



Pay differential between men and women

Destatis, 15 October 2008

Women earn 24% less than men

According to results of the 2006 structure of earnings survey, the gross hourly earnings of women were 24% below those of men. This does not mean that women earned 24% less for the same work in the same enterprise. The reasons for the pay differential are manifold. There are differences between women and men with regard to the occupations and lines of business they choose and in their careers. These differences are included in the 24% differential. Therefore, the difference in earnings is also called unadjusted gender pay gap.

Badly paid jobs are mostly for women

There are considerable differences between the sexes when it comes to choosing a profession. Traditional women's and men's jobs can be identified which are hardly ever done by the other sex. There are many more men than women in jobs with high gross annual earnings such as aviation professions. So well-paid jobs still are for men. In turn, mostly women do badly paid jobs, working for instance as hairdressers or cleaners.

Gross annual earnings and the distribution by gender

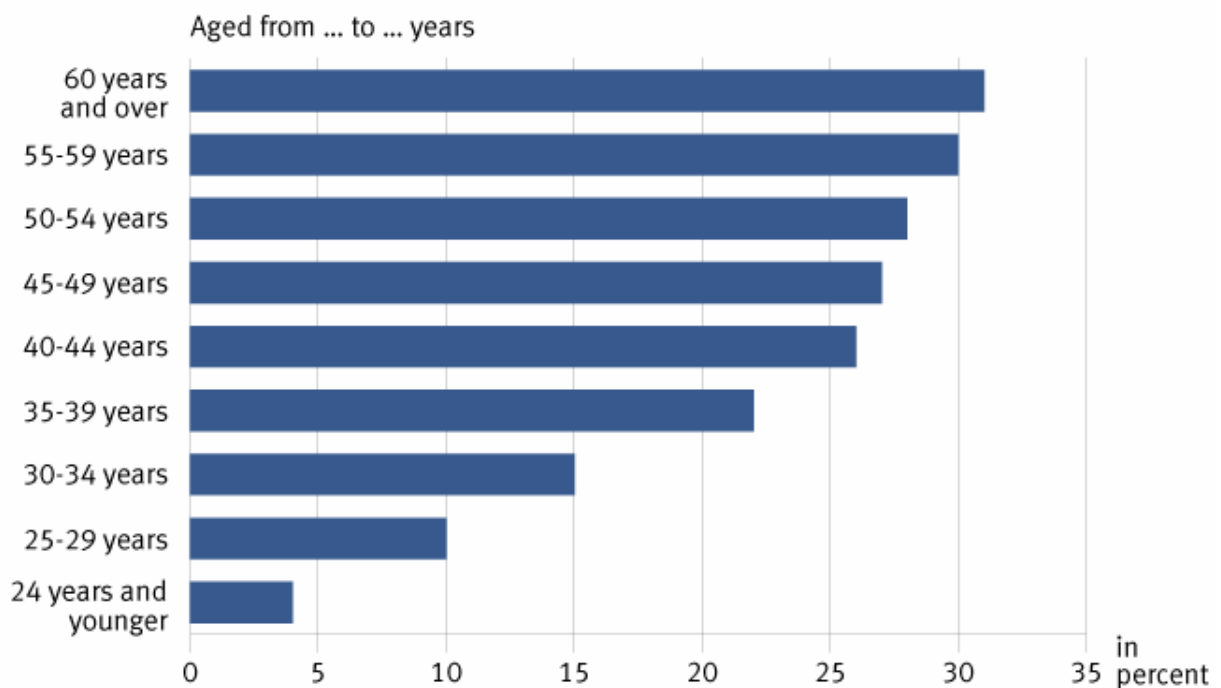
Occupational groups	Gross earnings	Men in the occupational group	Women in the occupational group
	EUR	Percent	
Selected occupations with high earnings			
Corporate managers	92,556	81.8	18.2
Legal representatives, legal advisors	82,135	63.8	36.2
Aviation professionals	77,796	78.2	21.8
Business professionals	76,172	71.8	28.2
(Employed) medical doctors	75,895	59.4	40.6
Chemists, chemical engineers	75,533	77,6	22.4
Selected occupations with low earnings			
Hairdressers	15,787	9.2	90.0
Launderers, pressers	20,629	19.0	81.0
Glass cleaners, building cleaners	21,414	43.6	56.4
Housecleaners	21,779	15.7	84.3
Domestic helpers	21,951	5.7	94.3
Producers of meat and prepared meat products	23,333	64.7	35.3

Interruptions of gainful activity for child-rearing purposes are detrimental to the career

When they begin their working life, the pay differential between men and women is comparatively small. In 2006 it amounted to 10% for the 25 to 29-year-olds. It had more than doubled for the 35 to 39-year-olds with 22%, and with 31% it was largest for those who were sixty and over. In 2006, women were on average almost 30 years old when their first child was born. Here it shows that women fail to keep up with men in the development of pay during and after interruptions of their gainful activity due to pregnancy, maternity protection and because of related child-rearing periods.

If women returned to work after interruptions of their gainful activity due to child-rearing activities, for many of them this meant changing from full-time to part-time employment. The share of women working full time fell significantly with increasing age. 65% of all working women aged between 25 and 29 years were employed on a full-time basis. For the 30 to 34-year-olds, the figure was 58%, and for the 35 to 39-year-olds only 46%. In turn, the share of women working part-time increased. 20% of the 25 to 29-year-old women worked part-time. With the 35 to 39-year-olds, this share had already more than doubled (41%).

Gender pay gap by age in 2006

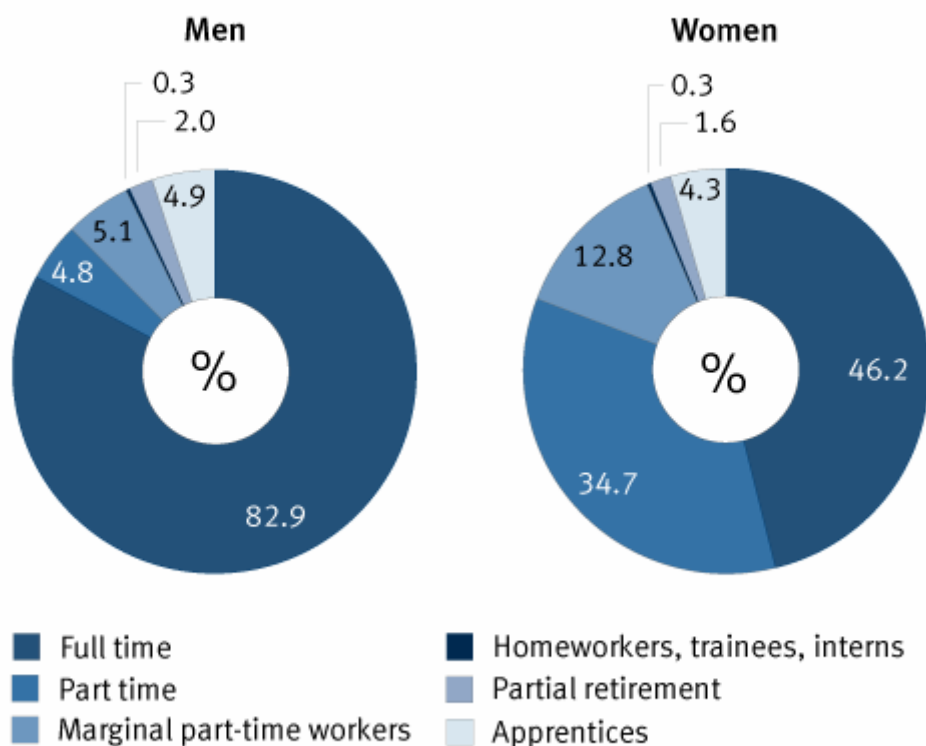


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In contrast to that, men's working lives were as a rule without interruptions and always with full-time employment. So the share of men working full time remained almost constant with increasing age. While between 30 and 54 years, more than 90% of the male employees on average worked on a full-time basis.

Reductions of working hours involve pecuniary losses. The hourly earnings of part-time employees are lower than those of full-time employees. This affects mostly women. A markedly higher share of women (35%) worked part-time in 2006 than of men (5%). In turn, many more men (83%) than women (46%) had full-time jobs, which are better paid than part-time jobs.

Distribution of persons in employment in 2006 by type of activity



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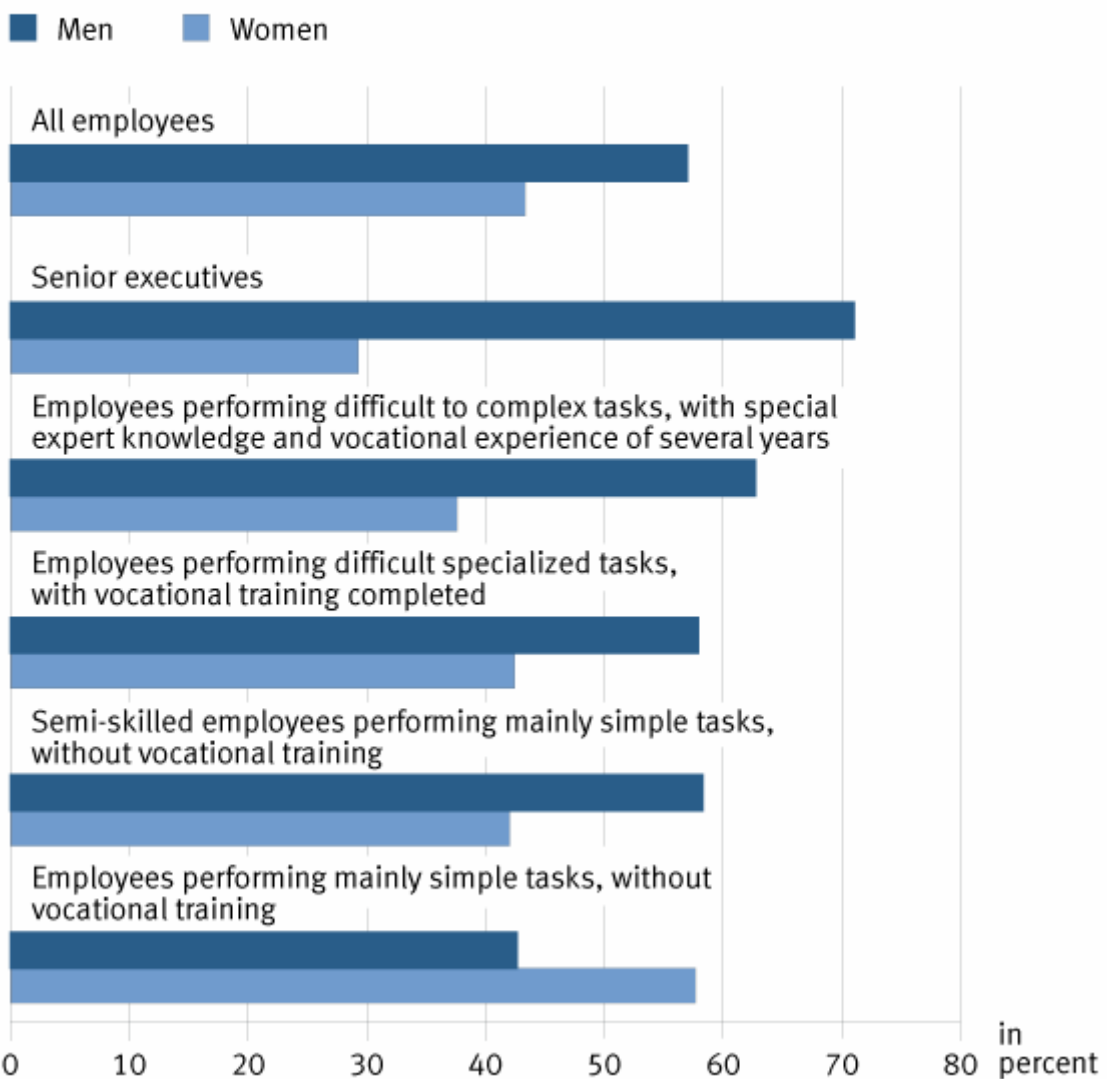
Women more seldom in leadership positions

Another reason for men earning more might be that they are better qualified. However, when one looks at the distribution of working men and women based on their educational attainment, the differences are quite small. According to results of the 2006 structure of earnings survey, men were in the vanguard as graduates from specialised colleges of higher education (*Fachhochschulen*). There were only marginal differences as regards school-leavers with

higher education entrance qualification, secondary general and intermediate school leaving certificates.

Although no great differences could be identified regarding educational attainment, leadership positions were nevertheless occupied mostly by men. In 2006, 71% of senior executives were male. While the average gross hourly earnings of all employed were EUR 16.52, these executive employees received EUR 31.17. That is nearly 89% more than the average earner got.

Share of women and men in the respective performance groups in 2006



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There is no economic sector where women earn more than men

The gender pay gap varies considerably among the different economic sectors. In 2006 it was largest in business services (30%), the credit and insurance industry (29%) and in manufacturing (28%). There were small gender pay gaps in mining (5%), transport and communication (9%) and hotels and restaurants (13%). In total, only 7% of all women worked in those economic sectors. There is no economic sector where women earned more than men.

Pay gap only 6% in the new Länder

The gender pay gap varies considerably between regions. While the pay differential in the former territory of the Federal Republic was 25% in 2006, it amounted to a mere 6% in the new Länder. This comparison is based on significantly higher earnings of men in the former territory of the Federal Republic than in the new Länder. The gross hourly earnings of men in the former territory of the Federal Republic amounted to EUR 19.06 and were thus 49% higher than those of men in the new Länder (EUR 12.76). For women the difference was only 19%: EUR 14.35 compared with EUR 12.05.