

# Towards Pay Equity

A study on the gender pay gap in the private education sector in Jordan - May 2013





اللجنــة الوطنيـة الأردنيــة لشــؤون المــرأة The Jordanian National Commission for Women

## Introduction

The gender pay gap (GPG) is a worldwide phenomenon that refers to the difference between male and female average earnings expressed as a percentage of the male earnings. In other words, if a woman earns 70 per cent of a man's monthly earnings then the gender pay gap is 30 per cent.

Different factors can explain the GPG, these include characteristics of the individual such as the level of education, work experience, and skills, as well as characteristics of the particular company and/or sectors of employment, e.g. size and whether workers are unionized or not. However, gender-based discrimination can also play an important role in the GPG. This can be manifested in several ways including occupational segregation, stereotypes and prejudices; a tradition of undervaluing women's qualifications and jobs; traditional job evaluation methods designed on the basis of requirements of maledominated jobs, and social and cultural factors.

In Jordan, according to the 2010 Employment Survey, "the average monthly wage for men and women working in the public sector was 457 Jordanian dinars (JOD) and 403 JOD respectively, while the average monthly wage for men and women working in the private sector was 378 JOD and 315 JOD".<sup>1</sup> Official figures in Jordan suggest that the pay gap by sector is 41.3 per cent in manufacturing, 27.9 per cent in health and social work and 24.5 per cent in education.<sup>2</sup>

**Approximately 42 per cent of economically active females work in the education sector, compared to 6.7 per cent males.**<sup>3</sup> Official figures show that males that are registered with the Social Security Corporation (SSC) and work in the public education sector receive an average monthly wage of 553 JOD, while women registered with SSC receive 360 JOD (a GPG of 34.9 per cent). In the private education sector, registered men receive an average monthly wage of 540 JOD, while registered women receive 307 JOD (a GPG of 43.15 per cent).<sup>4</sup>

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<sup>1</sup> Employment Survey, Department of Statistics, 2010

<sup>2</sup> Employment Survey, Department of Statistics, 2010

<sup>3</sup> Employment and Unemployment Survey, Department of Statistics, 2012

<sup>4</sup> Women in Social Security Law No. 7 for 2010: a PowerPoint presentation, Saja Aqrabawi, Oct. 2011, page #11

#### Objective

In order to provide substantive evidence on the pay gap in the private education sector (schools and universities), the International Labour Organization (ILO) in collaboration with the National Steering Committee for Pay Equity (NSCPE) commissioned an in-depth study which also defines the causes of the pay gap and provides recommendations on the way forward.

#### Methodology

This study was two-pronged, comprising both a desk review and field work. The desk review analysed articles, studies, reports and statistics from official sources.<sup>5</sup> The field work consisted of individual interviews, the application of structured surveys, and focus group sessions. These were carried out with key stakeholders, namely workers (i.e. administrative, teaching and support service staff) and employers in the private education sector, governmental and regulatory authorities, trade unions, and professional associations. In order to calculate cumulative contributions of various variables to the female/male relative wage, questionnaires used for interviews included a wide range of questions aimed at capturing differences in education levels, field of study, work experience, skills, qualifications, seniority, and the efforts by men and women to perform similar and different jobs in the private education sector.

In Jordan there are 2,254 private schools and 20 universities. The sample size focused on 20 private schools and was proportional to their distribution across the three regions (North, South and Centre), as well as across governorates within these regions. In the case of universities, 5 were randomly selected by virtue of similarities in size and staff composition from the North and Centre. There are no private universities in the South.

## **Key Findings**

Occupational segregation: Occurs when women and men tend to be concentrated in different types and at different levels of activity and employment, with women being confined to a narrower range of occupations (horizontal segregation) than men, and to lower grades of work (vertical segregation).

International Labour Office, ABC of women workers' rights and gender equality, Geneva, 2007, p 144

**The composition of the labour force in the education sector** shows that 88 per cent of workers in private schools are women whereas 12 per cent are men. Women are over-represented in all job categories: administrative, teaching and support services (Figures 1 & 2). In private universities, 70 per cent of workers are men and 30 are women. Men and women are equally distributed in teaching positions, while men are prominent in support services and women in administrative position (Figures 1 & 3).

The composition of the workforce shows that this sector is highly feminized, with a larger number of women in private schools where entry requirements are lower and working conditions are more accommodating for women. It also shows a lower presence of women in the private universities where requirements are higher and competition more prominent. Moreover, it is more culturally acceptable for women to work in schools rather than in universities where jobs are more demanding with longer working hours.

<sup>5</sup> Department of Statistics, Social Security Corporation, Ministry of Education, Ministry of Higher Education, among others.

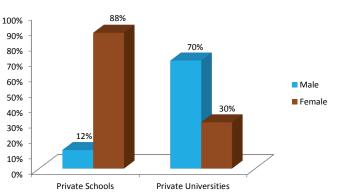


Figure 1: Workforce composition in the private education sector by gender

Sources: Ministry of Education database 2011/2012, and Annual Statistics Book of the Jordanian Students at institutions of higher education in Jordan 2010/2011 - Ministry of Higher Education and Scientific Research

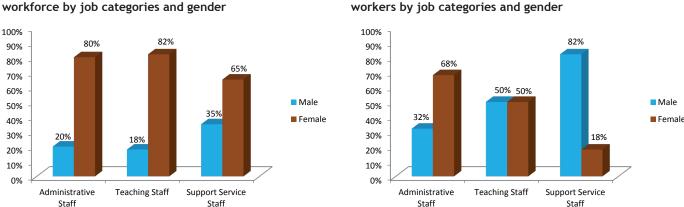
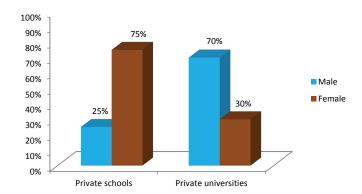


Figure 2: Composition of private schools

Figure 3: Composition of private university workers by job categories and gender

The case in private universities clearly demonstrates vertical segregation where 70 per cent of managerial jobs are held by males and only 30 per cent by females (Figure 4). At a glance, the case of private schools appears to be different, since 75 per cent of the managerial positions are held by females compared to only 25 per cent held by males. However, upon closer analysis, this is not necessarily the case as the percentage of females employed by private schools far outweighs that of males (88 per cent female versus 12 per cent males).



## Figure 4: Managerial positions by gender in private schools and private universities

**In terms of wages, the field research indicates that the GPG is 41.6 per cent in private schools and 23.1 per cent in private universities.** Figures are based on information provided by respondents about their average monthly remuneration (basic salary and supplement).<sup>6</sup> In private schools, the average monthly remuneration is 435 JOD for males and 254 JOD for females, and 540 JOD vs. 415 JOD for males and females respectively in private universities. When comparing the average monthly basic salary, the study shows a GPG of 42 per cent in private schools resulting from a basic monthly salary of 426 JOD for male and 247 JOD for female workers; and a GPG of 18.2 per cent when comparing the average monthly basic salary of 330 JOD for males and 270 JOD for females in private universities (Figures 5, 6 & 7).

As elaborated in the general findings below, this GPG is the result of different interacting factors. One observation is that the GPG is higher in private schools compared to private universities. In the case of private universities, a factor that contributes to the GPG is the "supplement" meaning the social security and health insurance benefits received mainly by men (Figures 6 & 7). Another consideration relates to the anecdotal evidence that most female workers indicated that they receive the minimum wage (190 JOD), but in reality, many of them receive less due to a confidential arrangement with the employer, whereby they do not declare their real income for fear of being punished or even dismissed from their jobs.

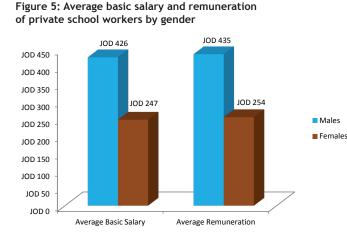
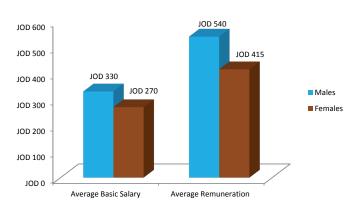
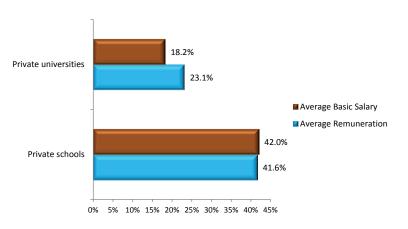


Figure 6: Average basic salary and remuneration of private universities workers by gender







<sup>6</sup> In the analysis of remuneration in this study, basic salary refers to the "net monthly wage", while remuneration refers to the "sum of basic salary and supplement calculated as social security and health insurance".

During interviews and focus group sessions with governmental and regulatory authorities, trade unions, professional associations, employers, and workers the following were suggested as being the primary reasons for pay inequalities in the private education sector:

#### **Stereotypes and prejudices**

• Society's perception that private schools jobs require less effort and are therefore more suitable for women.

#### A tradition of undervaluing women's jobs and women's qualifications

- Parents tend to enroll their children in private schools with well-known male teachers and pay higher tuition fees to these schools.
- There is a high demand for a few specialized male teachers, which allows them to negotiate better wages. In contrast, there is a high supply of female teachers, which forces them to accept any wages for their work.
- Difficult economic conditions among Jordanian families force women to work and accept low pay, as their income is considered to compliment the income of the male member of the family.
- Additional tasks such as supervision, correction and escorting, are only assigned to female teachers and are not compensated financially.
- There is limited awareness of the concept of equal remuneration for work of equal value among employers. Furthermore, employers' capacity to operate gender-neutral remuneration systems, due to the unavailability of qualified staff to manage the systems, leads to the undervaluation of female jobs within the private sector.

#### Social and cultural factors

- The common belief that males are the breadwinners, and are therefore entitled to higher remuneration. This results in benefits, such as family allowances, being paid exclusively to men.
- Females are less likely to complain about unequal treatment due to a lack of information regarding their rights, fear of losing their jobs, lack of awareness of the differences in remuneration received by their male counterparts, and social and behavioral reasons which prevent them from demanding equal footing.
- Since most family responsibilities fall on women, their participation in committees, missions, delegations, and private lessons is limited. This prevents them from earning additional income and/or restricts their chances of receiving a promotion and/or training. Private lessons are a major source of additional income for teachers, which can sometimes exceeds the remuneration they received from the job at the schools.
- Women have a shorter career span compared to men due to family responsibilities which prevent them from earning additional benefits and accumulating more years of experience. The study reveals that the average employment period for males is 8.7 years, compared to 6.3 for females in private schools.
- The under-representation of women in trade unions weakens their situation in terms of collective bargaining with employers for better remuneration and working conditions.
- Males enjoy stronger negotiation/bargaining power than females, who tend to be weak or shy during negotiating remuneration and/or benefits.

#### Absence of a legislative/policy and regulatory framework

- An absence of national legislation on equal pay for men and women for work of equal value.
- A lack of bylaws, regulations and structured remuneration systems in the majority of private schools.<sup>7</sup> The study shows that only 9 per cent of private schools have either a salary scale based on job classification or a documented Human Resources Management (HRM) system.
- The failure to apply the Standard Employment Contract that guarantees rights for private school workers.
- A weak labour inspection system in place.

#### Lack of coordination among stakeholders

 A lack of coordination between employers, workers and regulators, as well as conflicts of interests between education-related trade unions and professional associations, limits their ability to interfere and control the employer-worker relationship in questions related to pay equity for women and men.

Although gender-based pay discrimination is a fact, qualitative data is limited. Efforts to measure GPG have been made by official statistics institutions; however, the issue has been side lined at the policy level due to the presence of more pressing issues such as non-compliance with minimum wages and the denial of financial benefits to workers.

### Recommendations

- National legislation should be revised to include equal remuneration for women and men for work of equal value.
- The inspection role of the Ministry of Labour should be activated to ensure that all workers in the education sector sign employment contracts in line with labour law and other related laws, and to ensure that they receive a fair remuneration and decent working conditions. Collaboration between the Ministries of Labour, Education and Higher Education should be sought to achieve this.
- Gender-neutral job evaluations should be piloted in 10 to 15 pilot private schools and universities to test the findings of this study. Using a proper and scientific methodology, gender-neutral job evaluations can help management of these institutions to set salary scales based on the value of the job rather than on the "holder" of the job. Once the pilot has been completed, the results analyzed, and corrective actions recommended, genderneutral job evaluations could then be applied to other private institutions in the education sector.
- Employers should revise human resources practices and remuneration systems.
- The government, in coordination with the NSCPE should design and conduct awareness raising campaigns for private sector male and female workers on their rights at work, specifically on equal remuneration for women and men for work of equal value. The design and implementation of such a campaign could be shared with civil society organizations and trade unions that are active in the private education sector.

<sup>7</sup> This is not the case for private universities as they have their own bylaws regulating relationships between the university and its workers in terms of, for example, remuneration, compensation, insurance, rewards and scholarships. The Higher Education Council and the Cabinet have approved these bylaws.

- Cooperation and coordination between trade unions and professional associations, and the school and university owners associations (the association for owners of private schools, the general trade union for workers in the private education, teachers association and the association of Arab private institutions for Higher Education) should be enhanced in order to reach a modern and fair classification of private educational institutions and workers.
- Trade unions and professional associations should create an effective mechanism for detecting and recording pay discrimination complaints, as well as other labour rights violations experienced by workers in the private education sector at the national level.
- Follow up mechanisms for GPG cases should be established by the Ministry of Labour in coordination with the Ministry of Education and the Ministry of Higher Education.
- The services of the Jordanian National Commission for Women hotline should be promoted amongst women workers so that they can seek help in cases of pay inequality.
- "School of the Year" and "University of the Year" awards should be created for institutions that prove their compliance with gender equality and pay equity principles.