

Equal Opportunities, Segregation and Gender Based Wage Differences at a Swedish University

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The authors are part of the Working Life Science (WLS) group at Karlstad University. What started in the 1970s as a multidisciplinary research group became an academic discipline in 2000, with the right to provide education up to, and including PhD level. The department of WLS is hosted by the Faculty of Economic Sciences, Communication and IT.

Altogether 24 teachers/researchers and doctoral students are affiliated to WLS with close to 300 students enrolled at all levels. Their research focuses upon work and labour markets, especially things such as organization, competence and qualifications. The researchers come not only from working life science, but also from disciplines such as sociology, pedagogy, business administration, economic geography and psychology.

In Sweden, the Equal Opportunities Act (EOA) promotes gender balance as the way forward for organisations wishing to pursue the goal of gender equality. This extends to strategies for fighting wage differences, where the imbalanced proportion of women and men is seen as one of the important sources of inequality to target. The reality is, however, a little different. The simple pursuit of a quantitative balance in the proportions of women and men in the workplace is not a sufficient condition for ensuring equality. Segregation can exist on more disaggregated levels, and local knowledge and market based pay also have effects. The practice of decentralized wage negotiations and individualisation of wage setting for higher education employees is used here as an illustration of the formation of gendered wage differences.

Segregated patterns and wage differences

The empirical case in this paper is a university that, seen from an organisational perspective, has an equal gender distribution among its 1,167 employees. Almost as many women as men are employed there (Gonäs, Rosenberg and Bergman 2006). But delving beneath the surface of this overall gender balanced organisation, we see that women and men tend to work in different departments and institutions, and in different occupations.

There are two main sectors within the university. On the one hand there is the gender balanced humanities and social sciences, and on the other the male-dominated natural and technical sciences. There are seven departments, out of a total of seventeen, where the proportion of women almost equals that of men. In the other departments, there is a preponderance of either men or women. There is also a gender-based wage difference in these departments and it is only in two of them that women have a higher monthly wage level than men. Of the two sectors the natural/technical science sector has a higher wage level than humanities/social science.

Only eight occupational groups out of twenty-four have an equal distribution of gender. In the others, there is a preponderance of either females or males. Considering average monthly wages by occupation, men have a higher wage level than women in twenty out of the twenty-four occupations. Even though there have been annual wage reviews, where one ambition has been to close the gender-based wage gap, wage differences by occupation still persist. In other words, the gender balanced university is not an egalitarian organisation, either with respect to wages or with respect to gender-based segregation patterns.

We will take a closer look at two large occupational groups at the university, senior and junior lecturers. While the junior lecturer occupation is gender balanced (49 per cent women and 51 per cent men), the senior lecturer is a male-dominated occupation (28 per cent women and 72 per cent men). In both occupations, unexplained wage differences between women and men occur. Statistical analysis shows that gender is of importance to the wage levels of both occupational groups. Men have higher wages than women in these categories, other variables held constant.

But what is it that causes this effect on women's and men's wages in these occupations? Our analysis shows the effects that age, years of employment, sector and forms of employment have on the monthly wage for men and women (junior and senior lecturers) respectively (Gonäs, Rosenberg and Bergman 2006). The analysis shows that the variables mentioned above are more likely to 'explain' wages in the junior lecturer category than for the senior. This suggests that there are other, perhaps informal or non explicit, criteria for wage setting in the senior lecturer category. Comparing the sexes within the junior lecturers, it can be seen that age, length of employment and sector affiliation have larger effects on the average monthly salary of male junior lecturers than on females. In other words, males benefit more from their age and length of employment, and from their association with the natural/technical science sector, than female junior lecturers. Women, on the other hand, derive greater benefit than men from permanent employment.

The statistical description of the university shows that gender inequality is two dimensional. First, there are segregated patterns on disaggregated levels of the organisation. The division of labour is gendered – by sector, by department and by occupation. The domains that are dominated by men tend to have higher wages than domains dominated by women. Second, there are widespread wage differences between women and men within the same occupation where women's wages are lower than men's and cannot be explained by typical human capital variables. The differences have to do with gender.

Local knowledge and experiences

In addition to the statistical overview, 18 qualitative interviews were carried out with twinned or matched pairs of women and men. The women were selected from an all-female list of individuals with low salaries that were unwarranted, based on objective criteria, and matched with men who were otherwise fairly similar. The interviews covered topics ranging from the interviewees' general thoughts about salaries, including the basis on which these should be determined and their thoughts about collective bargaining, to more specific questions concerning their knowledge, as employees, of equal opportunity legislation, job evaluation, and the concept of 'unwarranted' wage differences – elaborated upon below. Other topics included their personal backgrounds and work histories, as well as when (and under what circumstances) salary levels had played a decisive part in their career choices.

None of the respondents had any experience of using job evaluation to eliminate 'unwarranted' wage differences in accordance with the spirit of the EOA. Several respondents commented on the need for active measures to end gender-based segregation, although not all of them were familiar with the legal definition of the term. There was a clear sense of imbalance between public rhetoric and day-to-day practice. Even though the EOA provides a context for individuals' conceptualisations of gender equality, and helps to increase awareness of gender inequality, and that this is a problem, the respondents highlighted some of its inadequacies.

Nevertheless, the requirement that wages have to be monitored, and unwarranted wage differences addressed, has led to some pay awards to a number of women. In terms of understanding the concept of 'unwarranted' wage differences, there was a broad range of interpretations. Unwarranted wage differences were related to both the competence and the experience of the individuals in question, as well as to their market value and their opportunities for taking advantage of their market positions.

The women selected for inclusion in this study had salaries which were unjustifiably low and all benefited from the legislation, indicating that it has had some impact, albeit with one exception; people were not informed that this was the reason for their pay increase. Neither their employer nor their union representative had informed them about the regulations, or how to apply them.

Market value – a distinguishing issue

The issue of the significance of the market when determining salary levels is a theme that constantly came up in the interviews. Some respondents were annoyed that market-thinking had made inroads into the university, while others claimed that it was entirely necessary in order for the university to develop a profile of greater expertise.

In general, the men underlined the significance of the market when determining salaries. The only woman who did so was one in a leading position— and she did so not for the sake of her own salary, but in reference to the need to recruit capable personnel.

Employment at the university has a generally positive effect on women's wages but a negative one on men's. A nurse's salary might increase as the result of university employment, whereas a graduate engineer might be forced to accept a wage reduction. This can partly be explained by gender-based segregation in the labour market as a whole, and partly by wage differences between the traditionally male and female segments of the labour market.

Wage negotiations and local policy

Most women thought that they would have difficulty negotiating their salaries directly with their immediate superiors. They stated that they disliked such encounters and would feel uncomfortable negotiating in order to enhance their own interests. Jenny S  ve-S  derbergh (2003) shows that women are treated differently to men during individual wage negotiations and that women also experience less financial gain from these negotiations.

Some of the men in our study, those with backgrounds in the private service sector, did not mind negotiating their own salaries. They were more comfortable with such bargaining and negotiations with the boss regarding salaries and working conditions. It had also been a natural process in their previous jobs. But even these men expressed concern over having to link wage demands directly with specific achievements and likened this to standing 'cap in hand' during a wage setting process that is reminiscent of a bygone era.

Market demand plays an important part in determining salary levels, according to the evaluation guidelines, where education and formal expertise are of significance to job description, level of difficulty, performance, and work quality. Determining an individual's salary is conditional upon discussions between the employee and the supervisor regarding career development and the employee's role in the enterprise, as well as upon a salary dialogue, although employees are not made aware of these conditions.

There has been a change in the contemporary wage setting system in Sweden with the move from collective negotiations and agreements to a situation that can be described by the concept collective individualisation (Fransson and Törnqvist 2003). The EOA and its ban on discrimination contribute to this change by its goal to reduce wage differences between women and men in the same organisation. Earlier, one of the main ideas of the solidaristic wage policy was to eliminate wage differences between industries or companies. But through the EOA the local level has increased its importance, with the risk at the same time of being counteracted by a growing market influence in the application of individual wage setting.

Conclusions

The study demonstrates clear differences between the salaries of men and women doing work of equal value at this Swedish university. This applies to the posts of both junior and senior lecturer, in which two categories of men receive higher salaries than women. Thus, even when allowance is made for age, experience, sector, and job complexity, gender differences still remain. Furthermore, this gender-based difference has persisted despite annual wage reviews in accordance with Sweden's EOA. While the policy rhetoric is progressive, and has led to pay increases for women experiencing unwarranted gender-based pay gaps, problems still remain.

Efforts to establish a transparent wage-setting process for equal pay for equal work, or work of equal value, appear to be problematic. Since the provisions of the EOA only apply to individual employers, salary surveys can only be used for comparisons within the organization of a single employer.

Moreover, few employees seem to know how the gender equality legislation is formulated, with its requirement that employers take measures to correct unwarranted wage differences. Also, job evaluations, and how wages and salaries are determined, constitute areas where information is lacking, from the point of view of the single individual. Individuals possess experience-based knowledge of workplace conditions and day-to-day practices. Detached from that is a rhetorical sphere and a set of regulations whose means and methods of application are seldom clear. The law is formal and abstract, whereas working life (with its differences between social groups, and injustices that include 'unwarranted' wage differences) is something real and concrete. Not even when the law is applied to the well-defined category of individuals with unjustifiably low wages did these individuals receive the relevant information. In brief, there is not only a lack of knowledge among the affected individuals, but also a failure to convey information about the provisions of the law and its application.

Certain wage-setting principles and components can become increasingly invisible, while other parts are becoming clearer and clearer. It is, therefore, important to make visible such components of the process as job evaluation, assessment of credentials, and the establishment of market value if the objectives of the legislation for greater equality are to be realized.

References

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