger, the piece that they do not get has also become bigger.

A very clear illustration of the unequal share of women and men in the total sum of wages is provided by the distribution of full-time employees over the various categories of gross monthly wages. Women are over-represented in categories that earn less than €2,000 gross per month.

**GRAPH 13: Distribution of women and men over the categories of gross monthly wages for full-time employees (in euros) (NACE-sectors C-K; companies with at least 10 employees) (2005)**



Source: DGSEI, Structure of Earnings Survey

**TABLE 12: Distribution of women and men over the categories of gross monthly wages (in euros) for full-time employees (NACE-sectors C-K; companies with at least 10 employees) (2005)**

	WOMEN	MEN
-1249	1.7%	0.7%
1250-1499	7.0%	2.1%
1500-1749	16.3%	7.9%
1750-1999	17.6%	14.1%
2000-2249	14.5%	16.4%
2250-2499	10.4%	14.1%
2500-2749	8.2%	9.8%
2750-2999	6.2%	6.5%
3000-3249	4.8%	5.1%
3250-3499	3.0%	4.1%
3500-3749	2.4%	3.3%
3750-3999	1.9%	2.8%
4000-4249	1.4%	2.5%
4250-4499	1.0%	1.9%
4500-4749	0.6%	1.6%
4750-4999	0.5%	1.3%
5000-5249	0.5%	1.0%
5250-5499	0.3%	0.8%
5500-5749	0.2%	0.8%
5750-5999	0.2%	0.5%
6000-6249	0.3%	0.4%
6250-6499	0.2%	0.4%
6500-6749	0.2%	0.3%
6750-6999	0.1%	0.2%
7000 AND +	0.6%	1.7%
TOTAL	100.0%	100.0%

Source: DGSEI, Structure of Earnings Survey

Compared with 2004, the distribution has shifted to the right. Full-time employees thus earn more on average. There are few perceptible shifts in the difference between men and women, however. In the very low wage category, with less than €1,500 per month, we find 8.7% female and 2.8% male full-time employees. Four out of ten female workers (42.6%) earn less than €2,000 gross per month. The figure for men is one out of four (24.7%). Conversely, 75.3% of male and 57.4% of female full-time employees earn more than €2,000 gross per month. As from the €2,000 gross scale, women lag behind men. In the categories of €2,750 to €3,250 gross per month, the differences are strikingly small, but rise again in the higher wage levels. Three percent of male full-time employees earn more than €6,000 gross per month, compared with 1.4% of female full-time employees.



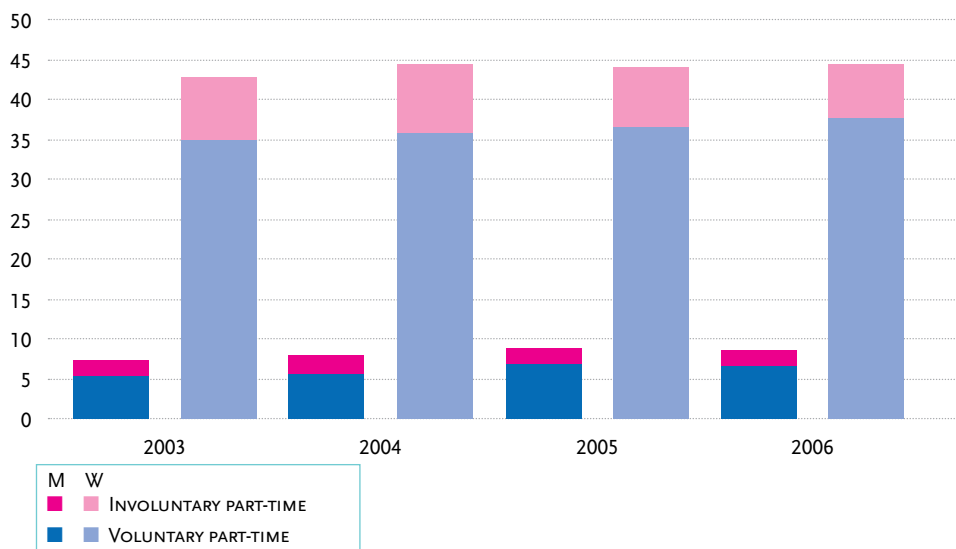
## II. Inequality factors

Pay differences are highly conditioned by the position of men and women on the labour market. The EU indicator set scrutinises the effect of part-time work, age and education differences, and the horizontal segregation on the labour market. To these, we have also added vertical segregation, marital status and household composition. We also relate the pay gap between women and men with the overall differences between high and low wages within sectors.

### Indicator 3: ratio for part-time work

Women work more often on a part-time basis than men: 44.3% of female -- compared with only 7.9% of male -- wage earners. Conversely, 81% of the part-time workforce is female. Among female part-time workers, 14.2% work part-time involuntarily, which is less than among men, where 21.4% of part-time workers would prefer a full-time job. Nevertheless, this means that quite a number of women working part-time would prefer to work full-time. Furthermore, the 'voluntary nature' of part-time work is at times restricted by circumstances. Those who opt for part-time work because of family responsibilities, may perhaps do so in an environment of limited possibilities for caring for children or parents.

**GRAPH 14: Part-time employment rate according to gender and voluntariness (2003-2006)**

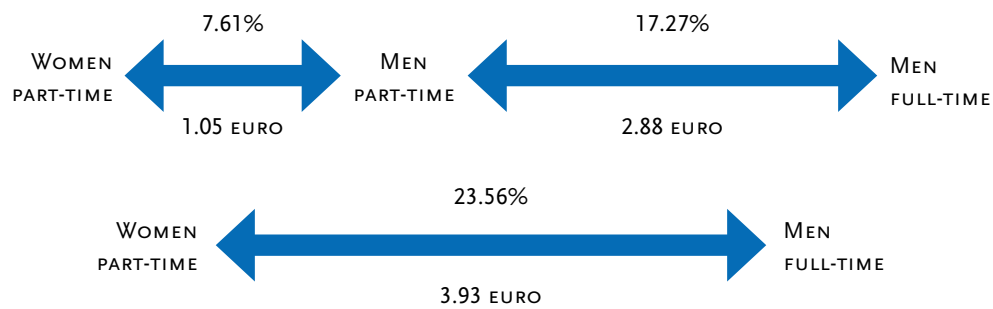


Sources: DGSEI, Labour Force Survey

We have noted through the years that part-time employment among men has been rising somewhat more than among women, but the total gender difference nonetheless remains great. When we examine part-time employment according to the age distribution, we notice that the part-time employment rate among women increases with age, while among men it is highest in the youngest and oldest category, and lower in the 25 to 49 year-old bracket.

The pay gap between part-time male and female workers is relatively limited: it amounts to only 7.61% or €1.05 per hour. Yet the (not so numerous) part-time male workers are also in a less favoured situation on the labour market. The average part-time male worker earns 17.27% or €2.88 less than the average full-time male worker. A part-time female worker has a double disadvantage: as a woman but also (and especially) as a part-timer, with often fewer advancement opportunities, less access to certain occupations or positions, lower social protection, etc. In the end, we arrive at a total difference of 23.56% or €3.93 per hour.

**GRAPH 15: Pay gap for full-time and part-time workers (2005)**



Source: DGSEI, Structure of Earnings Survey

**TABLE 13: Average gross hourly wages of part-time and full-time female and male workers (in euros) and the pay gap (2005)**

	WOMEN	MEN	PAY GAP
FULL-TIME	14.38	16.68	13.79%
PART-TIME	12.75	13.80	7.61%

Source: DGSEI, Structure of Earnings Survey

When we examine the trend, we note that the wages of part-time male workers in particular show an upward tendency. This can be explained by the fact that (potentially temporary) part-time work has in the course of the years become more accessible to and more accepted by men, including men in a somewhat higher position. The growing popularity of the part-time time-credit system has undoubtedly something to do with it: the system is used primarily by men in the older age groups, who have built up more seniority and thus earn higher wages.

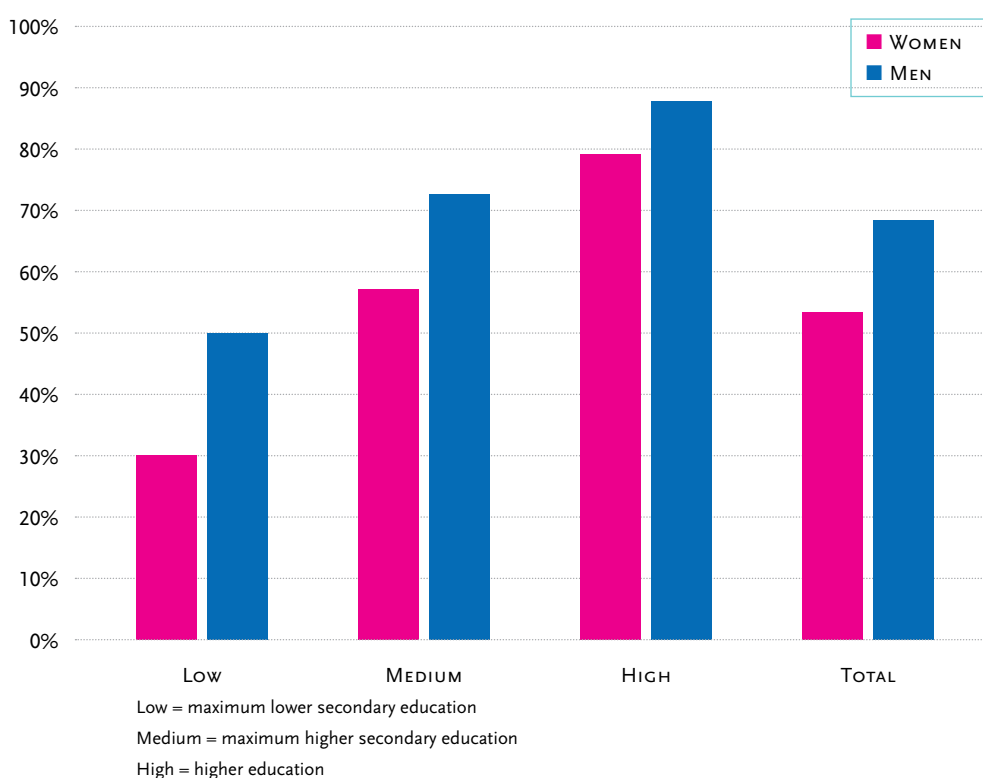


## Indicator 4: ratio by age and education

In 2005, Belgium registered an employment rate of 61.1%; 68.3% for men and 53.8% for women.<sup>16</sup> This employment rate varies widely depending on age and education.

The graph below shows that the higher the education level, the higher the employment rate, for both men and women. Moreover, the difference between men and women narrows as the level of education rises (see graph 16 below). In 2005, men with at most a lower secondary school certificate had an employment rate of 50.7%, compared with 29.7% for women with the same education. Men with at most a higher secondary school certificate had an employment rate of 73%, compared with 57.4% for women with the same education. The employment rate of men with at least a higher education diploma was 86.4%, compared with 79.5% for women.

**GRAPH 16: Employment rate by education (2005)**

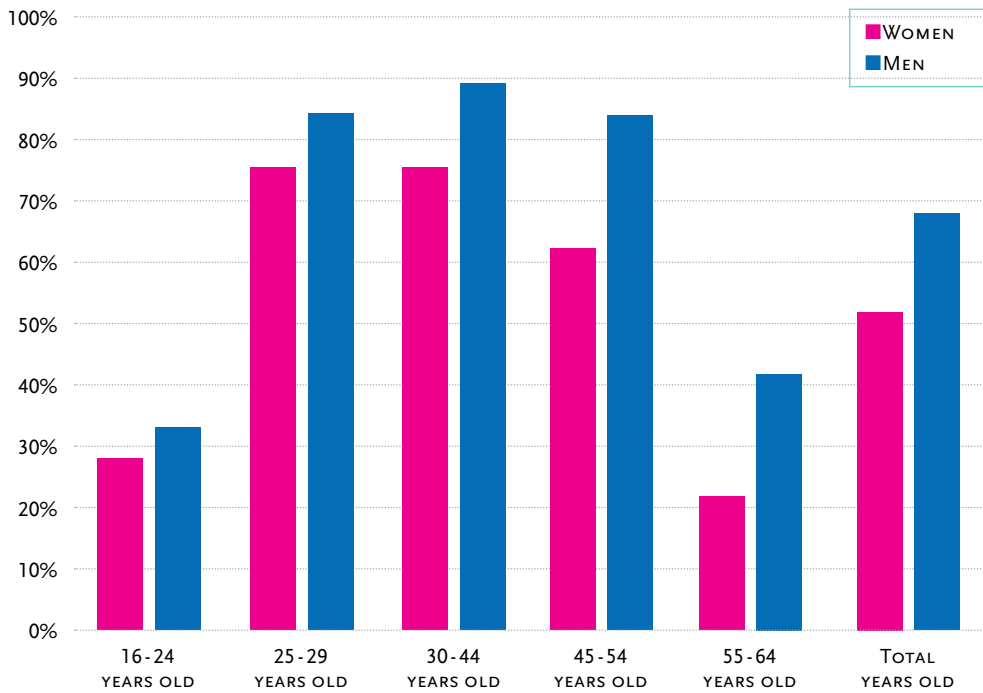


Source: DGSEI, Labour Force Survey

A perusal of the employment rate per age category in 2005 shows that the lowest rate was in the 16-24 age bracket (32.9% for men, 27.6% for women), and the 55-64 age bracket (41.8% for men, 22.2% for women). This percentage was the highest in the 30-44 age bracket (88.3% for men and 74.2% for women), followed closely by the 25-29 age bracket (83.3% for men and 74.9% for women). In the 45-54 age bracket, the employment rate in 2005 amounted to 83.9% for men and 62.5% for women.

<sup>16</sup> The employment rate is the share of the population of active age (15 to 64) who are actually working.

**GRAPH 17: Employment rate by age (2005)**

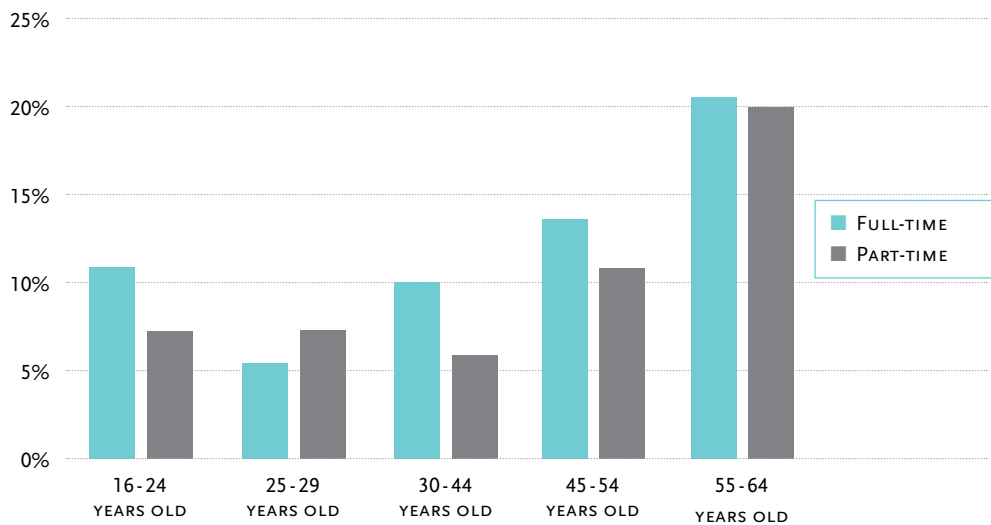


Source: DGSEI, Labour Force Survey

The above graph shows how the employment rate of women declines as from the 30-40 age bracket, while for men this occurs as from the 45-54 age bracket.

#### 4.1 The pay gap by age

**GRAPH 18: Pay gap by age for full-time and part-time employees (2005)**



Source: DGSEI, Structure of Earnings Survey

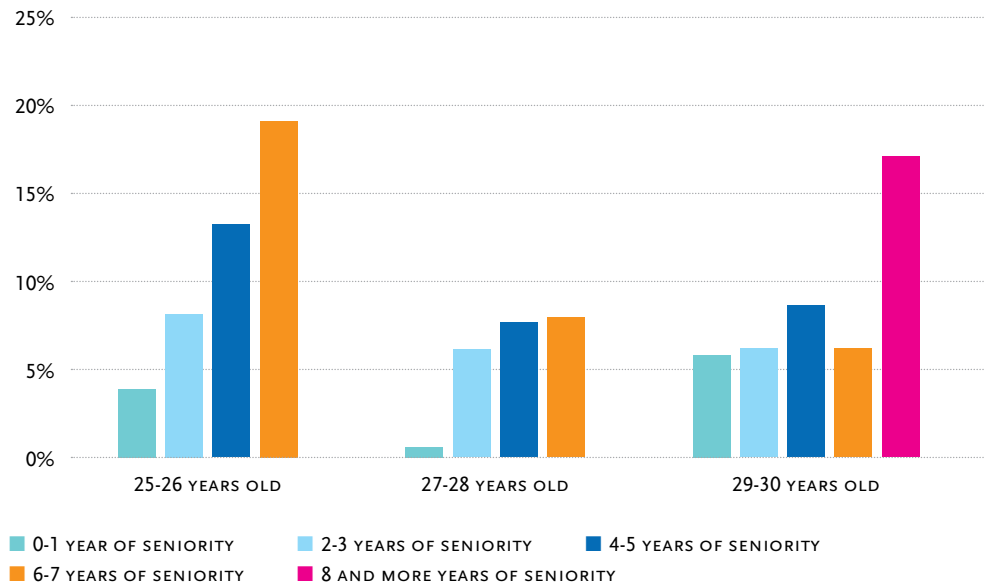
According to graph 18, the gap is relatively large in the 16-24 age bracket (11.6%). These figures are not very representative, however, because few men and women of that age work. The pay gap increases overall with age among full-time employees older than the 16-24 age bracket. In the 25-29 age bracket, the gender pay gap is 5.4%; in the 30-44 bracket, 9.8%; in the 45-54 bracket, 13.4%, and in the 55-64 age bracket 20.6%. The low employment rate among older women plays a role here.

The pay gap for part-time workers turns out to be relatively stable among younger people, with a rising trend as from 30-44 years of age. The pay gap between men and women is greater among full-time workers than among part-time workers, except for the 25-29 age bracket, where the reverse trend is noted.

The increasing pay gap in the course of one's career can be partially attributed to the fact that wages continue to increase as workers get older and acquire more seniority. This increase in pay differences could indicate that in the course of their career, women are confronted with obstacles. The differences in access to additional training and promotions and the financial implications thereof appear to hinder women from keeping pace with the pay rises of men. Temporary contracts and career interruptions are not beneficial to seniority either. A generation effect can also come into play. This would mean that as the younger generation of female workers grows older and the older generation retires, the pay gap will gradually be 'outgrown'.

Because we had already raised the question in the pay gap report for 2007 as to the extent to which the larger pay gap among old workers could be a generation effect, we have now analysed how pay differences evolve in the beginning of one's career. To check whether the pay gap disappears among younger generations, we have checked against the age and seniority of the 25-30 age bracket. The graph below shows the results of 2005. The pattern is very similar however for the data from 1999 to 2005. Due account must be taken of the fact that the Structure and Distribution Earnings Survey refers to seniority in the company. When an employee goes to a new employer, the seniority is not always carried over.

**GRAPH 19: Pay gap by seniority and age among 25-30 year olds (2005)**



Source: DGSEI, Structure of Earnings Survey

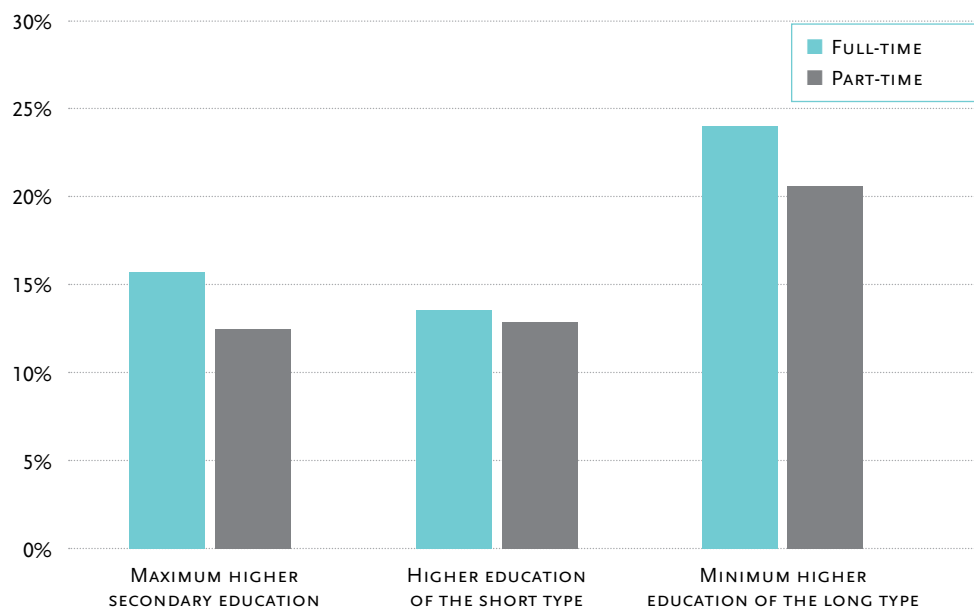
The pay gap between women and men seems to increase after a few years of gainful employment. This pattern is the clearest among 25 to 26 year olds: the pay gap rises from 4% to 19% with increasing seniority. Among 29 to 30 year olds, newcomers have a pay gap of 6%. After eight or more years of employment, this gap increases to 17%.

Although the labour market position of younger women is markedly better than that of their fellow women a few decades earlier, this cannot lead to the assumption that the disappearance of the pay gap is a matter of time. There is a substantial pay gap between men and women among the younger generations too. Furthermore, the causes behind pay inequalities increasing with age are obstinate. There is nothing, for instance, to suggest that the glass ceiling will disappear on its own. Finally, the large pay differences among the older generation lead to large differences in pension sums, so that the problem does not disappear when workers retire.

#### 4.2 Pay gap by education

There is an unquestionable connection between wages and education for both men and women. Those who have at least a diploma of higher education of the long type, earn considerably more on average than others. In 2005, full-time female workers with at least a higher education diploma earned €5.88 more per hour than women with at most a higher secondary school certificate. Among part-time workers, this difference was even higher, i.e. €7.11. Among men, the difference runs to an average of €9.24 per hour for full-time workers, and €10.10 for part-time workers. The benefits of education are generally greater for men than for women.

**GRAPH 20: Pay gap by education for full-time and part-time workers (2005)**



Source: DGSEI, Structure of Earnings Survey

The pay gap between men and women is the greatest among those who have at least a diploma of higher education of the long type. This applies to both part-time and full-time workers. For part-time workers, the pay gap is more or less the same for holders of a diploma of higher education of the short type or a higher secondary school certificate, while for full-time workers, the gap is greater among those less educated.

**TABLE 14: Average gross hourly wages by education among part-time and full-time workers (in euros) (2005)**

	Women		Men	
	Full-time	Part-time	Full-time	Part-time
MAXIMUM HIGHER SECONDARY EDUCATION	11.46	10.42	13.66	11.96
HIGHER EDUCATION OF THE SHORT TYPE	12.75	12.00	14.76	13.82
MINIMUM HIGHER EDUCATION OF THE LONG TYPE	17.34	17.53	22.90	22.06

Source: DGSEI, Structure of Earnings Survey

**TABLE 15: Pay gap by education among part-time and full-time workers (2005)**

	Full-time	Part-time
MAXIMUM HIGHER SECONDARY EDUCATION	16%	13%
HIGHER EDUCATION OF THE SHORT TYPE	14%	13%
MINIMUM HIGHER EDUCATION OF THE LONG TYPE	24%	21%

Source: DGSEI, Structure of Earnings Survey

In 2005, the hourly wages for men with at most a higher secondary school certificate amounted to €13.66 for full-time workers, and €11.96 for part-time workers. Among women with the same education, these hourly wages amounted to €11.46 for full-time workers and €10.42 for part-time workers, i.e. a difference of 16.1% for full-time workers and 12.9% for part-time workers. The hourly wages of men with at least a higher education diploma amounted to €22.90 for those working full-time, and €22.06 for those working part-time. Among women with the same education, the hourly wages were €17.34 for full-time workers and €17.53 for part-time workers. This is a difference of 24.3% for full-time workers and 20.5% for part-time workers. There are various reasons for this higher pay gap among the more educated workers. Women often do not easily get a promotion, or are older when they are promoted. There is more of a margin for wage negotiations among employees with advanced diplomas. The individual fixing of salaries usually turns out less favourably for women, however, because they often seem to negotiate less hard over their wages, or give preference to more flexible working times.

These data on education partially conceal the phenomenon of horizontal segregation in education and on the labour market. For higher education comprises a large number of diplomas and degree courses that do not always have the same value on the labour market. When a certain number of women with a higher education diploma opts for less paying jobs, this naturally has an influence on the picture that this graph provides. Furthermore, a distortion may also occur owing to the fact that unskilled women do not bother to enter the labour market because they do not think that they would earn enough. The average wages of low-skilled women are thus artificially increased, so that the difference with men in this group becomes smaller.

## Indicator 5: segregation on the labour market

Pay differences between men and women may in large measure be attributed to the segregation on the labour market. In other words, unequal pay is often a question of unequal work: higher wages are paid in some sectors than in others, some occupations are better paid than others, managers earn more than subordinates and in general, wages are higher in bigger companies. Women are often over-represented in jobs that are less paid. This is not so much coincidental as a matter of historical development. Women's work is stereotyped as 'soft' and of lesser importance economically. In principle, there are two possible ways to tackle the pay gap, i.e. by breaking through the segregation and by valuing 'female' occupations more and so remunerating them better.

The purpose of indicator 5 is to chart this segregation. As in last year's report, the horizontal segregation in sectors and occupations is discussed, as is the vertical segregation, as well as the under-representation of women in managerial positions, and the distance between high and low wages in the different sectors. A new element this year is that data per joint committee are also made available – actually a request with which we complied – since wage negotiations are often carried out at this level. The pay differences by company size have already been discussed under indicator 1.

A number of sectors in which many women are employed, such as education and healthcare, were included in the Structure of Earnings Survey only in 2006. They did not feature in the data for 2005. This problem will no longer arise for the pay gap report for 2009. The data of the Federal Planning Bureau do make it possible to draw a distinction between the private and the public sector. This distinction has already been discussed under indicator 1.

Owing to the large number of categories, the data lend themselves less to a presentation in graph form. Most of the information is compiled in a large summary table. The nomenclatures used are appended in the annexes.

### 5.1 Horizontal segregation: sectors

Differences between sectors of employment play a major role in pay differences between men and women. A number of factors are important here. There are differences in the average wages, in pay between men and women, but also in the vertical segregation within sectors, i.e. the concentration of women in the lower paid jobs, and in the dispersion between high and low wages. When there is a greater distance between high and low wages in a given sector, the gender pay gap may also be greater.

When the pay gap is calculated over the sectors, it is important to check where there are high concentrations of women. Thus, if sector P, the household sector, is included in the calculation of the pay gap, that gap would grow, because due account would be taken of a large group of poorly paid women.

The table below shows the pay gap in industry and market-oriented services, i.e. NACE sectors C to K. It is a summary table that, in addition to the different elements of the pay differences between men and women, includes the gender distribution within sectors, part-time employment and different inequality indicators.

There is a pretty strong fluctuation in the figures over the different years in a number of sectors. The most important reason for this is that the data are calculated on rather small numbers, whereby the reliability intervals become large. Some sectors are too small on the whole, and at times there are too few women, and in a single instance, few men. Nevertheless, there are also sectors where more data are available. When employment is not very stable in a sector, the pay gap will not develop gradually over the years, but will only make leaps and bounds. In the apparel sector (NACE 18) for instance, employment was nearly halved for men and women between 1999 and 2005. When many redundancies in a given year fall in certain categories of men and women with high or rather low wages, or new jobs are created, the repercussions can be felt in the pay gap. To level the fluctuation in figures, the average pay gap is given for 2000 to 2005. In the report for 2007, this was already done for the pay gap by occupation.<sup>17</sup>

The top five of the widest pay gaps comprise the textile sector, the gas and electricity sector, air transport, manufacturers of audio, video and telecommunication equipment, and activities auxiliary to financial institutions. The narrowest pay gaps are found in the sectors of non-metallic mineral products, land transport, collection, purification and distribution of water, the wood industry and renting of machinery equipment without operator. There are actually very few women employed in the manufacture of mineral products and the collection of water, and the figures tend to fluctuate over the years.

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<sup>17</sup> A second remark concerns the calculation of the pay gap. In the report for 2007, the pay gap was calculated in the table of the sectors in terms of female – instead of male – pay. For the sake of comparability with the previous year, both calculation methods were included in this report for the table of the sectors.

**TABLE 16 : Summary of sectors C-K of the NACE nomenclature by size of the pay gap**

with the average gross hourly wages of full-time male and female workers (in euros); the pay difference (in euros); the number of full-time male and female workers in the sector; and the share of women; the part-time employment rate of men and women and the average pay gap (2000-2005) calculated in respect of male pay and of female pay (in percentage); the average vertical segregation (2000-2005), i.e. the under-representation of women (in percentage) in managerial positions (cf. paragraph 5.3) and the average general pay gap (2000-2005), i.e. the gap between the 5<sup>th</sup> and 85<sup>th</sup> wage percentile (cf. paragraph 5.4).

NACE	SECTOR	Wages 2005			Gender distribution 2005			Part-time employment rate 2005		Inequality indicators 2000-2005		
		FEMALE WAGES (EURO)	MALE WAGES (EURO)	PAY DIFFERENCE (EURO)	NUMBER OF WOMEN (FULL-TIME)	NUMBER OF MEN (FULL-TIME)	SHARE OF WOMEN (FULL-TIME)	PART-TIME EMPLOYMENT RATE WOMEN	PART-TIME EMPLOYMENT RATE MEN	PAY GAP WITH RESPECT TO FEMALE WAGES (%)	VERTICAL SEGREGATION (%)	GENERAL PAY GAP (%)
18	MANUFACTURE OF WEARING APPAREL, DRESSING AND DYEING OF FUR	11.92	17.23	5.31	2,887	956	75%	28%	8%	39	67	54
40	ELECTRICITY, GAS, STEAM AND HOT WATER SUPPLY	15.87	24.94	9.07	3,823	13,447	22%	15%	2%	35	56	57
62	AIR TRANSPORT	14.81	24.68	9.87	1,603	3,172	34%	22%	7%	32	48	58
32	MANUFACTURE OF RADIO, TELEVISION AND COMMUNICATION EQUIPMENT AND APPARATUS	16.28	20.72	4.44	4,564	12,082	27%	24%	4%	29	42	66
67	ACTIVITIES AUXILIARY TO FINANCIAL INTERMEDIATION	17.11	24.33	7.22	3,903	4,990	44%	29%	4%	29	41	60
30	MANUFACTURE OF OFFICE MACHINERY AND COMPUTERS	11.35	16.21	4.86	175	431	29%	23%	8%	27	38	32
61	WATER TRANSPORT	14.57	21.96	7.39	222	495	31%	23%	2%	25	35	35
65	FINANCIAL INTERMEDIATION, EXCEPT INSURANCE AND PENSION FUNDING	18.38	24.24	5.87	21,129	42,770	33%	42%	9%	25	33	53
19	TANNING AND DRESSING OF LEATHER; MANUFACTURE OF LUGGAGE, HANDBAGS, SADDLERY, HARNESS AND FOOTWEAR	12.67	15.24	2.57	539	742	42%	32%	6%	23	30	58
33	MANUFACTURE OF MEDICAL, PRECISION AND OPTICAL INSTRUMENTS, WATCHES AND CLOCKS	13.28	16.97	3.69	1,406	3,854	27%	35%	5%	23	29	47
16	MANUFACTURE OF TOBACCO PRODUCTS	12.74	17.41	4.67	497	552	47%	61%	20%	23	29	44
74	OTHER BUSINESS ACTIVITIES	14.65	18.17	3.52	51,529	73,897	41%	39%	13%	20	26	56
21	MANUFACTURE OF PULP, PAPER AND PAPER PRODUCTS	13.10	16.45	3.35	2,702	11,143	20%	17%	2%	20	25	49
17	MANUFACTURE OF TEXTILES	11.19	14.36	3.17	10,483	16,416	39%	15%	8%	20	25	36

Continued on page 39



TABLE 16: continuation

NACE	SECTOR	Wages 2005			Gender distribution 2005			Part-time employment rate 2005		Inequality indicators 2000-2005			
		FEMALE WAGES (EURO)	MALE WAGES (EURO)	PAY DIFFERENCE (EURO)	NUMBER OF WOMEN (FULL-TIME)	NUMBER OF MEN (FULL-TIME)	SHARE OF WOMEN (FULL-TIME)	PART-TIME EMPLOYMENT RATE WOMEN	PART-TIME EMPLOYMENT RATE MEN	Pay gap (%)	PAY GAP WITH RESPECT TO FEMALE WAGES (%)	VERTICAL SEGREGATION (%)	GENERAL PAY GAP (%)
66	INSURANCE AND PENSION FUNDING, EXCEPT COMPULSORY SOCIAL SECURITY	18.46	22.41	3.95	8,758	10,508	45%	34%	11%	20	25	60	51
24	MANUFACTURE OF CHEMICALS AND CHEMICAL PRODUCTS	17.28	21.15	3.87	13,581	47,451	22%	28%	11%	20	25	30	57
23	MANUFACTURE OF COKE, REFINED PETROLEUM PRODUCTS AND NUCLEAR FUEL	20.49	24.57	4.08	914	3,982	19%	17%	1%	19	24	19	51
73	RESEARCH AND DEVELOPMENT	17.45	20.57	3.12	4,313	6,218	41%	18%	7%	19	24	36	61
31	MANUFACTURE OF ELECTRICAL MACHINERY AND APPARATUS N.E.C.	12.72	16.30	3.59	3,661	16,012	19%	22%	4%	19	23	62	42
63	SUPPORTING AND AUXILIARY TRANSPORT ACTIVITIES; ACTIVITIES OF TRAVEL AGENCIES	14.01	17.27	3.25	11,325	21,269	35%	24%	13%	18	22	56	52
22	PUBLISHING, PRINTING AND REPRODUCTION OF RECORDED MEDIA	15.40	17.60	2.20	6,291	14,883	30%	29%	6%	16	19	43	52
72	COMPUTER AND RELATED ACTIVITIES	17.19	19.84	2.65	6,386	24,935	20%	23%	5%	15	18	40	58
15	MANUFACTURE OF FOOD PRODUCTS AND BEVERAGES	12.71	15.10	2.40	15,217	45,510	25%	27%	7%	15	18	51	48
70	REAL ESTATE ACTIVITIES	14.83	17.32	2.49	2,131	3,962	35%	29%	6%	15	17	50	61
52	RETAIL TRADE, EXCEPT OF MOTOR VEHICLES AND MOTORCYCLES; REPAIR OF PERSONAL AND HOUSEHOLD GOODS	11.19	13.15	1.96	35,775	35,815	50%	60%	20%	15	17	34	46
51	WHOLESALE TRADE AND COMMISSION TRADE, EXCEPT OF MOTOR VEHICLES AND MOTORCYCLES	15.01	17.60	2.59	33,917	83,028	29%	24%	4%	14	17	51	56
25	MANUFACTURE OF RUBBER AND PLASTIC PRODUCTS	13.40	15.61	2.21	3,496	17,761	16%	31%	7%	13	15	59	57
37	RECYCLING	12.35	13.94	1.59	354	1,593	18%	26%	4%	13	15	84	52

Continued on page 40

TABLE 16: continuation

NACE	SECTOR	Wages 2005			Gender distribution 2005			Part-time employment rate 2005		Inequality indicators 2000-2005			
		FEMALE WAGES (EURO)	MALE WAGES (EURO)	PAY DIFFERENCE (EURO)	NUMBER OF WOMEN (FULL-TIME)	NUMBER OF MEN (FULL-TIME)	SHARE OF WOMEN (FULL-TIME)	PART-TIME EMPLOYMENT RATE WOMEN	PART-TIME EMPLOYMENT RATE MEN	Pay gap (%)	PAY GAP WITH RESPECT TO FEMALE WAGES (%)	VERTICAL SEGREGATION (%)	GENERAL PAY GAP (%)
34	MANUFACTURE OF MOTOR VEHICLES, TRAILERS AND SEMI-TRAILERS	15.20	16.75	1.55	3,734	41,333	8%	21%	7%	11	13	51	46
36	MANUFACTURE OF FURNITURE; MANUFACTURING N.E.C.	11.99	12.93	0.94	3,734	12,161	24%	22%	3%	10	12	65	38
26	MANUFACTURE OF OTHER NON-METALLIC MINERAL PRODUCTS	14.19	15.62	1.44	2,561	24,689	9%	21%	3%	10	11	2	49
29	MANUFACTURE OF MACHINERY AND EQUIPMENT N.E.C.	14.40	15.86	1.46	4,051	29,774	12%	20%	5%	10	11	54	46
55	HOTELS AND RESTAURANTS	10.49	11.21	0.72	12,895	16,587	43%	58%	41%	9	11	50	38
64	POST AND TELECOMMUNICATIONS	14.22	16.22	2.00	19,850	45,398	30%	26%	9%	9	10	40	45
35	MANUFACTURE OF OTHER TRANSPORT EQUIPMENT	15.26	16.93	1.67	949	13,875	6%	23%	6%	8	9	-17	50
50	SALE, MAINTENANCE AND REPAIR OF MOTOR VEHICLES AND MOTORCYCLES; RETAIL SALE OF AUTOMOTIVE FUEL	13.56	14.42	0.86	4,668	28,184	14%	29%	5%	7	7	50	49
28	MANUFACTURE OF FABRICATED METAL PRODUCTS, EXCEPT MACHINERY AND EQUIPMENT	13.49	14.04	0.55	4,526	42,006	10%	23%	3%	7	7	18	49
45	CONSTRUCTION	13.21	13.96	0.75	5,834	107,893	5%	29%	3%	6	6	-6	47
27	MANUFACTURE OF BASIC METALS	15.91	16.85	0.94	2,373	33,861	7%	10%	3%	6	6	-108	58
71	RENTING OF MACHINERY AND EQUIPMENT WITHOUT OPERATOR AND OF PERSONAL AND HOUSEHOLD GOODS	14.90	14.96	0.06	1,087	3,110	26%	23%	11%	4	5	36	51
20	MANUFACTURE OF WOOD AND OF PRODUCTS OF WOOD AND CORK, EXCEPT FURNITURE; MANUFACTURE OF ARTICLES OF STRAW AND PLAITING MATERIALS	13.08	12.45	-0.63	902	9,210	9%	21%	8%	4	4	26	38
41	COLLECTION, PURIFICATION AND DISTRIBUTION OF WATER	16.65	16.59	-0.06	566	2,203	20%	21%	1%	3	3	70	40
60	LAND TRANSPORT; TRANSPORT VIA PIPELINES	13.17	12.55	-0.63	5,277	55,970	9%	32%	10%	1	2	-20	47
14	OTHER MINING AND QUARRYING (NOT ENERGY PRODUCING MATERIALS OR METAL)	14.67	16.05	1.37	133	2,286	5%	32%	5%	-3	-2	11	62
	<b>TOTAL Sectors C - K</b>	<b>14.38</b>	<b>16.68</b>	<b>2.30</b>	<b>324,721</b>	<b>986,414</b>	<b>25%</b>	<b>37%</b>	<b>8%</b>	<b>16</b>	<b>21</b>	<b>43</b>	<b>50</b>

Source: DGSEI, Structure of Earnings Survey

The pay gap report for 2007 elicited a request from the social partners for information on the pay gap by joint committee. The table below contains only the joint committees in industry and market-oriented services, who moreover represent sufficient workers and sufficient companies, to be able to meet the legal requirements of data anonymity.

**TABLE 17: Average gross monthly wages (2005) and average pay gap (2000-2005) by joint committee**

Blue-collar workers		Wages 2005		Average pay gap 2000-2005
		Women	Men	
100	AUXILIARY JOINT COMMITTEE FOR BLUE-COLLAR WORKERS	2,246	2,658	17.01
104	STEEL INDUSTRY	3,142	3,356	7.74
105	NON-FERROUS METAL	2,806	2,956	8.03
109	CLOTHING AND READY-TO-WEAR	1,837	2,659	31.61
111	METAL, MACHINERY AND ELECTRICAL CONSTRUCTION	2,370	2,721	13.96
112	GARAGE INDUSTRY	2,344	2,464	4.64
115	GLASS INDUSTRY	2,271	2,658	14.72
116	CHEMICAL INDUSTRY	2,729	3,305	19.00
117	PETROLEUM INDUSTRY AND TRADE	3,238	4,148	22.66
118	FOOD SECTOR	2,127	2,592	15.64
119	TRADE IN FOODSTUFFS	1,898	2,169	11.48
120	TEXTILE INDUSTRY AND KNITWEAR	1,918	2,443	19.44
121	CLEANING	1,928	2,131	11.48
124	CONSTRUCTION	2,202	2,385	7.29
126	UPHOLSTERY AND WOODWORK	1,969	2,120	9.25
129	MANUFACTURE OF PAPER PULP, PAPER AND CARDBOARD	2,537	2,769	7.70
130	PRINTING, GRAPHIC ARTS AND NEWSPAPER SECTOR	2,374	2,764	16.52
136	PAPER AND CARDBOARD PROCESSING	2,181	2,592	17.78
140	TRANSPORT AND LOGISTICS	2,222	2,182	1.06
149	SECTORS RELATED TO METAL, MACHINERY AND ELECTRICAL CONSTRUCTION	2,199	2,436	11.36
149.01	JOINT SUB-COMMITTEE FOR ELECTRICIANS: INSTALLATION AND DISTRIBUTION	2,140	2,381	11.60
149.04	JOINT SUB-COMMITTEE FOR THE METAL TRADE	2,137	2,662	18.34
302	HOTEL INDUSTRY	1,759	1,926	10.02
306	INSURANCE SECTOR	2,997	3,518	17.54
310	BANKS	3,000	3,808	22.52
311	LARGE RETAILERS	1,954	2,082	11.71
317	SECURITY AND SURVEILLANCE SERVICES	2,115	2,039	-1.93

Continued on page 42

**TABLE 17: continuation**

White-collar workers		Wages 2005		Average pay gap 2000-2005
		Women	Men	
200	AUXILIARY JOINT COMMITTEE FOR WHITE-COLLAR WORKERS	2,583	3,203	21.21
201	SELF-EMPLOYED RETAILERS	1,694	2,056	16.21
202	WHITE-COLLAR WORKERS FROM RETAIL AND FOODSTUFFS	1,848	2,252	15.89
207	WHITE-COLLAR WORKERS FOR THE CHEMICAL INDUSTRY	2,839	3,423	18.46
209	WHITE-COLLAR WORKERS FROM THE FABRICATED METAL PRODUCTS INDUSTRY	2,447	2,761	12.81
210	WHITE-COLLAR WORKERS FROM THE STEEL INDUSTRY	3,033	3,351	9.25
211	WHITE-COLLAR WORKERS FROM THE PETROLEUM INDUSTRY AND TRADE	3,248	4,382	22.82
214	WHITE-COLLAR WORKERS FROM THE TEXTILE INDUSTRY AND KNITWEAR	1,935	2,449	19.32
215	WHITE-COLLAR WORKERS FROM CLOTHING AND READY-TO-WEAR	1,911	2,797	31.94
218	NATIONAL AUXILIARY JOINT COMMITTEE FOR WHITE-COLLAR WORKERS	2,481	2,729	10.47
220	WHITE-COLLAR WORKERS FROM THE FOOD INDUSTRY	2,248	2,674	15.01
221	WHITE-COLLAR WORKERS FROM THE PAPER INDUSTRY	2,473	2,886	9.69
222	WHITE-COLLAR WORKERS FROM THE PAPER AND CARDBOARD PROCESSING INDUSTRY	2,158	2,586	17.93
226	WHITE-COLLAR WORKERS FROM INTERNATIONAL TRADE, TRANSPORT AND LOGISTICS	2,297	2,415	5.59
302	HOTEL INDUSTRY	1,782	1,975	11.69
306	INSURANCE SECTOR	2,944	3,481	19.40
307	BROKERAGE AND INSURANCE AGENCIES	2,645	3,815	32.32
310	BANKS	3,074	4,005	23.33
311	LARGE RETAILERS	2,008	2,140	7.40
313	PHARMACIES AND HEALTH SERVICES	2,420	2,765	14.12
315.02	JOINT SUB-COMMITTEE FOR AIRLINES	2,648	3,529	26.83

Source: DGSEI, Structure of Earnings Survey

### 5.2 Horizontal segregation: occupations

Men and women work not only more often in certain sectors, they often also tend to concentrate in certain occupations. The Structure of Earnings Survey uses the ISCO nomenclature, which is here limited to two positions (cf. annex). Some categories are more heterogeneous than others. Once again, these are people who are employed in industry and market services on a full-time basis.

The table in the pages that follows provides the average gross hourly wages of women and men per occupational category, the pay difference and the average pay gap for the years 2000 to 2005, the gender distribution and the part-time employment rate. What is striking is that there are wide pay differences between the occupational categories. The pay gap is the greatest among managers and executives. For the period 2000-2005 the pay gap amounted to 33% on average. It is also striking that the part-time employment rate among cleaning personnel is very high: 76% for women and 39% for men. In sales these figures are 64% and 19%.

**TABLE 18 : Summary of the occupational categories of the ISCO nomenclature**

with the average gross hourly wages of full-time male and female workers (in euros); the pay difference (in euros); the average pay gap (2000-2005); the number of women and men and the share of female workers among the full-time employees in the occupational category (2005); and the part-time employment rate of women and men.

ISCO	OCCUPATIONS	Wages 2005				Gender distribution 2005				Part-time employment rate 2005	
		FEMALE WAGES (EURO)	MALE WAGES (EURO)	PAY DIFFERENCE (EURO)	Average pay gap 2000-2005 (%)	NUMBER OF WOMEN (FULL-TIME)	NUMBER OF MEN (FULL-TIME)	SHARE OF WOMEN (FULL-TIME)	PART-TIME EMPLOYMENT RATE WOMEN	PART-TIME EMPLOYMENT RATE MEN	
12	CORPORATE MANAGERS	28.37	33.08	4.71	21	8,243	43,450	15.9%	15.86%	3.33%	
13	GENERAL MANAGERS	20.15	29.91	9.76	33	1,352	4,658	22.5%	12.21%	4.59%	
21	PHYSICAL, MATHEMATICAL AND ENGINEERING SCIENCE PROFESSIONALS	19.97	22.51	2.54	13	10,994	69,573	13.6%	21.13%	3.75%	
22	LIFE SCIENCE AND HEALTH PROFESSIONALS	19.55	22.35	2.80	17	2,729	2,191	55.5%	23.28%	7.55%	
24	OTHER PROFESSIONALS	19.35	25.13	5.78	23	31,282	55,466	36.1%	18.45%	2.92%	
31	PHYSICAL AND ENGINEERING SCIENCE ASSOCIATE PROFESSIONALS	15.57	17.82	2.25	15	8,468	56,315	13.1%	24.01%	4.67%	
32	LIFE SCIENCE AND HEALTH ASSOCIATE PROFESSIONALS	15.18	16.97	1.79	17	3,609	3,103	53.8%	25.50%	7.12%	
34	OTHER ASSOCIATE PROFESSIONALS	16.09	19.27	3.18	17	19,130	28,788	39.9%	29.75%	5.83%	
41	OFFICE CLERKS	14.27	16.13	1.86	12	113,202	140,236	44.7%	28.40%	8.47%	
42	CUSTOMER SERVICES CLERKS	12.83	14.81	1.98	13	15,911	11,394	58.3%	44.50%	12.37%	
51	PERSONAL AND PROTECTIVE SERVICES WORKERS	10.98	12.86	1.88	19	10,180	22,508	31.2%	54.28%	31.23%	
52	MODELS, SALESPERSONS AND DEMONSTRATORS	10.93	14.39	3.47	24	22,032	22,731	49.0%	63.75%	19.46%	
71	EXTRACTION AND BUILDING TRADES WORKERS	12.20	13.23	1.03	9	1,036	70,747	1.4%	7.50%	3.08%	
72	METAL, MACHINERY AND RELATED TRADES WORKERS	11.89	13.88	1.99	14	7,053	105,119	6.3%	21.22%	5.05%	
73	PRECISION, HANDICRAFT, PRINTING AND RELATED WORKERS	11.89	13.89	2.00	18	2,834	16,482	14.7%	27.89%	4.83%	
74	OTHER CRAFT AND RELATED TRADES WORKERS	10.56	12.57	2.01	16	17,508	46,299	27.5%	36.92%	10.84%	
81	STATIONARY-PLANT AND RELATED OPERATORS	11.79	15.24	3.45	23	3,360	38,349	8.1%	30.15%	7.64%	
82	MACHINE OPERATORS AND ASSEMBLERS	11.97	14.75	2.78	19	19,434	100,014	16.3%	21.24%	6.97%	
83	DRIVERS AND MOBILE-PLANT OPERATORS	12.14	12.51	0.37	4	2,270	63,040	3.5%	26.01%	8.63%	
91	SALES AND SERVICES ELEMENTARY OCCUPATIONS	10.72	12.12	1.40	15	9,071	11,665	43.5%	75.51%	39.43%	
93	LABOURERS IN MINING, CONSTRUCTION, MANUFACTURING AND TRANSPORT	11.24	13.39	2.15	17	12,745	67,688	15.9%	34.31%	9.31%	

Source: DGSEI, Structure of Earnings Survey

### **5.3 Vertical segregation**

The under-representation of women in managerial positions was included in the summary table of the sectors (cf. page 38-40). The vertical segregation was expressed as the relative shortage of women in the occupational categories of corporate managers (ISCO 12) and general managers (ISCO 13). 'Relative' means in proportion to the presence of women in a sector. When the share of women in managerial positions corresponds to their share in the sector, this figure is nil. For sectors C to K together, there are 43% too few women at the top. In the manufacture of office machinery and computers sector, that shortage is 91%. In the manufacture of basic metals, in contrast, there is a relative 'surplus' of female managers, compared with the number of women on the shop floor.

The women who do manage to break through the 'glass ceiling' are confronted with a wide pay gap: 33% among corporate managers and 21% among general managers (cf. table 18). In fact, there is not just one managerial level. Different levels of management act in practice as different 'glass ceilings'.

### **5.4 Gender pay gap in the light of the general pay gap**

The general pay gap was also included in the summary table (cf. page 38-40). The general pay gap shows the span between high and low wages. These pay differences actually play a role in the gender pay gap only when there is vertical segregation: when women are over-represented in the lower pay categories and under-represented in the higher ones, then a greater pay span results in a wider gender pay gap.

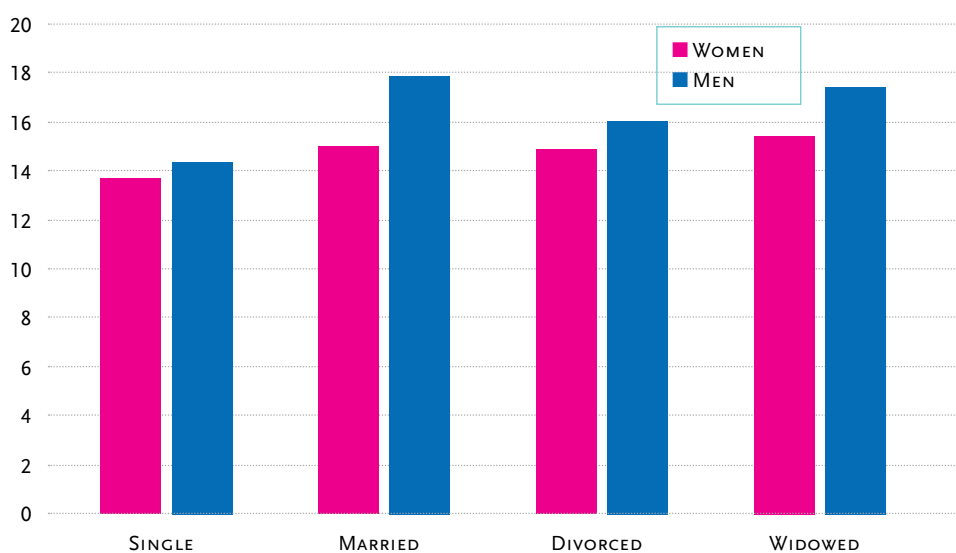
The gap is calculated on the basis of the difference between the 5<sup>th</sup> and 85<sup>th</sup> percentile as the general pay gap indicator. This means that the wages where 5% of all workers in a sector earn less and 95% more, were taken as the standard for the low wages; and the wages where 85% of the workers in a sector earn less and 15% more, were taken as the standard for the high wages. This is necessary because calculations based on the highest and the lowest wages in a sector would yield a distorted picture. This applies all the more for the high wages, because they are in theory not limited. The general pay gap is moreover calculated by analogy to the gender pay gap: the difference between the 5<sup>th</sup> and 85<sup>th</sup> percentile, expressed as a percentage of the 85<sup>th</sup> percentile.

## Extra indicator: marital status and household composition

One of the aspects not elucidated in the European indicator set is the pay gap by marital status and household composition. Nevertheless, such information can shed more light on the pay gap debate, in which often reference is made to the unequal distribution of care tasks at home.

When we look at the data concerning the impact of the marital status, we note that this has a major influence on wages for men: married men earn a considerably higher hourly wage (€17.95 on average) than single men (€14.31). This difference may perhaps be explained to a considerable degree on the basis of age: the average married man is older than the average single man. But this consideration applies far less with regard to divorced men, who also earn lower wages. Various sociological factors may play a role here – do lower wages lead easier to divorce, or does a divorce lead to lower wages? In general, the graph tends to confirm the classic picture of the man as the breadwinner: the stronger the bond with a family, the higher the wages. In a classic role pattern, men with a partner can ‘free’ themselves more for their career, and are therefore more flexible, or at least are seen as such.

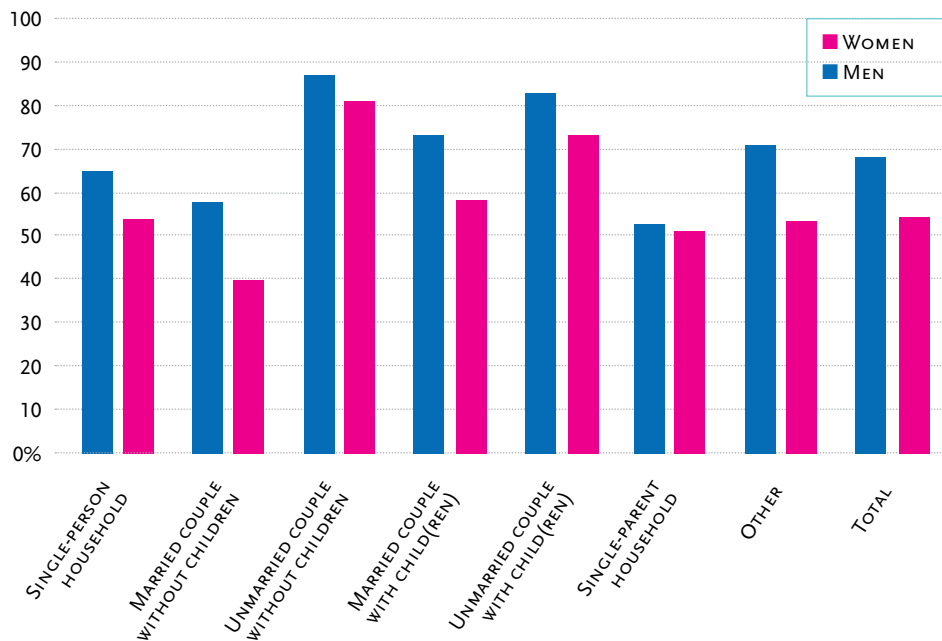
**GRAPH 21: Gross hourly wages by marital status (2005)**



Sources: DGSEI, Structure of Earnings Survey and National Register

The differences are far smaller among women; married women earn more than single women (€15.01 compared to €13.67), and a little more than divorced women (€14.89), but the pay differences are far less pronounced. A relationship with a partner may perhaps play a particular role for women in deciding whether to participate (full-time or part-time) in the labour market.

**GRAPH 22: Employment rate by household type (2005)**



Source: DGSEI, Labour Force Survey

We actually observe that married women participate less often in the labour market than unmarried women, and this applies for women with – and without – children. The same observation can be made for men. The data in large measure confirm the traditional sex role: in all situations, men work more than women, and the difference is more pronounced in marriage. The influence of children leads to a greater participation in the labour market among married couples and to a lesser participation among their unmarried counterparts. Here, due account must be taken of a possible age effect: younger couples without children may not be married compared with older couples where the children ‘have all left’.

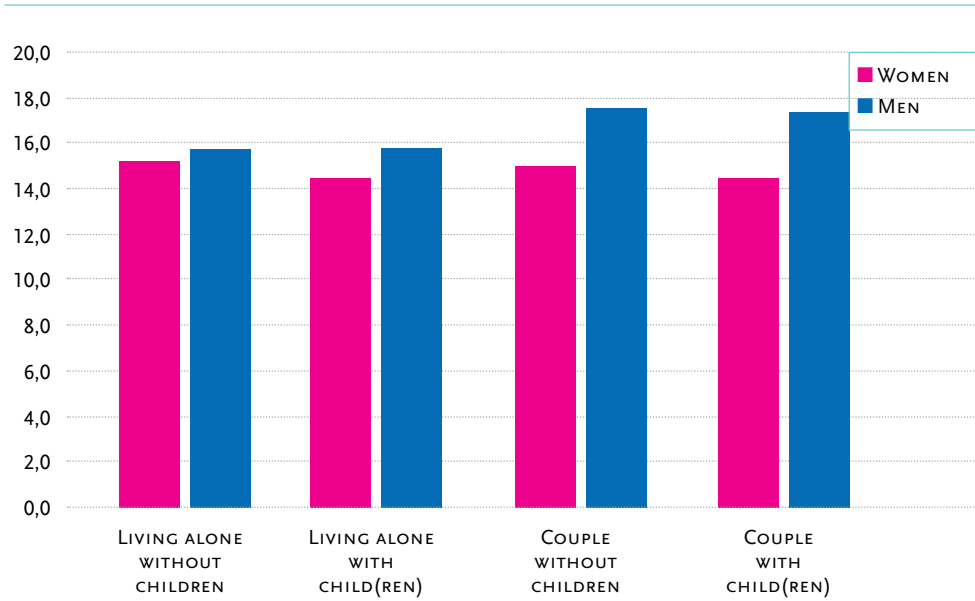
Owing to the different impact of marital status on male and female wages, the pay difference is quite large for married persons and relatively small for single ones. The latter observation doubtlessly also has to do with the fact that single persons are on average younger and usually at the beginning of their career, where factors such as seniority and promotions have not yet reached their full impact.

A more or less similar picture emerges when we compare wages by household composition. This plays an important role for men: those living together with a partner earn higher wages (€1.30 per hour more on average) than men living alone. Here, once again, the influence of the average age difference should not be underestimated. The presence of children scarcely comes into play.

In contrast, whether a woman has a partner or not barely affects her wages. Children on the other hand do make a difference: women with one or more children earn on average hourly wages of €0.60 less than women without children.



**GRAPH 23: Gross hourly wages by household type (2005)**



Sources: DGSEI, Structure of Earnings Survey and the National Register

The available data seem to confirm the influence of the sex roles on the labour market behaviour and therefore also on the pay difference. The effect must not be overestimated, however: the traditional sex role is not the sole, nor even the most important factor in the pay gap. The next indicator shows the relative weight of the different factors in the pay gap.



# III. Breakdown of the pay gap

## Indicator 6

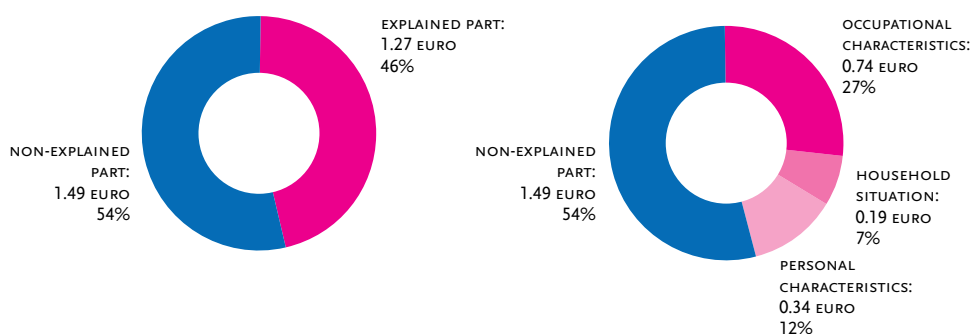
Indicators 1 to 5 are actually descriptive in nature; they describe how the pay gap varies depending on a number of characteristics (age, education, employment sector, household composition). The relation between the pay gap and these variables is investigated in indicator 6. An econometric method is used to decompose the pay gap, and to investigate the degree to which the variation in wages between men and women can be attributed to a number of known factors. Therefore, the mathematical equation that can explain the pay variation is sought. There is always a residual factor, i.e. the part of the pay variation that cannot be explained on the basis of all the variables included.

The classic model used to decompose the pay gap is the Oaxaca-Blinder technique. An equation to estimate female and male pay is established on the basis of the known variables. They are then brought together in one equation to investigate the difference. We use the Oaxaca-Blinder decomposition because it is included in the list of indicators approved by the Council of the European Union in 2001. There are also other explanatory models for analysing the pay gap.

The results for indicator 6 for 2005 pretty much parallel those for 2004. This is not so surprising, since the same set of variables was used. From the methodological perspective, it also points to a certain stability in the data. Moreover, the statistical parameters for testing the reliability of the analysis confirm the value of the model.<sup>18</sup>

As in the previous year, 46% of the pay difference can be explained on the basis of the eleven established factors. This means that 54% cannot be explained. The explained part has actually increased slightly from 0.4557 to 0.4637.

**GRAPH 24: Explained and non-explained part of the pay gap in gross hourly wages (in euros and percentages)**



Source: DGSEI, Structure of Earnings Survey

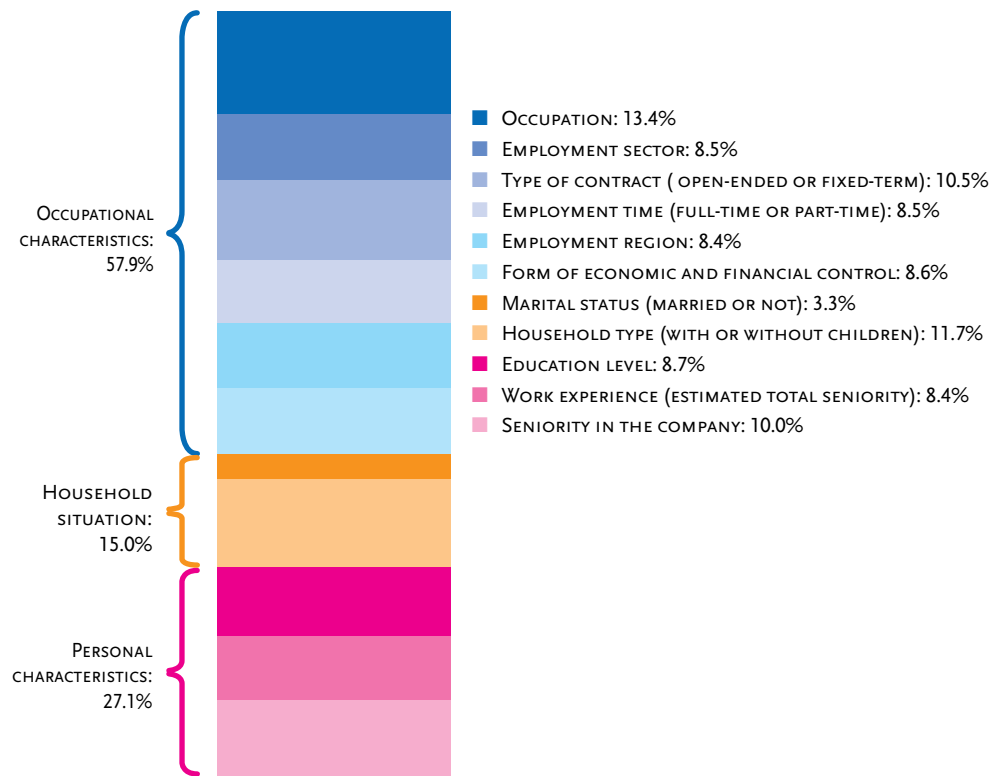
'Explained' means explainable on the basis of the variables included in the model. These are quite a few, however. The most 'objective' factors invoked to explain the pay differences between men and women are actually contained in the Structure of Earnings Survey. Objectively explained is not a synonym for acceptable, however. It is of course important to know the causes of the problem in order to be able to pursue a targeted policy. Most variables were already discussed in the report.

<sup>18</sup> The model and all variables contained therein are statistically significant; most with a p value smaller than 0.0001. The coefficient of determination is 47.25% for women and 48.73% for men.

The explained part of the pay gap, which totalled 46%, can be broken down further: 27% of the pay gap in gross hourly wages can be attributed to occupational characteristics, 12% to personal characteristics and 7% to the household situation.

The explained part is analysed in detail in the graph below. A comparison with 2004 has revealed a few slight changes between the variables included.

**GRAPH 25: Breakdown of the pay gap – subdivision of the explained part of the pay gap**



Source: DGSEI, Structure of Earnings Survey

Nearly 60% of the explained part can be attributed to characteristics that refer to the position of men and women on the labour market, which can in the wide sense be contained under the denominator 'segregation'. The occupation explains 13% of the explained pay gap and whether the person is employed on a permanent basis 10%. The outline is completed by the sector, whether the job is full-time, the employment region and the 'form of economic and financial control'. The last variable indicates whether and, if so, the extent to which, there is a form of government participation in the company.

The household situation appears to account for 15% of the explained pay gap. Of particular importance is whether one has children (11.7%). Although this result comes as no surprise – for it has everything to do with the difficult combination of gainful employment and family, and the stubborn, sex stereotypical role expectations – it remains a challenge for policy.

Only 27% of the explainable part of the pay gap can be attributed to individual characteristics, such as education, work experience and seniority in the company. Converted into difference in average gross hourly wages, we then speak of 34 eurocents. At first glance, we seem to have landed on the more or less legitimate part of the pay gap. Appearances are deceiving, of course. There is still need for emancipation at this level too: a breakthrough is needed in sex stereotypical choices of studies, while the problem of a less stable and interrupted career also needs to be addressed.

# Summary of the most important results

## I. General pay differences

- For 2005, based on gross monthly wages, the pay gap between full-time male and female workers in industry and market services amounted to 15%.
- The average full-time female worker in industry and market services in 2005 earned €420 gross less each month than her average male colleague, or €5,502 gross on a yearly basis.
- The new official European indicator will be the pay gap calculated on the basis of the hourly wages of full-time and part-time workers together. By calculating the pay gap in this way, the effect of an unequal work time is partially neutralised. For 2005, the pay gap based on gross hourly wages for full-time and part-time workers together amounted to 17% in industry and market services.
- To include the effect of gender inequality in work time in the outline, the pay gap is calculated on the basis of the gross monthly wages of full-time and part-time workers together. The pay gap then amounts to 25% in industry and market services.
- In companies with fewer than 10 employees, wages are substantially lower for both women and men. The pay difference is also smaller than in companies with at least 10 employees. The pay gap on the basis of the gross hourly wages of full-time employees amounts to 12% in industry and market services.
- When the number of sectors studied is extended to the primary sector, civil service, education, healthcare, social work and the socio-cultural sector, the pay gap becomes smaller. The pay gap on the basis of the gross hourly wages of full-time and part-time workers then amounts to 13%. The inclusion of the public sector in particular 'presses' the pay gap downwards.
- The average gross hourly wages for men remain almost identical, whether they work in sectors C to K or elsewhere. The average gross hourly wages for women are higher, when they do not work in industry or market services.
- The general pay gap figure conceals considerable differences according to statute. The pay gap calculated on the basis of gross hourly wages of full-time and part-time workers in the private sector amounts to nearly 30% among white-collar workers and to a small 20% among blue-collar workers; the corresponding figure among contract civil servants is about 10%, and virtually non-existent among permanent civil servants.
- The differences in the pay gap according to statute move sharply when the unequal distribution of work time is taken into account. Calculated on the basis of the gross annual wages of full-time and part-time workers together, the pay gap for white-collar and blue-collar workers in the private sector is between 35% and 40%; for contract civil servants it is 20%, and for permanent civil servants 10%.
- Whereas there is little perceptible change in the gender pay gap in the short term, pay gap data in the long term show a substantial drop.
- In 2005, gross wages paid out in Belgium totalled €86,541,415,000. 36,68% of these went to women and 63,32% to men.
- If all women together had in 2005 earned an equal share of the total sum of wages, as their share among workers, then they would have together earned €7.347 billion more. When account is taken of the fact that women tend to work part-time more often, and the comparison is made with the share of women in the total number of paid working days, than the total pay gap still amounts to €3.332 billion.
- Four out of ten female workers (42.6%) earn less than €2,000 gross per month. Among men, this figure is one out of four (24.7%).

## II. Factors

- Women tend to work far more often on a part-time basis than men: 44.3% of female wage earners work part time, compared with only 7.9% of male workers.
- The average part-time male worker earns €17.27% or €2.88 less per hour, than the average full-time male worker. A part-time female worker earns on average €7.61% or €1.05 less per hour than a part-time male worker; with regard to a full-time male worker, this amounts to €23.56% or €3.93 less per hour.
- 79.5% of women with at least a higher education diploma were employed in 2005. Among women with at most a lower secondary school certificate, this figure is only 29.7%.
- Overall, the pay gap increases with age among full-time employees older than 24.
- The pay gap between women and men seems to increase after a few years of employment. So, it is not disappearing on its own among the younger generation.
- The pay gap between men and women is the widest among those who hold at least a diploma of higher education of the long type.
- The pay gap varies strongly by sector. The widest pay gaps are to be found in the textile sector, the gas and electricity sector, air transport, manufacturers of audio, video and telecommunication equipment, and activities auxiliary to financial intermediation.
- The vertical segregation amounts to 43% for sectors C to K together, i.e. there are 43% too few women at the top, by comparison to their presence on the shop floor.
- Women who do manage to break through the glass ceiling are confronted with a wide pay gap: 33% among corporate managers and 21% among general managers. In fact, there is not just one managerial level. Different levels of management act in practice as different 'glass ceilings'.
- Men living together with a partner earn hourly wages about €1.30 higher than men living alone.
- The average hourly wages of women with children are about €0.60 lower than for women without children.

## III. Relative weight of these factors

- 46% of the pay difference can be explained on the basis of the known factors. 54% cannot be explained.
- Nearly 60% of the explained part can be attributed to characteristics that refer to the position of men and women on the labour market.
- The household situation accounts for 15% of the explained pay gap. Of particular importance is whether one has children (11.7%).
- Only 27% of the explained part of the pay gap can be attributed to personal characteristics, such as education, work experience and seniority in the company.

# Conclusion

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This year, we were able to delve into the pay differences in even greater detail, thanks to the contribution of the Federal Planning Bureau, among others. The results are very much in line with last year's observations, which points to the reliability of the data. Once again, the importance of the position of men and women on the labour market has to be stressed. Segregation continues to play an important role. The pay gap tends to vary considerably. Furthermore, the pay gap cannot be presumed to disappear on its own. Although a sharp drop was registered in past decades, there is scarcely any perceptible change in recent years, ranging from a (very) slight downward trend to stagnation. A fine collection of figures must not make us forget that people's careers are at stake here. The fight against the pay gap continues to be a fight for greater equality and justice.





# Policy recommendations

As shown in this report, the pay gap is the result of various factors that cannot be easily taken separately from each other. A policy geared to reducing the pay gap must therefore mobilise various actors in diverse policy areas at all times.

The rapport for 2007 pointed out the areas in which progress can and must be made, and these recommendations naturally continue to hold fully. We would consequently like to focus attention thereon again.

At a time when purchasing power is coming under pressure, and economic forecasts are uncertain, there is increasing awareness that pay inequality inevitably leads to broader social inequality, which in turn underscores the unacceptable nature thereof yet again.

## **1. Gender-neutral job classifications are a precondition to each policy that wants to tackle the pay gap.**

Equal work deserves equal pay, and in several sectors or companies, the current job classification, where the various jobs are divided into levels and linked to a pay scale, offers insufficient guarantees in this respect. Carefully introduced and properly applied analytical job classifications are in many cases the most recommended solution; furthermore, the Institute for the equality of women and men has in recent years developed the necessary instruments to support such an endeavour. The need to bring quite a number of the current classifications and pay scales more in line with European regulations – in particular the prohibition of age discrimination – can hopefully serve as a point of departure for a broader reflection on the collective method for fixing wages, also and especially from the perspective of the fight against the pay gap.

## **2. The horizontal segregation must be broken.**

The disproportionate distribution of women and men over the various sectors of the economy explains the pay gap in large measure. The reason for this difference continues to lie in part in education, where some studies have a typically 'female' profile, and others are typically 'male.' The competent authorities for education assume the responsibility, but the effort must be continued and must be translated in the action of the employment services. It would be a fine objective to offer each job vacancy to both male and female candidates – and in a subsequent phase to as many women as men.

## **3. Work, family and private life must be better reconcilable.**

The fact that a discussion concerning 'flexicurity' is encouraged in our country too, under the Lisbon strategy for more growth and more jobs, can offer new prospects in this respect. Flexicurity "involves the deliberate combination of flexible and reliable contractual arrangements, comprehensive lifelong learning strategies, effective active labour market policies, and modern, adequate and sustainable social protection systems" as the European Council set out in the "common principles of flexicurity". The 6<sup>th</sup> of these principles states that "Flexicurity should support gender equality, by promoting equal access to quality employment for women and men and offering measures to reconcile work, family and private life". All Belgian authorities must during this and the coming years, under the European framework, report on structural reforms carried out to give the common principles shape. From a gender perspective, it is essential to facilitate and to support transitions from, to and within the labour market (school-work, work-care, work-work). In this connection, a policy is needed that takes account of all household types, in particular also single

parents, and that encourages both fathers and mothers to be involved in household tasks in an equal way. Finally, it should be borne in mind that the widest pay gap is between 'no pay' and 'pay'. Entry thresholds on the labour market must therefore be avoided as much as possible, both when caused by too strong protection for 'insiders' on the labour market, and by ever too heavy tax pressure brought to bear on the lowest wages.

#### **4. The glass ceiling must be broken.**

The pay gap issue aside, it is unacceptable that the promotion of women to managerial positions is still too limited. Employers, including the government and social organisations, must assume their responsibilities.

#### **5. Women and men must be encouraged to negotiate with greater awareness.**

Part of the pay gap originates in the personal discussions between employer and employee. Not only can conscious or unconscious discrimination come into play here; gender differences too play a role in the approach to these negotiations, where women are at times inclined to negotiate other aspects than pay, such as flexible working hours, for instance. A clearer framework for everyone, where the different options that can constitute a part of the individual pay package are offered more explicitly, would enable women as well as men to make a more conscious choice. An awareness-raising campaign could then provide support when they are considering a choice other than that prescribed by the traditional sex role (in a new garb).

#### **6. The pay gap must be charted even better.**

The starting point of this report could be summarised as 'the numbers tell the tale'. Important steps are being made on the statistical front, but information on perquisites, such as a company car or mobile phone, remains a weak point. In addition, it should be possible to elucidate the pay difference within the company, by integrating information thereon in the social balance sheet – preferably through the direct input of social security data, so as to avoid additional administrative burdens.

# Explanatory glossary

**DGSEI:** Directorate General for Statistics and Economic information of the FPS Economy, formerly called the National Statistical Institute. Website: [www.statbel.fgov.be](http://www.statbel.fgov.be).

**Employment rate:** The percentage of the working age population (15 to 64 years of age) that is actually in employment.

**Eurostat:** European statistical office in charge of coordinating national statistical systems and of compiling statistics at European level.

**EU-SILC:** The SILC survey harmonised at European level.

**Class ceiling:** The difficult access to higher positions by women, reduced chances of promotion for women.

**Indicator:** A way of quantifying a certain phenomenon. Arrangements are made about indicators at European level to obtain comparable data.

**ISCO:** The International Standard Classification of Occupations. The classification can be honed further by including more number codes. For instance, 2 stands for scientific staff; 23 is a subcategory and stands for teaching staff, 231 for university professors and non-university institutions of higher education, 232 for secondary school teachers, and so forth (cf. Annex 2).

**Joint committee:** The industry based body in which the social partners negotiate wages and working conditions.

**Labour force participation rate:** The percentage of the working-age population (15 to 64 years of age) on the labour market or seeking employment.

**Labour Force Survey (LFS):** Random sample survey conducted annually by the DGSEI among households in Belgium. The survey gauges the employment figures and is part of Eurostat's European Labour Force Survey (LFS).

**Median:** The middle number in a given sequence of numbers. The median is at times used as an alternative to the average, because it is less sensitive to extreme values.

**NACE:** International classification of economic activities. (cf. Annex 1).

**NSSO (National Social Security Office):** Institution that manages the social security contributions of employers and employees. It has statistical data on wages derived from these contributions.

**Panel Study on Belgian Households (PSBH):** Survey among Belgian households, predecessor of the SILC survey.

**Part-time employment rate:** The percentage of workers who are working part-time.

**Pay gap:** The difference between the average wages of men and women as a percentage of the male pay, also known as gender pay gap.

**Percentile:** One of the values of a variable that divides the distribution of the variable into 100 groups having equal frequencies. When, for instance, all wages are ranked from low to high, the first percentile corresponds to the wages where 1% of the workers earns less, and 99% more. This report works with the 5<sup>th</sup> percentile. This corresponds with wages where 5% thereof are lower and 95% higher. The 85<sup>th</sup> percentile refers to wages where 85% thereof are lower and 15% higher. The median is the 50<sup>th</sup> percentile, or the middlemost value, to be more precise.

**Random sample:** A random selection of a part of the population studied in order to conduct research. In general, the higher the number of people questioned, the more reliable the data will be.

**Segregation:** A phenomenon whereby the labour market is divided into different parts, which are not always easy to transfer to and from. Horizontal segregation refers to the division in sectors and occupations; vertical segregation to the distribution into different levels.

**SES:** Structure of Earnings Survey (see below).

**SILC (Statistics on Income and Living Conditions):** A random sample survey on income and poverty conducted annually by the DGSEI among Belgian households. The same survey is conducted, likewise annually, in all European countries.

**Structure of Earnings Survey (SES):** Random sample survey on earnings conducted annually by the DGSEI among a large number of Belgian companies. Up to 2005, this survey was conducted only in sectors C-K of the NACE nomenclature, thus only in industry and market services. As from 2006, healthcare, education and the socio-cultural sector have been included. This survey is conducted every four years (2002, 2006....) in all European countries.

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# Annex 1:

## NACE nomenclature

Letter code	Number Code	Sector
<b>A</b>		<b>Agriculture, hunting and forestry</b>
<b>B</b>		<b>Fishing</b>
<b>C</b>		<b>Mining and quarrying</b>
	14	Other mining and quarrying
<b>D</b>		<b>Manufacturing</b>
	15	Manufacture of food products and beverages
	16	Manufacture of tobacco products
	17	Manufacture of textiles
	18	Manufacture of wearing apparel; dressing and dyeing of fur
	19	Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear
	20	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials
	21	Manufacture of pulp, paper and paper products
	22	Publishing, printing and reproduction of recorded media
	23	Manufacture of coke, refined petroleum products and nuclear fuel
	24	Manufacture of chemicals and chemical products
	25	Manufacture of rubber and plastic products
	26	Manufacture of other non-metallic mineral products
	27	Manufacture of basic metals
	28	Manufacture of fabricated metal products, except machinery and equipment
	29	Manufacture of machinery and equipment n.e.c.
	30	Manufacture of office machinery and computers
	31	Manufacture of electrical machinery and apparatus n.e.c.
	32	Manufacture of radio, television and communication equipment and apparatus
	33	Manufacture of medical, precision and optical instruments, watches and clocks
	34	Manufacture of motor vehicles, trailers and semi-trailers
	35	Manufacture of other transport equipment
	36	Manufacture of furniture; manufacturing n.e.c.
	37	Recycling
<b>E</b>		<b>Electricity, gas and water supply</b>
	40	Electricity, gas, steam and hot water supply
	41	Collection, purification and distribution of water
<b>F</b>	<b>45</b>	<b>Construction</b>

<b>G</b>		<b>Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods</b>
	50	Sale, maintenance and repair of motor vehicles and motorcycles; retail sale of automotive fuel
	51	Wholesale trade and commission trade, except of motor vehicles and motorcycles
	52	Retail trade, except of motor vehicles and motorcycles; repair of personal and household goods
<b>H</b>	<b>55</b>	<b>Hotels and restaurants</b>
<b>I</b>		<b>Transport, storage and communication</b>
	60	Land transport; transport via pipelines
	61	Water transport
	62	Air transport
	63	Supporting and auxiliary transport activities; activities of travel agencies
	64	Post and telecommunications
<b>J</b>		<b>Financial intermediation</b>
	65	Financial intermediation, except insurance and pension funding
	66	Insurance and pension funding, except compulsory social security
	67	Activities auxiliary to financial intermediation
<b>K</b>		<b>Real estate, renting and business activities</b>
	70	Real estate activities
	71	Renting of machinery and equipment without operator and of personal and household goods
	72	Computer and related activities
	73	Research and development
	74	Other business activities
<b>L</b>		<b>Public administration and defence; compulsory social security</b>
<b>M</b>		<b>Education</b>
<b>N</b>		<b>Health and social work</b>
<b>O</b>		<b>Other community, social and personal service activities</b>
<b>P</b>		<b>Activities of households</b>
<b>Q</b>		<b>Extra-territorial organizations and bodies</b>

# Annex 2:

## ISCO nomenclature

ISCO	Occupation
12	Corporate managers
13	General managers
21	Physical, mathematical and engineering science professionals
22	Life science and health professionals
23	Teaching professionals
24	Other professionals
31	Physical and engineering science associate professionals
32	Life science and health associate professionals
34	Other associate professionals
41	Office clerks
42	Customer services clerks
51	Personal and protective services workers
52	Models, salespersons and demonstrators
71	Extraction and building trades workers
72	Metal, machinery and related trades workers
73	Precision, handicraft, printing and related workers
74	Other craft and related trades workers
81	Stationary-plant and related operators
82	Machine operators and assemblers
83	Drivers and mobile-plant operators
91	Sales and services elementary occupations
93	Labourers in mining, construction, manufacturing and transport



# Annex 3:

## List of joint committees

<b>Blue-collar workers</b>	
100	Auxiliary joint committee for blue-collar workers
104	Steel industry
105	Non-ferrous metal
109	Clothing and ready-to-wear
111	Metal, machinery and electrical construction
112	Garage industry
115	Glass industry
116	Chemical industry
117	Petroleum industry and trade
118	Food sector
119	Trade in foodstuffs
120	Textile industry and knitwear
121	Cleaning
124	Construction
126	Upholstery and woodwork
129	Manufacture of paper pulp, paper and cardboard
130	Printing, graphic arts and newspaper sector
136	Paper and cardboard processing
140	Transport and logistics
149	Sectors related to metal, machinery and electrical construction
149.01	Joint sub-committee for electricians: installation and distribution
149.04	Joint sub-committee for the metal trade
302	Hotel industry
306	Insurance sector
310	Banks
311	Large retailers
317	Security and surveillance services
<b>White-collar workers</b>	
200	Auxiliary joint committee for white-collar workers
201	Self-employed retailers
202	White-collar workers from retail and foodstuffs
207	White-collar workers for the chemical industry
209	White-collar workers from the fabricated metal products industry
210	White-collar workers from the steel industry
211	White-collar workers from the petroleum industry and trade
214	White-collar workers from the textile industry and knitwear
215	White-collar workers from clothing and ready-to-wear

218	National auxiliary joint committee for white-collar workers
220	White-collar workers from the food industry
221	White-collar workers from the paper industry
222	White-collar workers from the paper and cardboard processing industry
226	White-collar workers from international trade, transport and logistics
302	Hotel industry
306	Insurance sector
307	Brokerage and insurance agencies
310	Banks
311	Large retailers
313	Pharmacies and health services
315.02	Joint sub-committee for airlines





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