## STATISTICAL COMMISSION and ECONOMIC COMMISSION FOR EUROPE

#### CONFERENCE OF EUROPEAN STATISTICIANS

ECE Work Session on Gender Statistics (Geneva, Switzerland, 23-25 September 2002)

Topic (i) Macro-economic changes and policy decisions

# Gender Differences in the Labour Market in Poland in the Light of Macro-economic Changes

Submitted by Central Statistical Office of Poland<sup>1</sup>

## **Invited Paper**

#### 1. Introduction

The economic development of a country depends to a great extent on effectively using the abilities and potentials of every social group. This generates the need to universal access to each field of social, economical and political life based on equal rights regardless of gender, political beliefs or age. The Polish Constitution and labour law uphold the principles of gender equality. However, in practice this rule is not always observed, and there are discrimination cases in some areas of life, such as the labour market.

The transformation of Poland from a centrally planned system to a market economy has had great social impact. The restructuring of the economy and the subsequent rise in unemployment has had a different impact on various groups of the population. These changes have been reflected in social relations and have directly or indirectly influenced changes in gender relations within the sphere of economic activity and in the family context. Political actions aimed at improvement in the area of equal status of women and men have also had impact on some phenomena (mainly within the sphere of social consciousness).

## 2. Changes in legal and political conditions of gender equality

Until 1989 Polish legislation included the principle of equal treatment of all citizens in the eyes of law as well as in political, social and economic life, which was proclaimed by an appropriate constitutional article. Moreover, even as early as in 1954, Poland ratified Convention No. 100 of the International Labour Organisation of 1951 on Equal Pay for Equal Work for Women and Men. In 1961 Poland signed ILO Convention No. 111 of 1958 on Equality in Employment. Among other adopted commitments there should be mentioned the Convention adopted by the General Assembly of the United Nations on the Elimination of All Forms of Discrimination against Women in December 1979 and ratified by Poland in 1980. However, these commitments were not carried out in practice.

At the beginning of the transition only slight concern was directed to the issue of gender equality, as there were many economical and social problems to solve. In 1991, the Government Commissioner for Women and Family was appointed. Then, in 1995, the Commissioner for Family and Women was

<sup>&</sup>lt;sup>1</sup> Prepared by Grazyna Marciniak

established whose task consisted in "initiating and co-ordinating actions for developing and carrying out state policy concerning family and children and equal rights of women in all aspects of life".

Of great significance for the development of projects on legal regulations concerning equal treatment of women and men in Poland and political actions related to this area were the resolutions of the UN Fourth World Conference on Women held in Beijing in 1995. Moreover, in 1997 Poland ratified the European Social Charter, thus adopting additional commitments concerning gender equality in the labour market.

In 1997 the Government Commissioner for Family and Women administered the implementation of the National Action Programme for Women as a part of a voluntary commitment of the Polish Government for realisation of the directives of the final resolutions of the Beijing conference. The basic, foremost and long-range strategic objective of the Programme is the promotion and protection of women's rights in the context of human rights as well as observing the gender equality rule and non-discrimination in the eyes of the law and in practice in all spheres of social life. The "Action Programme for Women" was mainly addressed to governments and agencies of the central and territorial state administration. Nevertheless it also included widespread co-operation with research institutes, non-governmental organisations, local self-governments, trade unions, public media and other institutions. The Central Statistical Office was obliged to disseminate data and survey results informing about the situation of women and men in Poland, publishing papers concerning women's issues and equal gender status, with data broken down by sex as well as other gender statistics not previously included. Monitoring and evaluation on the completion of the selected strategic goals and program tasks were also established through commissioning these surveys to be carried out by research units in order to evaluate the effectiveness of the implementation of the National Programme for Women.

The position of the Government Commissioner for Women and Family was abolished in November 1997 followed the by appointment of the Government Commissioner for Family Affairs. One of the Commissioner's tasks was "taking over affairs in progress, carried out by the offices of Government Commissioner for Women and Family and Government Commissioner for Children". One affair in progress was the realisation of the National Programme for Women, and although the issue of equal gender status was "postponed" for the time being, some processes had been initiated particularly within the area of social consciousness.

There were also developments in legislation. An entry in Article No. 33 of the Constitution passed and adopted in 1997 says that "women and men in the Republic of Poland have equal rights in family, political, social and economic life" and "they particularly have equal rights to education, employment and promotion, equal pay for equal work, social security and to taking positions, performing functions as well as obtaining public honours and distinctions".

The next step was the amendment of the Labour Code. There was a new chapter added in 2001 entitled "Equal treatment of women and men". It included entries concerning the equal treatment of women and men regarding entering and dissolving employment relations, conditions for employment, promotion, and access to training in order to improve occupational qualifications as well as rights to equal pay for work of equal value irrespective of gender, and the right to compensation in case of employer's violation of the rule of gender related non-discrimination (directly or indirectly). The adopted measures mean significant progress towards adjustment of the Polish labour law to the community legislation.

Significant political changes have also occurred over the last period. In October 2001 the Commissioner for the Family Affairs and Equal Status of Women and Men was institutionalised. In November of the same year the respective regulation was changed. Children and family issues were passed over to the respective Minister and the Government Commissioner for Equal Status of Women and Men was established. The responsibilities of the Commissioner shall be:

- Carrying out analysis and evaluation on the status of women and men and initiating and co-ordinating of actions aimed at exercise of equal status by both genders in all areas of public life;
- Giving an opinion and participation in developing action programmes and legal regulations that affect the equal status of women and men,
- Providing inspiration and assistance to groups and organisations promoting equal status of women and men and co-operation with respective bodies of public administration, non-governmental organisations and other institutions in implementation of educational programmes on equal gender status.

For a few years the law on equal status of women and men has been prepared as an initiative of the Parliamentary Women's Group. The project of the new law has been presented in the Parliament and it is expected to pass this year. The new law is similar to the measures obligatory in the European Union Member States. The law is supposed to ensure observance of equal rights of men and women in all aspects of social, economic and political life. The participation of representatives of either sex in elected, called or appointed by the public authorities collegial bodies should amount to 50%. The names of women and men should be put on the poll lists alternately. The projects include prosecution of employers submitting female candidates for work to enquiries concerning their marital status, family life and plans related to it during job interviews. Observance of the law would be monitored by the Office for Equal Status of Women and Men with agencies in each voivodship. There is also a postulate to include the rule of equal treatment of women and men in the school textbooks. This means changes in stereotypes presenting women only as mothers, wives and caretakers while men are presented as fulfilling themselves in professional careers and creative activities.

## 3. Consequences of macro-economic changes for conditions in the labour market

The participation of women in the labour market enables them to have economic independence, provides a basis for social security and allows social and individual development. Women's professional work influences simultaneously the distribution of roles, the position of women in the family and determines the model of family life. Economic circumstances shape not only the average economic status of women and households, but they also affect marital, procreative and educational decisions. In turn, decisions on the above-mentioned issues influence working conditions which are rapidly changing in the period of economic transformation.

Previously (in the socialist states) constitutions guaranteed the right to employment for the entire working-age population. There was no formal unemployment, and employed women usually worked full-time throughout their occupational lives. The centrally planned economy generated high demand for labour while the fixed low wages and prices obliged households to earn two incomes. Women went to work en masse taking advantages of family benefits and unpaid services within the range of child care (state kindergartens and crèches).

Transition to the market economy obliged women to face new difficulties as well as opportunities in the changing labour market. Nowadays they have to compete for work. Decreasing employment security affected both sexes and in turn generated a necessity for changes in the family model so far based on a dominating role of the man – breadwinner. The transformation of the economy offered individuals the opportunity to engage in own-account work or self-employment, irrespective of their gender. The crucial capital in the changing economy is a relatively high level of education which characterises women (on average higher than in the case of men).

The evaluation of effects of economic transformation on the labour market is difficult, as there is no respective data for comparisons from the period of the centrally planned economy. During the period of full employment, economic activity was equated with employment. On the other hand in the market economies the concept of economic activity includes both: employment and unemployment. However, methodological differences in the previously carried out statistical surveys on labour resources as

compared to those obligatory in the centrally planned are so significant that they hinder and make impossible any comparisons.

Nevertheless, it is worth mentioning that in the period of transition difficulties with finding employment in the competitive labour market and their impact affected women to a greater extent than men. Discriminatory practices in the area of job-hunting, work performance and leaving employment can also be observed. The unequal treatment of women and men seeking work manifests itself amongst others in job offers and the construction of questions during job interviews. Such questions are related to marital status, potential pregnancy, family situation or the number of children. Women receive lower pay for work of equal value and they are less often delegated to training facilitating further promotion. In the first place redundancies affect women, most often those aged over 40 years for whom re-entering employment is unusually difficult.

Meanwhile, opening the access to the world media, learning about the behavioural patterns of other European countries, the promotion of equal human rights including non-discrimination against gender, has had a significant impact on changes in the sphere of society consciousness and growth in women's aspirations. As surveys indicate, in the period of transition a growing gap was observed between the needs and aspirations of the Polish women for active participation in the labour process and political life and the exercise of these needs and aspirations. Over the last few years a large number of women believed that professionally working women are treated with greater respect in the society than those not working outside of home (housewives). In 1993 this opinion was expressed by 48% of women, while in 1996 the rate already amounted to 71%. The growth in women's aspirations supported by an increase in the level of education is not reflected in practice. The situation of women in the labour market subject to the economic transition process is decidedly worse than the situation of men. Despite of evident social acceptance of the growing participation of women, the share of women performing political functions such as Members of Parliament or counsellors is low.

## 4. Statistical picture of women's situation in the labour market

Gender based stereotypes cause differences in employment for women and men. Women are perceived as the ones giving birth and mainly taking care of the children. Thus, they face several obstacles in the labour market. Both young (school leavers) and mature women (more than 40 years of age) experience discrimination when seeking jobs. In the first case employers discriminate against women as future or present mothers, while in the second discrimination occurs because of their age. Such situations also occur in the sphere of work performance. On average women are promoted less often, they participate less in the process of improving their qualifications and they are less paid. The reality shows that discrimination against women begins already in lay-offs. Despite their higher qualifications women are more often than men threatened with job loss. Discrimination concerns also the phase of launching a job search, as job offers are more often addressed to men than to women (without any explanations).

There is also a large gender difference in economic activity and employment rates. According to the labour force survey, in 2001 64% of men were economically active and only 50% of women. In the period of transition a gradual decline in economic activity of both men and women was observed. It is worth noting that in the period covered with the survey, i.e. since 1992 when the LFS was conducted for the first time, the difference between economic activity of women and men has declined slightly. Compared to the first year of the survey the economic activity rate of women decreased by 3.5 percentage points, while the activity rate of men decreased by 6.1 percentage points.

Among women the highest percentage of the economically active is observed in the group of women aged 35-44 years where 84% are either working or are job seeking. This is in contrast to men where the highest activity rate characterises the group of 25-39 years old with 94% employed or job seeking. The

largest disproportion between the economic activity of women and men is observed in the age group 25-34 years. At the same time this group is characterised by a high level of economic activity.

A high level of educational attainment is of great significance from the point of view of economic activity of the population. The highest activity rates<sup>2</sup> were observed among women with tertiary or post-secondary education. Female and male activity rates are very similar in this group. Meanwhile, it is worth indicating that women are on average better educated than men - the proportion of people who completed their education at a level not lower than secondary level is higher among women than among men.

The female employment rate<sup>3</sup> is lower by almost 1/5 than male rate. In 2001 there were 40 employed women per 100 women at the age of 15 years and more, while in case of men the share of the employed amounted to 53%. The majority of workingwomen has at least secondary education. Nevertheless, women held managerial positions significantly less often than men did. Women constitute 32% of the total number of the employed among managers and only 30% of the employers. However, women predominate among employees and in a group of contributing family members.

The most feminised occupational group are office clerks where there are 289 employed women per 100 men. The fewest number of women are employed as operators and assemblers of machines and devices – only 13 women per 100 men. Women are most often employed in healthcare and social work (511 women per 100 men), education (320 women per 100 men) and financial intermediation (237 women per 100 men).

Gender is one of the factors affecting differences in earnings. Female wages and salaries are traditionally lower than male ones. This occurs in all occupational groups and levels of education. Female remuneration is on average lower by about 18% than the average remuneration of men. The greatest discrepancies in pay were observed in the seventies and eighties. Some decrease in the gender pay gap was observed in the nineties. Currently employees' qualifications are more valued, while in the period of the centrally planned economy factors such as the strenuousness of a job and other factors influenced the salary an employee received.

Changes in the employment structure of women affected improvement in pay relations between women and men. In 2001 the share of women employed on manual positions amounted to 32%, while on non-manual positions it amounted to 68%. Relations of wages and salaries currently favour non-manual positions. In the period of the centrally planned economy the majority of women occupied manual positions. A significant change in the structure of employment took place in the nineties.

According to a survey on wages and salaries, the average monthly earning amounted to 2217 PLN zl in 2001. Men's pay is higher than the country's average by 9.6%, while women's wages and salaries are lower on average by 10.7%. The predominance of the male average pay over the female one is observed among all occupational groups. The largest difference between women and men's salary appears at the managerial level, while the lowest difference can be observed in the most feminised group of office clerks.

The economic transition has caused a new phenomenon – unemployment. The dominant group among the unemployed are women. They lose their jobs and stay long-term unemployed (over 12 months) more often than men. The greater threat of long-term unemployment among women results from their lower fluctuation (female inflow to unemployment is lower but also lower is women's outflow from

<sup>&</sup>lt;sup>2</sup> Activity rate is defined as the share of employed and unemployed persons in the total number of population aged 15 years and over.

<sup>&</sup>lt;sup>3</sup> Employment rate shows the share of the employed in the total number of population aged 15 years and over.

unemployment). The unemployment rate of women has been higher than the one of men since the beginning of the transition period. In 2001 there were 20 unemployed women per 100 economically active women aged 15 years or more (for men this ratio amounted to 17%). Finding a job is more difficult for women due to family and child care responsibilities. Women looking for their first job face particular difficulties in the labour market as well as women who want to re-enter employment after a longer break (most often caused by bringing up children).

Unemployed women are better educated than men. About 47% of women and only 28% of men have secondary, post-secondary or tertiary education. However, despite the fact that the unemployment rate among women with more advanced levels of education is lower than that of women with lower education levels, it is still higher than the unemployment rate observed among men irrespective of education.

#### 5. Conclusion

In the period of transition the status of women in the labour market has been changing due to legal and political transformations and changes in social awareness, but mainly as a result of the impact of economic circumstances. The introduction of the rule of competitiveness in the labour market and the emergence of unemployment has created a new situation, more difficult than before, particularly for women, although it also has opened new possibilities (such as starting one's own business or self-employment). Simultaneously, changes within the sphere of social awareness and the increase in women's aspirations increased gaps between needs for active participation in professional and public life and their realisation in practice.

Many postulates regarding achieving equality for both sexes in the labour market were accounted for in the course of implementing legislation changes. However, in practice there are still significant gaps in employment and in the remuneration of women and men. Nevertheless, the achievements of the last decade should be underlined as during this time significant changes were introduced to both the Constitution and Labour Code. Significant changes occurred also in social awareness. They confirmed the need for extended participation of women in public and professional life as well as for political changes. The present country's authorities express their understanding of the significance of the problem by appointing the Government Commissioner for Equal Status of Women and Men. Among the tasks of the appointed Commissioner are in particular: "...initiating and co-ordinating actions aimed at implementation of equal status of women and men in all areas of social life".