

Executive summary

The gender wage gap stands at 13%, on average, across OECD countries – meaning that the median full-time working woman makes about 87 cents, on average, for every dollar or euro earned by the median full-time working man.

The gap gets even larger when looking at the income *all* working women and men take home at the end of the year, as women tend to spend fewer hours in paid work than men do. Women are overrepresented in part-time jobs, and underrepresented in jobs with long work hours, throughout the OECD. This inequality in earnings has long-lasting consequences throughout the life course. It restricts women's economic empowerment and contributes to relatively high poverty risks for women of retirement age.

The gender wage gap has barely narrowed over the past two decades, despite a range of public policies targeting its causes. Recognising this serious challenge, many OECD countries have begun implementing novel pay transparency policies to close the gender wage gap.

Pay transparency and wage mapping policies attempt to shine a bright light on gender wage gaps within organisations. The goal of such measures is to encourage employers to prevent and address pay inequity, to give workers and their representatives more information to combat pay discrimination, and to help governments identify when, where and how to target gender wage gaps. Pay transparency measures can be particularly important for addressing the discriminatory wage gap, i.e. the part of the gender wage gap that cannot be attributed to observable worker characteristics, like level of education.

This report presents the first stocktaking of pay transparency measures across OECD countries. These measures vary tremendously across countries. Eighteen of the 38 OECD countries mandate systematic, regular gender wage gap reporting by private sector employers. Within this group, nine have implemented comprehensive equal pay auditing processes, which require additional gender data analysis and typically propose follow-up strategies to address inequalities. Most of these policies were introduced in the past decade. Just under half of OECD countries use job classification systems in the public and/or private sector; these systems attempt to standardise pay and make salaries transparent across men and women within specific job categories.

These measures hold considerable allure. Pay transparency offers a relatively simple and intuitive tool both to identify and address the gender wage gap when it occurs in a workplace. These policies can function well in publicising gender wage gaps, and, in particular, the discriminatory element of it – but only with the appropriate policy design and implementation.

Governments in OECD countries have shown initiative and creativity in designing these policies. This report presents an overview of policies and highlights best practices in an effort to help all governments achieve equal pay for equal work, and equal pay for work of equal value, for all women and men.



From:
Pay Transparency Tools to Close the Gender Wage Gap

Access the complete publication at:

<https://doi.org/10.1787/eba5b91d-en>

Please cite this chapter as:

OECD (2021), "Executive summary", in *Pay Transparency Tools to Close the Gender Wage Gap*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/87383fd3-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area. Extracts from publications may be subject to additional disclaimers, which are set out in the complete version of the publication, available at the link provided.

The use of this work, whether digital or print, is governed by the Terms and Conditions to be found at <http://www.oecd.org/termsandconditions>.