Equal Pay for Equal Work?
A Look at the Pay Gap between Men and Women in Jordan

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Introduction

• This paper presents the latest statistical data on gender pay gaps (GPG) in Jordan

• Data are drawn from the annual survey “Employment and Compensations of Employees” carried out by the Department of Statistics (DoS) in year 2011.

• It explores particular factors that reflect inequalities at work, such as variations in the width of the GPG within occupations, industries, sectors and level of education.

• The Gender pay gap is calculated using this formula:

$$\text{GPG} = \frac{\text{men’s average earnings} - \text{women’s average earnings}}{\text{men’s average earnings}}$$
Why address the Gender Pay Gap?

Over the last three decades Jordan has made substantial investments in its human resources.
Thus, the gains in human development have not been matched by an increase in women’s economic participation.

The 11.7% monthly GPG is a proxy for the lost productivity of employed women.

Women who are not employed to their full potential represent more than just a Pay Gap they represent a productive gap.
Overall GPG Trends

Although, the gender-based difference in pay has narrowed during the last two decades, it is still a major structural problem in the Jordanian labor market.
GPGs across sectors

Data indicates that the pay system is modular and less discriminatory in the public sector, in comparison with the private sector.

### Monthly and Hourly PGs by Sectors, 2011

<table>
<thead>
<tr>
<th>Sectors</th>
<th>Hourly GPG</th>
<th>Monthly GPG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Sector</td>
<td>9.4</td>
<td>19.5</td>
</tr>
<tr>
<td>Public Sector</td>
<td>5.2</td>
<td>10.2</td>
</tr>
</tbody>
</table>
Monthly & Hourly GPGs across Occupations

- Monthly GPG
- Hourly GPG

- Elementary occupations
- Plant & machine operators & assemblers
- Craft & related trade workers
- Service workers, shop & market sales...
- Clerks
- Technicians & associate professionals
- Professionals
- Legislators, senior officials & managers

GPG %

-20  0  20  40  60  80
GPGs across Educational levels

The monthly and hourly GPGs are larger for university graduates than it is for graduates of community colleges, high school, or below.

<table>
<thead>
<tr>
<th>Educational Level</th>
<th>Hourly GPG</th>
<th>Monthly GPG</th>
</tr>
</thead>
<tbody>
<tr>
<td>B.A/B.Sc or Higher</td>
<td>32.9</td>
<td>37.6</td>
</tr>
<tr>
<td>Secondary or Middle Diploma</td>
<td>2.6</td>
<td>16.5</td>
</tr>
<tr>
<td>Less than Secondary</td>
<td>24.5</td>
<td>29.5</td>
</tr>
</tbody>
</table>
GPG across the Feminized Industrial Activities

The monthly and hourly pay gaps were much wider in manufacturing industry compared with education and health.

- **Human Health and Social Work Activities**
  - Monthly GPG (%)
  - Hourly GPG (%)
  - Share of Employment (%)

- **Education**
  - Monthly GPG (%)
  - Hourly GPG (%)
  - Share of Employment (%)

- **Manufacturing**
  - Monthly GPG (%)
  - Hourly GPG (%)
  - Share of Employment (%)
Conclusions

• The results of this paper lead us to an important question: *Are these pay gaps due to choices women make in the workplace or to choices made FOR women in the workplace?*

• Consequently, the important question that needs to be answered: *Could the gender pay gap turn out to be zero?*

• The 2010 OECD report has an answer which states that: “*trimming the workplace gender gap by half could significantly lift GDP growth rates*”.
Conclusions..cont

Eventually, The issue is not only about pay or rely on the famous belief which states that: “the most important step in closing the pay gap is to give up the notion that, to be paid fairly, a woman must “make it in a man’s world.” but the opportunities for advancement and promotion that bring higher earnings.