

## **Gender Pay Gap - Discussion paper**



Women workers in Cameroon showing how their wages are spent in relation to basic needs. Source: Banana Link

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*N.B. in the following paper the term 'gender pay gap' refers to differences in average incomes for male and female workers (not just differences in pay levels for men and women performing the same role and hours, which is rare in the banana industry). Further information on the factors that can influence this gap in average income between male and female workers in the banana industry can be found below.*

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## **1. Why gender analysis is relevant to WBF living wage initiatives**

- Reports from WBF trade union partners (including COLSIBA and the IUF) suggest that a gender pay gap exists in the majority of banana producing countries, but we currently have very minimal data on this to enable us to analyse the extent of the pay gap in different countries of production and the causal factors. We can however share some basic data from Cameroon below.
- The Anker methodology estimates a single living wage benchmark for all workers so as to avoid possible discrimination based on gender, or marital status, or migrant status, etc., and thereby provoking a likely race to the bottom toward the lowest estimated living wage (such as that for young unmarried women). Therefore, when calculating income needs for a typical household, if there is an average of 1.6 earners per family for example, the living wage benchmark would presume that those 1.6 people (whether men or women) are earning / are able to earn the same 'living wage' income. In countries where a significant gender pay gap exists this presumption may be unrealistic and/or unachievable.
- This does not lead to a conclusion that there needs to be a differentiated benchmark set for women and men, rather that - when it comes to implementation - there will be a larger gap to fill for many women between actual wages received and the living wage level to be attained.
- As concerns the research required to set a living wage benchmark, women may have a different perceived value of the goods and services required to provide a 'decent standard of living' for a typical local family (and this is a central element in living wage calculations).
- When developing 'income improvement strategies' it is important that the stakeholders involved (primarily companies and trade unions) are aware of the key factors that may be preventing low earners (often women) from receiving the living wage.
- Addressing the key factors that cause the gender pay gap (both immediate determinants and underlying causes– see below for more details) would therefore be an important step towards implementing living wage levels for all workers and providing a 'decent standard of living' for worker households and communities.

## **2. Recommendations for addressing the gender pay gap (within existing WBF / WG02 initiatives on living wage and decent standards of living)**

- Further research on actual incomes for male and women workers is required to improve our understanding of the gender pay gap in each local context of banana production.

- In existing and future living wage benchmarks – as one of the key WBF initiatives where research on wages is taking place - actual income data should be differentiated for male and female workers to establish the extent to which a gender pay gap exists in the local context.
- The results of this gender pay gap information should be incorporated into the economic modelling used to calculate a living wage benchmark based on a typical local household.
- If a significant gender pay gap does exist, further research should be carried out where possible on the causal factors of this gap – both direct and underlying causes - to help inform income improvement strategies and ensure that the livelihood needs of women workers are being met.
- When calculating the goods and services that are required for a ‘decent standard of living’ it is important that women (company and worker) are involved in decision-making on what these services are and whether they reflect their priorities.
- For all stages of research and information gathering it is essential that the percentage of women involved / interviewed is, at a minimum, the same percentage as the proportion of women in the workforce.

### **3. Factors that can influence the gender pay gap (analysis from the banana sector)**

*N.B. there are both ‘immediate determinants’ of a gender pay gap (such as fewer working hours / workdays, different lower paid roles or activities) and ‘underlying causes’ (such as family responsibilities, number of births, local customs on breastfeeding etc.). Both need to be considered when trying to analyse and address the gender pay gap.*

Wage related determinants:

**li) Differences in male and female wages for the same job/ role/ hours (rare in the banana sector)**

**ii) Differences in average income for women and men, which may occur for the following reasons**

**a) Roles/ task allocation and difference in payment levels**

- Women’s limited access to higher paid roles promotion and pay rises (linked to access to training). Overcoming the barriers preventing women from moving into more senior positions such as management is a key challenge. There needs to be awareness of the cultural barriers facing women and their triple workload, preventing them from being available for better opportunities and promotion in the workplace. Companies and Unions need to begin to implement mechanisms for changing the way they address gender-related issues in order for women to overcome barriers and be available to progress their status in the workplace.

- Company pay grading schemes/ wage-setting criteria – gender bias in relation to how pay levels are set for the various roles, what tasks or skills are ‘prioritised’ in wage setting, differences in remuneration system for the pack-house and field (e.g., related individual or collective productivity). The low number of women in positions of authority to influence gender-related challenges in the workplace, including low participation of female workers in trade unions or collective bargaining mechanisms, means that both companies and unions involved in collective bargaining need to reevaluate methods to better service the needs of females in the workplace.
- Access to overtime and overtime payments (linked to ability to undertake overtime e.g., if sufficient notice given to arrange childcare).
- Job stability including access to permanent vs temporary contracts and any impacts on guaranteed benefits such as social insurance contributions and severance pay.

#### b) Maternity / reproductive role

- Access to maternity pay/ benefits and impact on average income, including lack of productivity, bonus and other cash payments during maternity leave
- Impact of women relocated to lower paid roles during later stages of pregnancy and when breastfeeding
- Role / wage levels on return to work (and future access to training and promotion)
- Reduced hours and absenteeism due to lack of childcare provision

#### **iii) Analysing differences in womens’ take-home pay**

- Tax, welfare and social security regimes, particularly related to working temporary, variable and part-time hours

#### Gender ‘living wage’ gap (factors that affect non-wage benefits)

**iv) Non-wage benefits and services provided by the company** (and / or State) for example accommodation, health care, childcare, education and training, workplace canteen, shop etc.

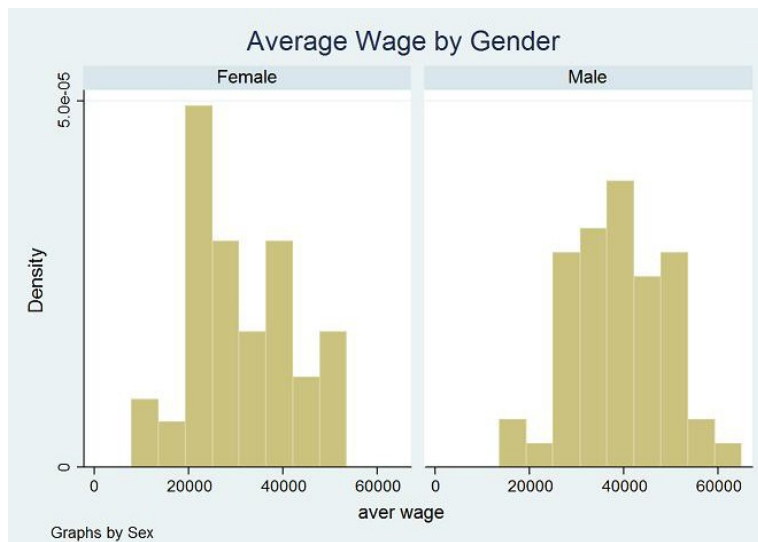
- Difference in access to services
- Difference in perceived ‘value’ of services

- Access for women (company and worker) to decision making on what these services are and whether appropriate/reflect their priorities

#### **4. Gender inequalities in the banana sector – key points from Banana Link research in Cameroon<sup>1</sup>**

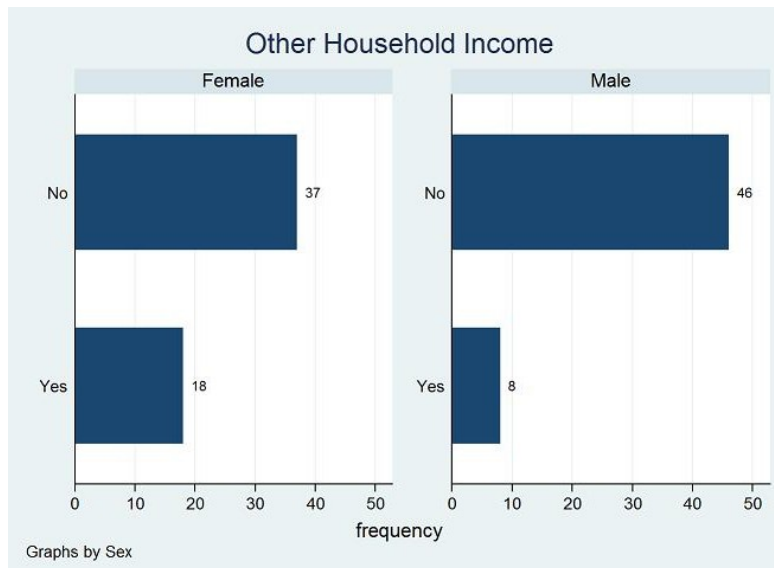
*The following information has been taken from baseline data from a Banana Link project ‘Securing Decent Work in Tropical Supply Chains’ funded by Comic Relief and implemented in collaboration with IUF Africa and local trade union FAWU who organise workers in South-West Cameroon. Please contact Banana Link for further information.*

- The figure below presents average wage distribution for male and female workers. We observed that most female workers earn less than XAF 30,000 on average compared to male workers who earn around XAF 40,000 on average monthly (see full report for further details)

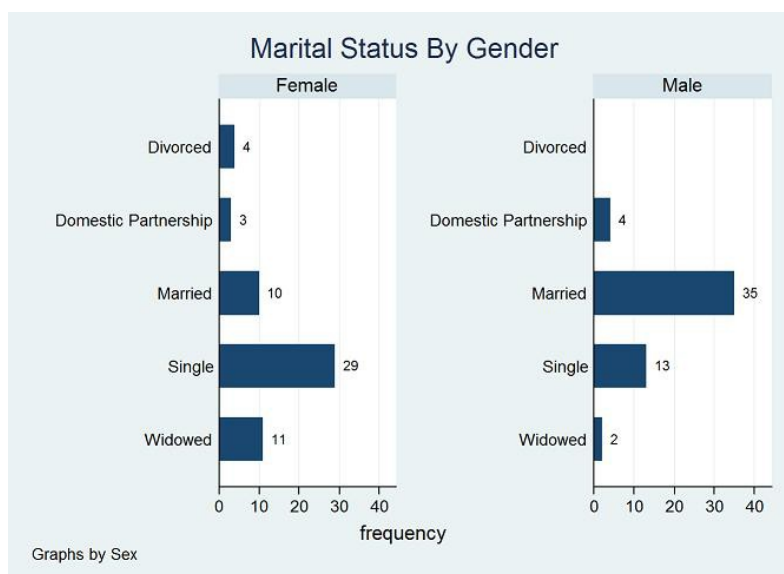


- 92% of the workers interviewed had no other income besides their wage from the banana plantation. Female workers are however more likely than men to have an alternative income source:

<sup>1</sup> Securing Decent Work in Tropical Supply Chains: A report on baseline indicators from Cameroon, 2012 by H. Labouchere & D. Skalidou for Banana Link



- 47% of the research participants stated to be married or have a partner, while 53% were single, divorced or widowed. When disaggregated by gender, we observe that 77% of female participants have no partner compared to only 27% of the male participants:



- Almost every participant is responsible for at least one child with the majority of them being responsible for 2 to 4 children. When disaggregated by gender, we can observe that while most male participants are responsible for only 2 children, the average female worker is responsible for 3 to 4 children:

### No of Children per Worker by Gender

