Gender Pay Gaps in Global Supply Chains: Findings from Workplaces in Bangladesh, Colombia, Morocco, Thailand, and Turkey

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ABSTRACT

Gender Pay Gaps in Global Supply Chains: Findings from Workplaces in Bangladesh, Colombia, Morocco, Thailand, and Turkey

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This report presents the findings of studies in five countries to test the Anker Research Institute's new methodology for measuring the size and determinants of gender pay gaps at workplaces in global supply chains. These studies involved analysis of payroll data for over 15,000 women and men working at 12 factories, farms, and packhouses in the garment and agri-food sectors, as well as over 350 interviews with workers, managers, and stakeholder organizations.

We found considerable diversity in the size of gender pay gaps across the study workplaces, ranging from gaps of at least 22% in favor of men at 3 garment factories in Bangladesh to small gaps of -0.5% to -1.5% in favor of women at 2 garment factories in Thailand. At 3 garment factories in Turkey, the gender pay gap ranges from 4% to 17%, while in Morocco, there is a small gap of 5% for a farm producing fresh produce but a much larger gap of 15% for a packhouse that it supplies. In Colombia, there are gender pay gaps of around 10% at 2 banana farms, despite the unionized farm having markedly higher wage levels than the non-unionized farm. There is a gender gap to a living wage at 9 out of the 12 study workplaces (i.e., the proportion of women earning a living wage is lower than the proportion of men earning a living wage at these workplaces). Importantly, the gender pay gap at workplace level is often considerably higher or lower than the gender pay gap at national level.

There is also variation in the direct determinants of the gender pay gap at each workplace. A common factor is occupational gender segregation and a tendency for jobs that are mostly done by men to pay more than jobs that are mostly done by women. Other direct determinants are gender differences in contract types, forms of pay, access to additional wage payments, and amount of time worked. Underlying causes include: discriminatory norms and gender stereotypes; lack of formal or structured approaches to recruitment, training, promotion, and/or equal opportunities; weaknesses in worker representation and grievance mechanisms; localized socio-economic conditions and regulatory frameworks; and supply chain dynamics. Based on these findings, the report makes a series of recommendations for employers, workers, and other actors associated with global supply chains to reduce and eventually eliminate gender pay gaps, where they exist.

KEYWORDS: Gender, inequality, wages, gender pay gap, global supply chains, living wage, Anker Methodology

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Any errors or omissions are the responsibility of the authors alone.

ABOUT THE AUTHORS

Anker Research Institute

The Anker Research Institute was founded and is led by Richard Anker and Martha Anker and is currently hosted by Social Accountability International in the USA. The Institute includes a global network of researchers and research institutions around the world, with the goal of generating knowledge to improve the living standards of working people and their families to a decent level throughout global supply chains.

The Anker Research Institute is a founding member of the Global Living Wage Coalition (GLWC) and works closely with the GLWC's Action Network in a unique knowledge-action partnership to improve the effectiveness of living wage strategies and to generate wage improvements worldwide.

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EXECUTIVE SUMMARY

Measuring and understanding gender pay gaps at workplaces in global supply chains[1]

The right to equal opportunities and equal pay for women and men workers is a long-established human right. Gender equality in employment and pay is also important for economic growth and sustainable development and brings benefits to businesses. Despite this, all around the world, women earn less than men, on average.[2]

This report focuses on gender pay gaps within the context of global supply chains.[3] Companies of all sizes, but particularly large brands and retailers, are under increasing pressure to ensure respect for human rights, including no discrimination, in global supply chains. But differences between the wages of women and men working in supply chains, which can be an indicator of discrimination, are not being systematically assessed. Up to now, most studies on gender pay gaps have been focused on the country level and broad societal and economic factors such as education and the law, over which individual companies have little influence or control. To address this, the Anker Research Institute (ARI) has developed a new methodology to measure the size and determinants of gender pay gaps at specific workplaces. This provides employers and other stakeholders with the information they need to reduce and eliminate gender pay gaps.

In this report, we present the results of pilot studies to test this methodology in 5 countries (Bangladesh, Colombia, Morocco, Thailand, Turkey) and 3 economic sectors (garments, bananas, fresh produce). These studies involved analysis of payroll data for around 15,000 workers at 12 factories, farms, and packhouses where goods and services are produced for global consumption. At each workplace, we looked at wages for the entire workforce from production workers, cleaners, maintenance workers, and security guards to administrators, technicians, and managers. All types of workers were included in the analysis, including permanent workers, contract workers, seasonal workers, and migrant workers. We also conducted over 350 semi-structured interviews with managers, workers, industry

[1] This report is about differences in pay between the broad gender categories of 'women' and 'men' because disaggregated information and data on wages for transgender and gender non-conforming people as separate groups are currently not available at employer level or at country level. This is a limitation of almost all research on gender pay gaps to date and one that needs to be addressed to ensure that discrimination against minority gender groups is monitored and addressed.

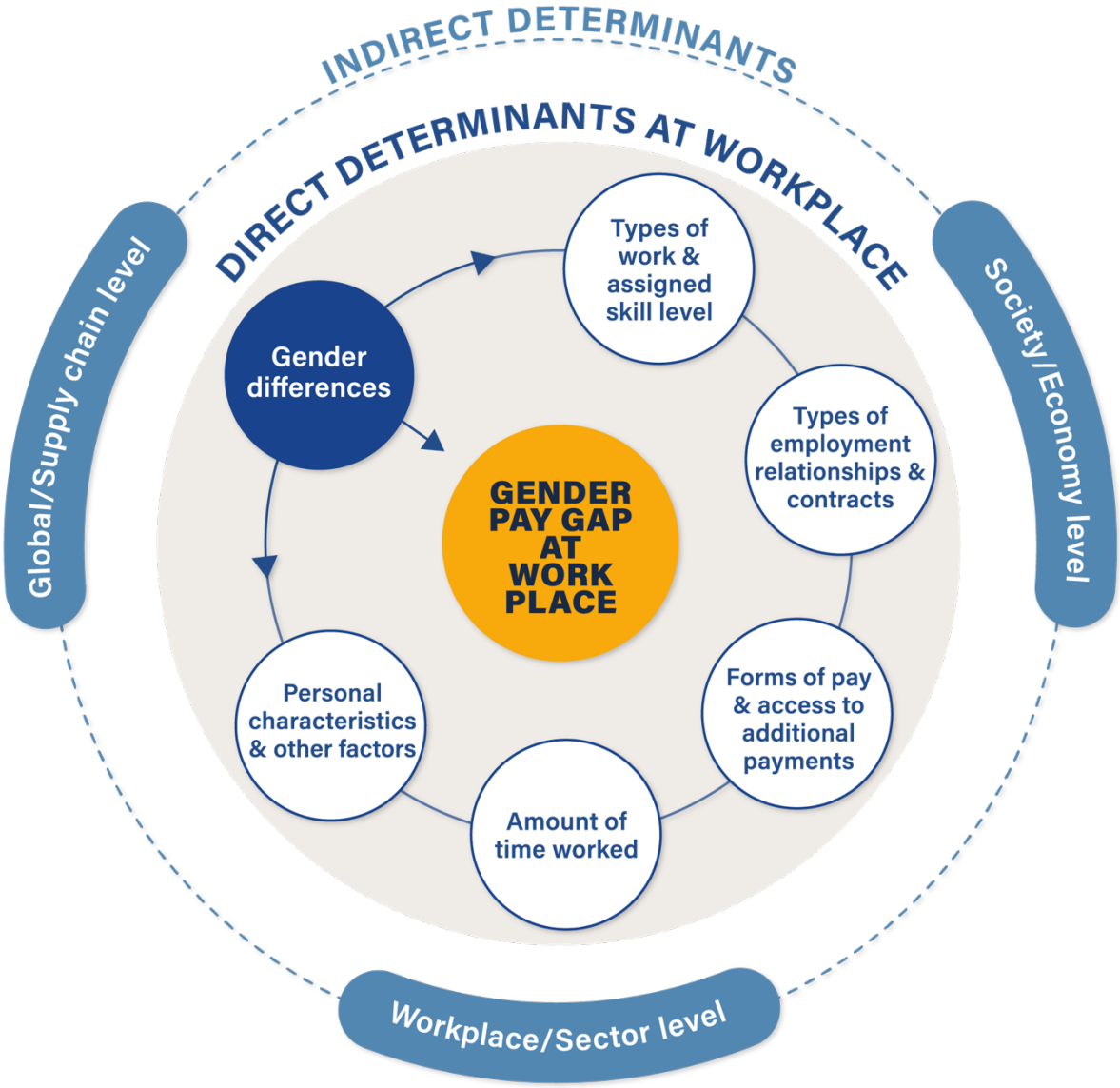
[2] ILO Global Wage Report 2018/19.

[3] Global supply chains are networks that span multiple countries and involve the production, distribution, and consumption of goods and services. Large buying companies, such as global brands and retail chains, typically have considerable control over the flow of information, processes, and resources along the chain and across borders. As such, these lead firms increasingly are expected to ensure respect for human and labor rights in their global supply chains.

associations, trades unions, women's rights organizations, NGOs, academics, and other experts to explore the root causes of gender pay gaps in each location.

Figure 1 shows our analytical framework for measuring and understanding gender pay gaps at workplace and sector levels. Table 1 provides a summary of workforce characteristics for the 12 study workplaces.

Figure 1. Anker Research Institute's analytical framework for measuring and understanding gender pay gaps at the workplace or sector level



Source: Authors.

Table 1. Overview of workforce characteristics for the 12 pilot study workplaces

	Size of workforce[(i)]	% women at each workplace[(i)]	Age of workers	Types of contracts/ forms of pay	Migrant workers
GARMENTS					
Turkey **3 factories**	200 to 400 workers per factory, total 935 workers	Between 50% and 70% women	Majority 31-50 years. Women generally older than men.	• Full-time permanent workers	Some domestic migrants
Bangladesh **3 factories**	1500 to 4000 workers per factory, total 8506 workers	Between 30% and 60% women	Majority 18-35 years. Men's ages more widely spread than women's ages	• Full-time permanent workers: daily/piece/ monthly rate • Contract workers	Many domestic migrants
Thailand **2 factories**	1000 to 3000 workers per factory, total 4586 workers	Between 60% and 80% women	Majority 18-35 years. Women generally older than men	• Full-time permanent workers: daily/monthly rate	Many migrants from Myanmar and domestic migrants
AGRIFOOD					
Colombia **Bananas: 2 farms with integrated packhouses**	100 to 300 workers per farm, total 333 workers	Between 10% and 20% women	Majority 31-50 years. Men's ages more widely spread than women's ages	• Full-time permanent workers: task/monthly rate • 'Special shift' workers • Fixed term workers	No information available
Morocco **Fresh produce: 1 farm, 1 packhouse**	200 to 400 workers per farm/ packhouse, total 661 workers	10% to 20% women (farm) 70% to 80% women (packhouse)	Majority 31-50 years. Women generally older than men	• Full-time permanent workers: daily/monthly rate • Fixed term workers • Seasonal workers	Some domestic migrants

Notes: (i) The number of workers at each workplace has been rounded to the nearest 100 and the proportion of women has been rounded to the nearest 10% to conceal the identity of each workplace. (ii) Special shift workers in Colombia work on days when bananas are being packed for export and on other days as required.

Source: Payroll data. Calculations by the authors.

Overall findings on gender pay gaps at pilot study workplaces

The gender pay gap is the ratio of average wage for women to average wage for men, expressed as a percentage difference. A negative value means that average wages for women are higher than average wages for men. We measured the gender pay gap at each study workplace using two wage variables:

(i) Base wage: This is the basic wage for standard working hours excluding overtime pay and cash allowances and bonuses.

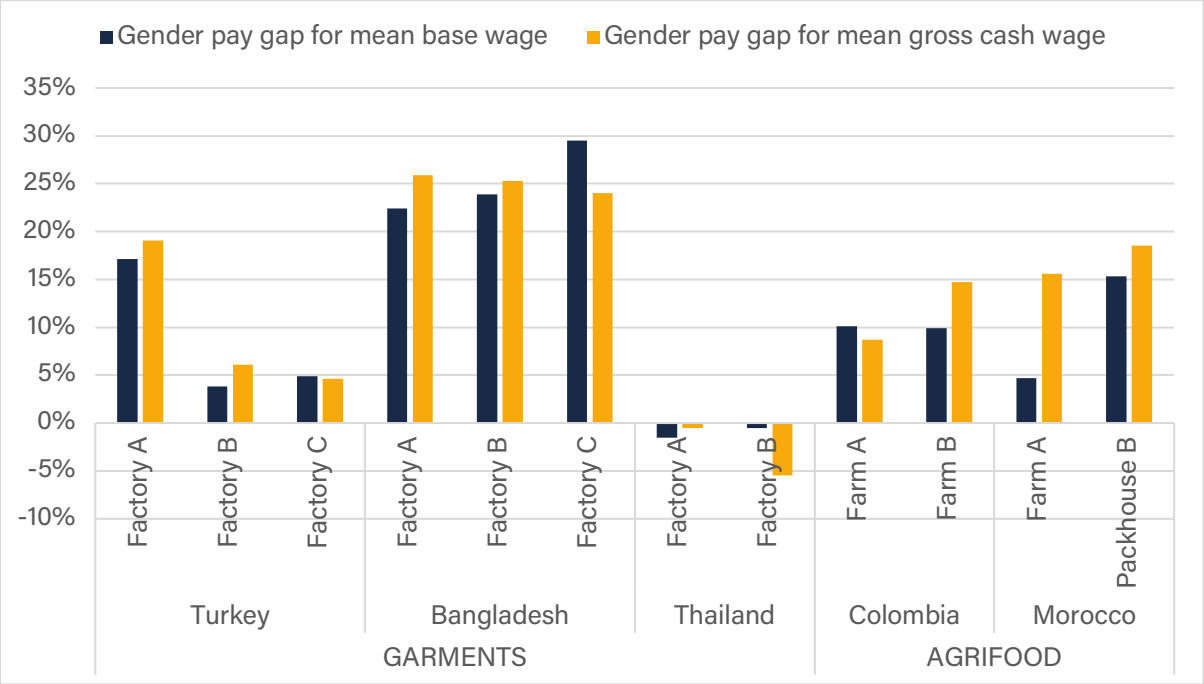
(ii) Gross cash wage: This is the total amount of pay received before mandatory deductions and includes base wage, overtime pay, and cash allowances and bonuses, but not in-kind benefits.

The gender pay gap in base wages for standard working hours ranges from -1.5% to 29.5% depending on the workplace, with variation between and within countries in the size of the gap. The garment factories in Bangladesh have the largest gender pay gaps of 22% to 30% for base wages, while at the garment factories in Turkey, the gaps are smaller but variable, at between 4% and 17%. In contrast, the garment factories in Thailand have small gaps of -0.5% to -1.5% in favor of women. In the agrifood sector studies, the gender pay gap for base wages is largest for the fresh produce packhouse in Morocco, at 15%, followed by 10% for both banana farms in Colombia, and only 5% for the fresh produce farm in Morocco.

The gender pay gap for gross cash wages including overtime pay and cash allowances and bonuses ranges from -5.5% to 25.9%. The gender pay gap for gross cash wages is usually similar to the gaps for base wages, but for 3 workplaces (1 in Bangladesh, 1 in Thailand, and 1 in Morocco), there is a difference of at least 5% between the two values, as illustrated in Figure 2.

This demonstrates the usefulness of using both metrics (gap in base wages and gap in gross cash wages) to measure gender pay gaps (see Figure 2).

Figure 2. Gender pay gap for base wages and gross cash wages at the 12 study workplaces (based on mean wage during relevant study period for each country)



Notes: (i) The gender pay gap is the ratio of average wage for women to average wage for men, expressed as a percentage difference. A negative value means that average wages for women are higher than average wages for men. (ii) Base wage is the basic wage for standard working hours excluding overtime pay and cash allowances and bonuses. (iii) Gross cash wage is the total amount of pay received before mandatory deductions and includes base wage, overtime pay, and cash allowances and bonuses, but not in-kind benefits. (iv) For all countries except Morocco, gender pay gaps are for average wages for one month calculated using 1-2 years of payroll data. For Morocco, gender pay gaps are for average wages for one day calculated using 1 year of payroll data. (v) Workers who started or left mid-month or who were paid less than normal due to a COVID-19 national lockdown were excluded from the analysis of average wages. We also excluded non-regular payments, such as severance pay and wage advances, as well as some cash allowances that were conditional and only received by a few workers, such as allowances for marriage or bereavement. (vi) For Colombia, we used 10% trimmed means to reduce the influence of outliers on mean values because the total number of workers was low.

Source: Payroll data. Calculations by the authors.

Gender pay gaps at national level are a poor predictor of gender pay gaps at the study workplaces. There are only 5 out of 24 possible cases where the gender pay gap in base wage or gross cash wage at workplace level is within 5% of the comparable country-wide gender pay gap. For some workplaces, the gender pay gap is larger than the national gender pay gap and for others, it is smaller.

Gender gaps to a living wage

We compared Anker Methodology living wage estimates for each workplace location with the average monthly prevailing wage for each worker. This excludes overtime pay because a living wage must be earned in normal working hours but includes allowable cash allowances and bonuses and a fair and reasonable monetary value for in-kind benefits. **In**

9 out of 12 workplaces, the proportion of women with a living wage is lower than the proportion of men with a living wage. For 8 workplaces (2 in Turkey, 3 in Bangladesh, 1 in Colombia, and 2 in Morocco), fewer than 10% of women earn a living wage, while the proportion of men earning a living wage is under 10% for just one workplace (in Bangladesh).

This gender gap to living wages is important because it means that efforts to close living wage gaps need to be gender aware. **It is also important to recognize that even if all workers are paid a living wage, this does not mean that the gender pay gap will automatically disappear.**

Direct determinants of gender pay gaps at pilot study workplaces

Our analysis of payroll data allowed us to identify the direct causes of gender differences in wages at each workplace.

- **Occupational gender segregation is an important determinant of gender pay gaps at all workplaces except for the two factories in Thailand**. Although women and men are generally paid the same when they do the same work, occupations that are dominated by men tend to pay more than occupations that are dominated by women. Men's dominance of supervisory and managerial positions at 8 of the 12 workplaces, for example, is an important component of this occupational gender segregation.

- **Differences in the types of contracts that women and men have and/or in their forms of pay and access to additional wage payments are determinants of gender pay gaps at all workplaces**. At many workplaces, men are disproportionately likely to have contracts and/or forms of pay that are associated with higher wages, such as monthly rate pay and piece rate pay in Bangladesh (rather than daily rate pay), and permanent contracts in Morocco (rather than fixed term or seasonal contracts). Men sometimes also have more access than women to additional wage payments, such as performance-related bonuses and overtime pay, but in other cases it is the reverse, and for many workplaces, access varies depending on the type of payment.

- **Differences in the amount of time worked by women and men are small, except in Morocco where most women are seasonal workers and women seasonal workers work fewer days per year than men seasonal workers**. In garment factories in Bangladesh and Thailand, women tend to work slightly more days per month than men but in Turkey and Colombia, men tend to work slightly more days per month than women. These gender differences in days worked are sometimes counterbalanced by opposing differences in the amount of overtime worked – for example, in Bangladesh, men do more overtime hours than women each month, on

average, in spite of working fewer days of the month. We also found that the amount of overtime worked is associated with occupation more than gender.

- **We do not have evidence that gender differences in age and experience, educational attainment, or migrant status are important direct determinants of gender pay gaps at any of the study workplaces.** Note that we were only able to investigate the influence of education on wages for Morocco, due to gaps in the payroll data for the other countries.

Table 2. Summary of findings on the direct determinants of gender pay gaps by sector and country

Direct determinant of gender pay gap	GARMENTS			AGRIFOOD	
Gender differences in:	**Turkey**	**Bangladesh**	**Thailand**	**Colombia**	**Morocco**
Types of work performed	✓	✓	×	✓	✓
Employment relationships and contracts	×	✓ / ×	×	×	✓
Forms of pay and access to additional wage payments	✓	✓	✓	✓	✓
Amount of time worked	✓ (minor)	✓ (minor)	✓ (minor)	✓ (minor)	✓
Age and experience, educational attainment, and migrant status	× / ?	× / ?	× / ?	× / ?	× / ?

Notes: In this table, a tick (cross) denotes that the direct determinant does (does not) contribute to gender pay gaps at all study workplaces in the relevant country. A tick with 'minor' indicates that the determinant has only a small effect on gender pay gaps. A tick and a cross indicate that the direct determinant contributes to gender pay gaps at only some of the study workplaces in the relevant country. A question mark indicates that there was insufficient information to draw conclusions for all aspects of the direct determinant.

Indirect determinants of gender pay gaps at pilot study workplaces

We found considerable diversity in the indirect determinants (i.e., root causes) of the gender pay gap at each workplace, but **discriminatory norms and gender stereotypes regarding the types of work women and men do are a common factor.** These affect the management and workplace culture, limit the range of occupations that women have access to, and reinforce men's dominance of leadership positions. This is **exacerbated by a lack of formal and transparent systems for recruitment, training, remuneration, and/or promotion** at some workplaces. Most study workplaces also lacked **a structured approach to ensure equal opportunities** for women and men, and there were often **weaknesses in worker representation and grievance mechanisms.**

Wages at the study workplaces are also influenced by local labor market conditions. **Where there is more competition for labor and greater diversity in wages across the workforce,**

we sometimes find wider gender pay gaps. This means that study workplaces with relatively high wages (including the unionized banana farm in Colombia) sometimes have larger gender pay gaps than study workplaces where most workers earn the statutory minimum wage, or close to it.

The nature of legal and policy frameworks for employment and gender equality also plays a role in determining the size of gender pay gaps. For study workplaces, this is most evident in relation to maternity pay, which is paid at a lower rate than women would earn during regular working days.

Gender pay gaps are also influenced by production dynamics, global economic factors, and buyers' purchasing practices[4], due to associated effects on working time and company performance (and knock-on effects on wages). **This means that gender pay gaps often vary in size over the year and from year to year**. There are signs that tension between buyers' purchasing practices and their requirements for socially and environmentally responsible production are starting to be addressed, as well as indications that **standards and auditing for decent work and other human rights initiatives have resulted in some improvements to employment practices** at some of the study workplaces. In time, this may help to reduce and eliminate gender pay gaps, where they exist.

Conclusions and recommendations from the pilot studies

The main conclusion from the pilot studies is that while gender differences in pay are ubiquitous throughout the world, their size and determinants vary by workplace, sector, and country. Importantly, gender pay gaps can differ markedly even between workplaces in the same sector and the size of the gender pay gap at country level is not a good predictor of the size of the gap for individual workplaces. This demonstrates the value of ARI's new methodology for measuring gender pay gaps at the workplace level and gaining insights into the range of factors that can affect wages for women and men in a given sector or supply chain.

Working with individual worker payroll data was found to be difficult and often required considerable time to understand wage systems and organize and fill in gaps in the data. In addition, in countries and sectors where workers are often informally employed or are employed through third parties, payroll data for many workplaces would probably exclude these workers. Therefore, getting access to and analyzing accurate payroll data for the

[4] Purchasing practices are the actions taken by a buying company in order to purchase a product or service (in whole or in part) from a supplying business. They encompass design and product development, planning and forecasting, critical path management, contracts, technical specifications, order placement and lead times, cost and price negotiations, payment terms, and also the underlying behaviors, values, and principles of purchasers which impact supplying companies and ultimately workers' lives. (Common Framework for Responsible Purchasing Practices)

entire workforce is not likely to be possible for all workplaces in global supply chains. Certainly, it would not be feasible to conduct the same level of in-depth analysis at all workplaces in a sector, for cost reasons.

As such, the most appropriate approach for measuring and understanding gender pay gaps in specific supply chains may be to do a small number of in-depth workplace studies and stakeholder interviews to understand gender dynamics and the diversity of employment relationships and wage systems in the relevant location, and then use this information to develop simplified tools for scaling up measurement that are focused on the most important issues for the context.

The following recommendations are shaped around the findings of the pilot studies, noting that not all recommendations are relevant for all employers because of variation in the size and causes of gender pay gaps. These recommendations are also likely to be relevant for many other workplaces in the same sectors and locations of each country, partly because the root causes of gender pay gaps are often at societal level. More detailed recommendations can be found in section 10 of this report.

a. Recommendations for employers, to be to be implemented with support from worker organizations, industry associations, commercial partners, and others

- Monitor wages for women and men across the entire workforce and make a commitment to reducing and eventually eliminating gender pay gaps, where they exist.
- Develop a Gender Equality and Women's Advancement Strategy to ensure a structured approach to equal opportunities for women and men, with clear lines of responsibility for implementing the strategy and incentives for supervisors and managers to improve the gender balance in teams they are responsible for.
- Develop a formal skills development program that enables all workers, especially women, to acquire the skills required for higher-paying occupations.
- Adopt measures to achieve a gender balance at all levels of management over time, such as mentoring schemes and partnerships with technical colleges.
- Be transparent around wages and wage-setting processes and ensure workers understand how wages are determined.
- Ensure systems for recruitment, allocation of work, skills training, and promotions are gender-equitable, transparent, and objective.
- Address physical and safety-related barriers to women performing some types of work by adopting gender-aware occupational health and safety protocols and

allocating tasks across mixed-gender teams according to each worker's capabilities.

- Formalize the employment relationship and provide job security and regular work for all workers, including guaranteed employment for seasonal workers each season and long-term service agreements and employment protections for contract workers.
- Address gender stereotypes and unconscious gender biases that limit women's opportunities and occupations, such as through training, use of role models, adjusting working practices, and other strategies.
- Ensure workers committees and grievance mechanisms address the needs of all women and men workers, including seasonal and contract workers, and allow trade union representatives access to the workplace to organize workers.
- Adopt family-friendly working conditions, including flexible working hours and support for childcare, to enable more women to stay at work after having children.

b. Recommendations for industry associations, trade unions, governments, global retailers and brands, standard organizations and auditing companies, NGOs, international organizations, and others

- Share the findings of this report on gender pay gaps with employers and other stakeholders to increase understanding of gender pay gaps in garment and agrifood supply chains.
- Support further research to deepen understanding of gender pay gaps in garment and agrifood supply chains, such as: new studies on gender pay gaps using ARI's methodology and the development of tools for scaling up gender pay gap measurement; research on gender biases in the assessment of worker productivity; and studies into the links between purchasing practices and gender pay gaps.
- Undertake comprehensive and gender-neutral evaluations of all occupations in the garment sector and agrifood sectors to ensure equal pay for work of equal value.[5]
- Work with employers and workers to design and implement actions and programs that enable women to engage in higher-paying occupations, taking into

[5] The right to equal pay for work of equal value means that workers should be paid the same when they do work that is not the same but can be shown to be of equal value, when evaluated using objective criteria such as skills and qualifications required, working conditions, level of effort, and level of responsibility. This is different from the right to equal pay for equal work, which means workers should be paid the same when they do the same or similar work. Both are established human rights under ILO Equal Remuneration Convention (100).

consideration all causes of occupational gender segregation for the relevant location.

- Organize gender awareness training for workers, supervisors, and managers at all tiers of supply chains to address unconscious gender bias and gender stereotypes and cultural norms that limit women's employment opportunities.
- Support efforts to strengthen worker organizations and adequate representation of women and men workers. Ensure workers understand the difference between workers committees and trade unions and facilitate dialogue between employers and trade unions with a view to promoting freedom of association and collective bargaining.
- Ensure auditors are trained to detect discriminatory employment practices and the causes of gender differences in wages, including segregation of women into lower paying occupations and unconscious gender biases in recruitment, training, and promotion.
- Create systems to recognize and reward employers that have gender-equitable employment policies and practices, such as preferential sourcing from buying companies, tax incentives, and/or other commercial incentives.
- Step up company efforts and collaborative initiatives to promote living wages and ensure living wage strategies incorporate a gender perspective.
- Ensure global brands and retailers adopt responsible purchasing practices that foster commercial success for all enterprises in their supply chains and enable employers to close gender pay gaps and pay a living wage.
- Include information on the adoption of gender-equitable living wage strategies and progress addressing gender pay gaps in global supply chains as part of corporate public reporting on responsible business practices and human rights due diligence, and related reporting frameworks and benchmarking initiatives.

GLOSSARY OF KEY TERMS[6]

Base wage	Basic wage for standard working hours excluding overtime pay and cash allowances and bonuses.
Cash allowances and bonuses	Cash remuneration received in addition to basic wages, such as production incentive bonuses, attendance bonuses, 13th month bonuses, national holiday cash bonuses, transportation cash allowances, and housing cash allowances.
Contract workers	Workers who are employed and paid via an interim agency or individual. Usually have fewer employment protections and benefits under law than permanent workers or workers with a formal contract and are often employed informally. Also known as agency workers.
Employment	Work for pay or profit including payment in cash or in kind. People in employment include employers, wage workers, own account workers (the 'self-employed'), and contributing family labor (people who do non-wage work for family enterprises that are not directly owned by them).
Fixed term worker	Workers employed for a defined period such as 1 month, 3 months, 6 months, or a year. Distinct from seasonal workers (defined below) in that the contract can be for any period during the year. Usually have fewer employment protections and benefits under law than permanent workers and are often employed informally. There are often legal limits on the number of fixed term contracts that a worker can be issued before being automatically converted into a permanent worker, but these limits are often circumvented by giving workers short breaks between fixed term contracts. Also known as temporary workers.
Gender	The roles, behaviors, activities, and attributes that a given society at a given time considers appropriate for men and women and other genders. Gender also refers to the relationships between people of different genders and between people of the same gender. These attributes, opportunities, and relationships are socially constructed and are learned through socialization processes.

[6] The authors have drawn on UN and ILO documents and various other sources to develop this glossary.

Gender equality	Gender equality is when persons of all genders have equal rights, responsibilities, and opportunities. Gender equality does not mean that women and men and other genders will become the same but that an individual's rights, responsibilities, and opportunities will not depend on whether they are biologically male or female or intersex.
Gender pay gap	Most commonly defined as the difference in earnings for women and men wage workers, usually expressed as the margin by which women's pay falls short of men's pay. Can be measured at different levels: individual workplace; business, organization, or other entity; group of entities under one umbrella; economic sector; country; region; global.
Gross cash wage	Gross cash wage is total amount of pay received before mandatory deductions and includes base wage, overtime pay and cash allowances and bonuses. Does not include in-kind benefits.
Informal employment	Wage workers are considered to have informal jobs if their employment relationship is, in law or in practice, not subject to national labor legislation, income taxation, social protection or entitlement to certain employment benefits (such as advance notice of dismissal, severance pay, paid annual or sick leave, etc.).
In-kind benefits	Non-cash remuneration received by a wage worker, such as meals at work, free or subsidized housing or transport, medical services, and nurseries or crèches.
Living wage	The remuneration received for a standard work week by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events. (Definition of the Global Living Wage Coalition)
Occupation	The type of work performed, defined by the ILO as "a set of jobs whose main tasks and duties are characterized by a high degree of similarity".[7]
Occupational gender segregation	The tendency for women and men to do different types of work. If the types of work typically done by women are paid less

[7] International Standard Classification of Occupations (ISCO) - ILOSTAT.

	than the types of work typically done by men, this results in a gender pay gap.
Occupational group	A group of occupations in the same area of work, such as 'sewing' or 'maintenance', but (sometimes) involving different levels of skills and responsibilities.
Permanent workers	Permanent workers are employed year-round and are more likely to be formally employed with access to employment protections and benefits than other categories of workers. Also known as indefinite workers.
Seasonal workers	Workers that are employed for a specific period of the year such as for harvesting crops or during a tourist season. Similar to fixed term workers but are often paid differently (for example, they are often paid for the weight of crops harvested rather than being paid per day or per week). Usually have fewer employment protections and benefits under law than permanent workers and are often employed informally.
Unpaid care work	Care work consists of two overlapping activities: direct, personal and relational care activities, such as feeding a baby or nursing an ill partner; and indirect care activities, such as cooking and cleaning. Unpaid care work is care work provided without a monetary reward by unpaid carers.[8]

[8] Definition used in Care Work and Care Jobs, ILO 2018b .

PART I. OVERVIEW OF THIS REPORT

BOX 1. OVERVIEW

This report introduces a new methodology developed by the Anker Research Institute (ARI) to measure the size and determinants of gender pay gaps at the workplace level using individual worker payroll data and other information gathered from employers and workers. This focus on the enterprise and workplace level is purposeful because this is where companies and other stakeholders have the ability to reduce and eliminate gender pay gaps. Up to now, most studies on gender pay gaps have focused on gender pay gaps at national levels and larger societal and economic factors and forces such as education and laws, over which individual companies and workers have little or no control or influence.

In this report, we present results from pilot studies in 5 countries (Bangladesh, Colombia, Morocco, Thailand, Turkey) and 3 economic sectors (garments, bananas, fresh produce) where this new methodology was tested out. Twelve factories, farms, and packhouses were involved in these workplace studies. The pilot studies focused on countries and sectors where goods and services are produced in the factories and on the farms of low-income and middle-income countries for global consumption.

Results from the pilot studies are very informative as regards measuring and understanding the levels and determinants of gender pay gaps in workplaces in global supply chains – and demonstrate the usefulness of the new ARI gender pay gap methodology. Based on findings from the studies, recommendations are made to enable companies, workers, and other stakeholders to take action to reduce and eventually eliminate gender pay gaps.

1. BACKGROUND

1.1 Importance of addressing gender pay gaps around the world

The right to equal opportunities and equal pay for women and men workers is a long-established human right.[9] The promotion of gender equality in employment and pay is important for economic growth and sustainable development.[10] It can also benefit

[9] For example, ILO Convention 100 on equal remuneration (1951), ILO Convention 111 on non-discrimination in employment (1958), and the UN Convention on the Elimination of all Forms of Discrimination against Women (CEDAW, 1979).

[10] See Ward et al (2010), Kabeer and Natali (2013), and European Institute for Gender Equality (2017) for evidence on the relationship between different dimensions of gender equality and economic performance.

businesses as it helps to attract and retain staff and increases the performance and productivity of the workforce.[11]

Despite this, all around the world, women earn less than men, on average.[12] One reason is that women have fewer opportunities to engage in paid employment and are more likely than men to be employed part-time, which is linked to women having greater responsibility than men for unpaid care work. Another reason is that often women tend to work in jobs and sectors with lower pay and have fewer opportunities for career advancement. Moreover, women are often paid at a lower rate than men for work of equal value. When hourly wage rates for all wage workers are compared, women are paid around 20 percent less than men, globally.[13]

To address this, a growing number of regulatory and voluntary frameworks include equal employment opportunities and equal pay as objectives or performance measures. Examples include the global Sustainable Development Goals[14], mandatory gender pay gap reporting for companies in over half of OECD countries[15], the Women's Empowerment Principles for businesses established by UN Women and UN Global Compact, and the Global Fashion Agenda's CEO Agenda for the fashion industry, among others. Businesses are also being called on to ensure gender-responsive human rights due diligence in their supply chains, including no gender-based discrimination, notably with the publication of Gender Dimensions of the UN Guiding Principles on Business and Human Rights and upcoming EU legislation on Corporate Sustainability Due Diligence Directive (CSDDD). This includes requirements to assess and mitigate risks related to gender discrimination in employment and pay.[16]

1.2 Importance of developing a new methodology for measuring and understanding determinants of gender pay gaps in global supply chains

This report focuses on gender pay gaps in global supply chains. Companies of all sizes, but particularly global brands and retailers, are under increasing pressure from consumers, investors, civil society organizations, and regulators to take responsibility for working conditions in their supply chains and ensure that workers are protected from human rights

[11] See Ferrary and Déo (2023) and Why Gender Equity in the Workplace is Good for Business - Professional & Executive Development | Harvard DCE for examples.

[12] ILO (2018a), Global Wage Report 2018/19: What lies behind gender pay gaps, https://www.ilo.org/global/research/global-reports/global-wage-report/2018/lang--en/index.htm .

[13] This figure is for 70 countries that account for around 80% of all wage workers worldwide (ILO, 2018a).

[14] Equal pay for equal work is a target under SDG 5 and equal opportunities in employment is a target under SDG 8.

[15] Reporting Gender Pay Gaps in OECD Countries: Guidance for Pay Transparency Implementation, Monitoring and Reform | en | OECD .

[16] See: Due Diligence Considerations • Business & Human Rights Navigator (unglobalcompact.org); BookletGenderDimensionsGuidingPrinciples.pdf (ohchr.org) .

abuses. This includes securing the rights of women and other groups who are vulnerable to discrimination and other abuses in the workplace. It also includes making sure workers earn a living wage, which can be particularly important for women as they are disproportionately likely to be in low-paid jobs.[17]

However, differences in wages for women and men workers in workplaces in global supply chains are not being systematically assessed. Studies which are done on gender pay gaps by the ILO, National Statistical Offices, academic institutions, and others are usually for an entire country or for broad economic sectors such as manufacturing or agriculture and not for specific supply chains or specific enterprises. The data used for these studies are not detailed enough to determine all the causes of gender pay gaps at the workplace level or the gender pay gap to living wages. While many large companies are now required by law to share information on gender pay gaps for their workforces, reporting requirements are currently quite basic and do not extend to workers in supply chains (although this may change once the CSDDD comes into effect). And although most global brands and retailers require their suppliers to be audited for compliance with codes of conduct for labor practices, including non-discrimination, and some are collecting wage data to check for living wages, information collected during these activities is currently not sufficiently detailed or reliable for accurate assessment of gender pay gaps and the gender gap to living wages.

To address this information gap, the Anker Research Institute has developed a new methodology for measuring gender pay gaps in workplaces and sectors linked to global supply chains, building on the Anker Living Wage Methodology.[18] The ARI gender pay gap methodology draws on payroll data and information provided by management and workers at specific workplaces, complemented with information from published reports and from stakeholders and experts who are knowledgeable about gender and employment in the relevant sector and country. Our approach focuses on understanding the direct and indirect causes of gender inequalities in wages in order to identify programs and policies to close gender pay gaps and the gender gap to living wages. We expect that this will be relevant to a range of actors, including employers in producing countries, global buying companies, national and international trade unions, women's rights organizations, standards bodies, and international organizations and foundations. Studies using the methodology will also set a baseline for assessing the effectiveness of future actions in this area.

[17] ILO, 2018a.

[18] For information on the Anker Living Wage Methodology, see Anker Methodology — Anker Research Institute .

1.3 Piloting the ARI gender pay gap methodology in garment and agrifood supply chains in five countries

ARI's gender pay gap methodology (described in detail in section 2 below) was piloted in 5 countries from late 2021 to 2023. These pilot studies involved in-depth studies with 12 workplaces that are part of garment and agrifood supply chains for global brands and retailers. Garment sector studies involved 8 first tier[19] factories in Turkey, Bangladesh, and Thailand. Agrifood sector studies involved 2 farms with integrated packhouses in the banana export sector in Colombia, and a farm and a separate packhouse in the fresh produce sector in Morocco. Figure 1 indicates the countries and sectors where the 5 pilot studies were conducted.

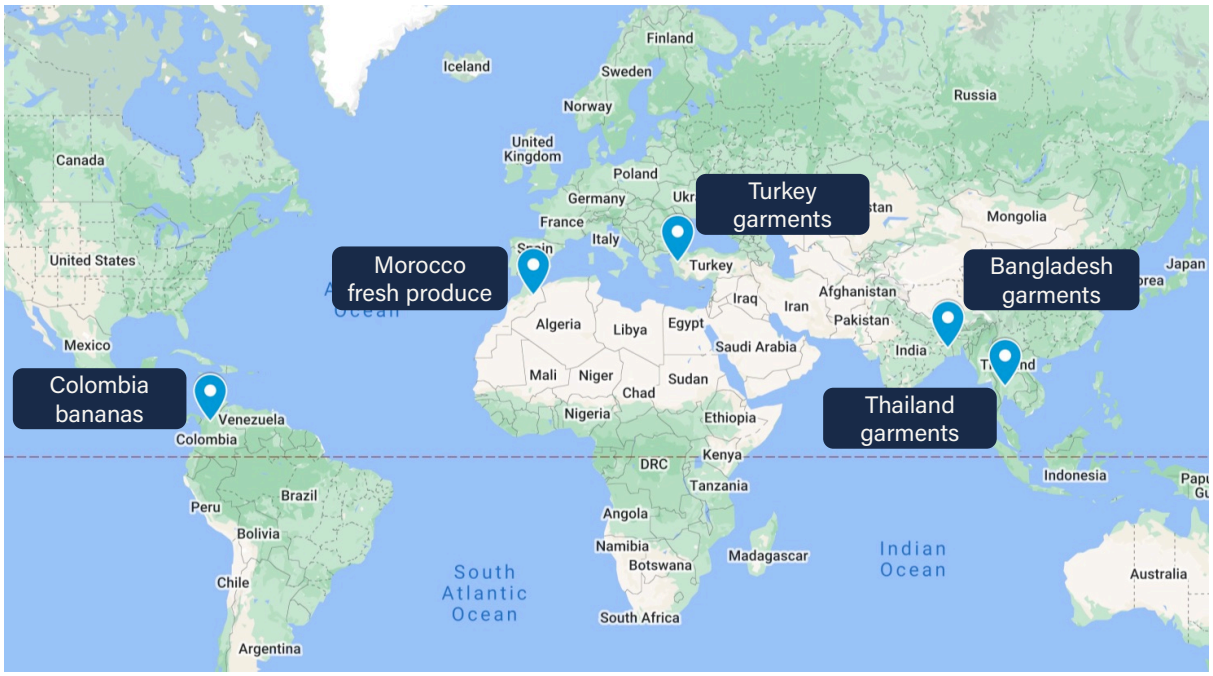
The pilot studies were sponsored by some of the brands and retailers that these factories, farms, and packhouses supply as well as by the Food and Agriculture Organization (FAO), Fairtrade International, and Fairtrade Germany.[20] The locations for the pilot studies were selected to include global supply chains and low-income and middle-income countries with contrasting contexts for gender and employment (e.g., different types of products, year round versus seasonal production, presence or absence of migrant workers, etc.) while also taking into consideration sponsors' interests in particular countries and the willingness of employers to participate in the research. Data collection and analysis were conducted independently by ARI and affiliated researchers and consultants.[21]

[19] First tier factories are factories that produce final products for export.

[20] The studies in Turkey and Bangladesh were funded by Primark. The study in Thailand was funded by Patagonia. The study in Colombia was funded by the Food and Agriculture Organization (FAO), Fairtrade International, and Fairtrade Germany. The study in Morocco was funded by Tesco.

[21] An exception to this was the pilot study in Thailand that was funded by Patagonia. For this study, an employee of Patagonia in Thailand was present for data collection activities, as we wanted to assess the pros and cons of involving buying company staff for enabling future scaling up of gender pay gap measurement to other suppliers. We do not believe this had any effect on our findings on gender pay gaps for this study.

Figure 3. Locations and sectors for the pilot gender pay gap studies



Source: Google maps.

1.4 Key insights from pilot study results

Results from the 12 pilot study workplaces in 5 countries and in 3 economic sectors of garments, bananas, and fresh produce indicate considerable diversity in the size and causes of gender pay gaps. While a gender pay gap in favor of men is generally found as expected and is over 20% at all 3 garment factories in Bangladesh, the gap is under 10% for 2 garment factories in Turkey and 1 banana farm in Colombia, and at both garment factories in Thailand, women are found to earn slightly more than men.[22] Gender pay gaps vary even for workplaces in the same country and the same sector, as in Turkey where the gap ranges from 5% to 19%. On the other hand, we found similar gender pay gaps for the two banana farms in Colombia even though wages at one of the farms are far higher than at the other farm.

For 8 out 12 study workplaces, fewer than 10% of women earn a living wage. This compares to a single workplace where less than 10% of men earn a living wage, although the proportion of men earning a living wage is also low at most workplaces. The only country for which study workplaces have no gender gap to a living wage is Thailand, where women are slightly more likely to earn a living wage than men.

[22] These findings are for the average gross cash wage for women and men including overtime pay and cash allowances and bonuses. The gender pay gap for base wage is sometimes higher and sometimes lower than the gender pay gap for gross cash wage, as discussed in section 5 of this report.

The importance of the various possible direct determinants of gender pay gaps also differs by country and sometimes also by workplace within countries, in part due to considerable diversity in employment relationships and wage systems across the study workplaces. The principal direct causes of gender pay gaps at the pilot study workplaces are:

i. Occupational gender segregation;
ii. Gender differences in contract types, forms of pay, and/or access to additional wage payments;
iii. Gender differences in the amount of time worked.

Personal characteristics of workers (age, experience, education, and migrant status) do not explain gender pay gaps at the study workplaces.

There is similar diversity in the indirect determinants of gender pay gaps, which – depending on the workplace – include the workplace culture, informality in employment practices, inadequate worker representation, discriminatory social norms and gender stereotypes, and localized socio-economic conditions. This means that it is not possible to know *a priori* which specific determinants or factors are mainly responsible for causing the gender pay gap in a particular company or workplace. This demonstrates the usefulness of the new ARI gender pay gap methodology to measure the gender pay gap and identify these determinants at workplace level, and from this, identify the implied steps that can be taken to reduce the gap.

1.5 Structure of this report

Part II describes our new gender pay gap methodology as well as the context for each of the pilot studies and locations (sections 2 and 3). Part III provides an overview of the gender profile of the workforces at each pilot study workplace. Part IV presents our findings on gender pay gaps (section 5) and gender gaps to a living wage (section 6). Our findings on the direct determinants of these gender gaps are discussed in Part V and Part VI then explores the indirect determinants. Part VII draws conclusions from the pilot studies (section 9) and provides recommendations for different stakeholders on how gender pay gaps at study workplaces and other workplaces in global supply chains could be measured and addressed (section 10).

PART II. DESCRIPTION OF NEW ARI GENDER PAY GAP METHODOLOGY AND CONTEXT OF THE FIVE PILOT STUDIES

Part II starts by describing the new Anker Research Institute gender pay gap methodology including how it uses individual worker payroll data for at least one year as well as the strengths and limitations of the pilot studies. Part II then goes on to describe the context of the 5 pilot study countries and 3 economic sectors.

2. METHODOLOGY

2.1 Analytical framework for measuring and understanding determinants of gender pay gaps in specific workplaces and sectors

ARI's analytical framework for measuring and understanding gender pay gaps in specific workplaces and sectors involves investigating the direct and indirect determinants of gender differences in wages:

- **Direct determinants** are factors that directly affect how much women and men earn and can include gender differences in work activities, supervisory responsibilities, types of contracts, working hours, and forms of pay, as well as workers' education, skills, and experience.
- **Indirect determinants** are the root causes of gender pay gaps and include social, cultural, legal, political, and institutional factors at all levels from the workplace and sector up to wider society and the global economy. These can include, among other things:
    - Social norms and gender stereotypes related to women's and men's work (paid and unpaid) and societal attitudes towards gender equality;
    - Management and workplace culture and employment policies and practices for recruitment, remuneration, training, and promotion;
    - Employer approach to ensuring equal opportunities, including addressing physical or safety-related or attitudinal barriers to equality and providing family-friendly employment;
    - Adequacy of grievance mechanisms and worker representation and collective bargaining;
    - Legal protections and government policies related to women, low wage workers, workers in non-standard forms of employment (such as informal

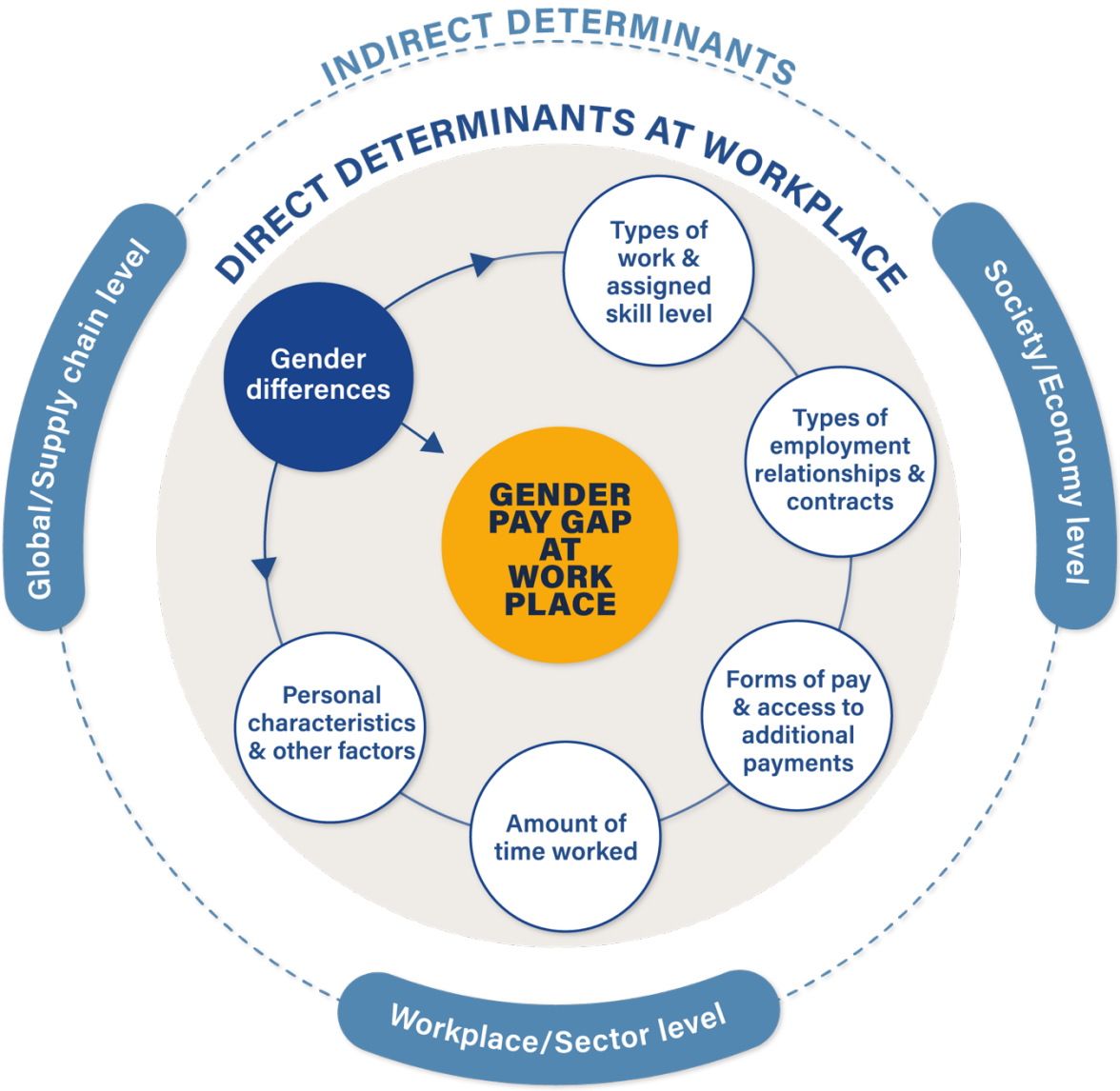
workers, contract workers, and gig workers), and workers with family responsibilities;

- Macroeconomic conditions and policies affecting trade and employment at national and international levels;
- Global market dynamics and the purchasing practices of buying companies; and
- Global sustainable development and human rights initiatives and regulations, including legislation in importing countries.

Understanding gender pay gaps also means exploring how gender intersects with other lines of social differentiation that are important for the study location (such as race, ethnicity, religious belief, caste, marital status, migrant status, etc.) to create overlapping systems of discrimination or disadvantage. For example, in some settings women (or men) who are migrant workers may have the lowest wages, while in other situations it may be difficult for women to find employment if they are married.

The diversity of causes of gender pay gaps means that responsibility for reducing and eliminating gender inequality in pay does not rest only on the shoulders of employers but will require inputs from all of society. The end purpose, then, is to enable the identification of programs and policies to close gender pay gaps and gender gaps to living wages that are relevant to a range of stakeholders across global supply chains, not just employers.

Figure 4. Anker Research Institute's analytical framework for measuring and understanding gender pay gaps at the workplace or sector level



Source: Authors.

2.2 Steps in the pilot studies and sources of data

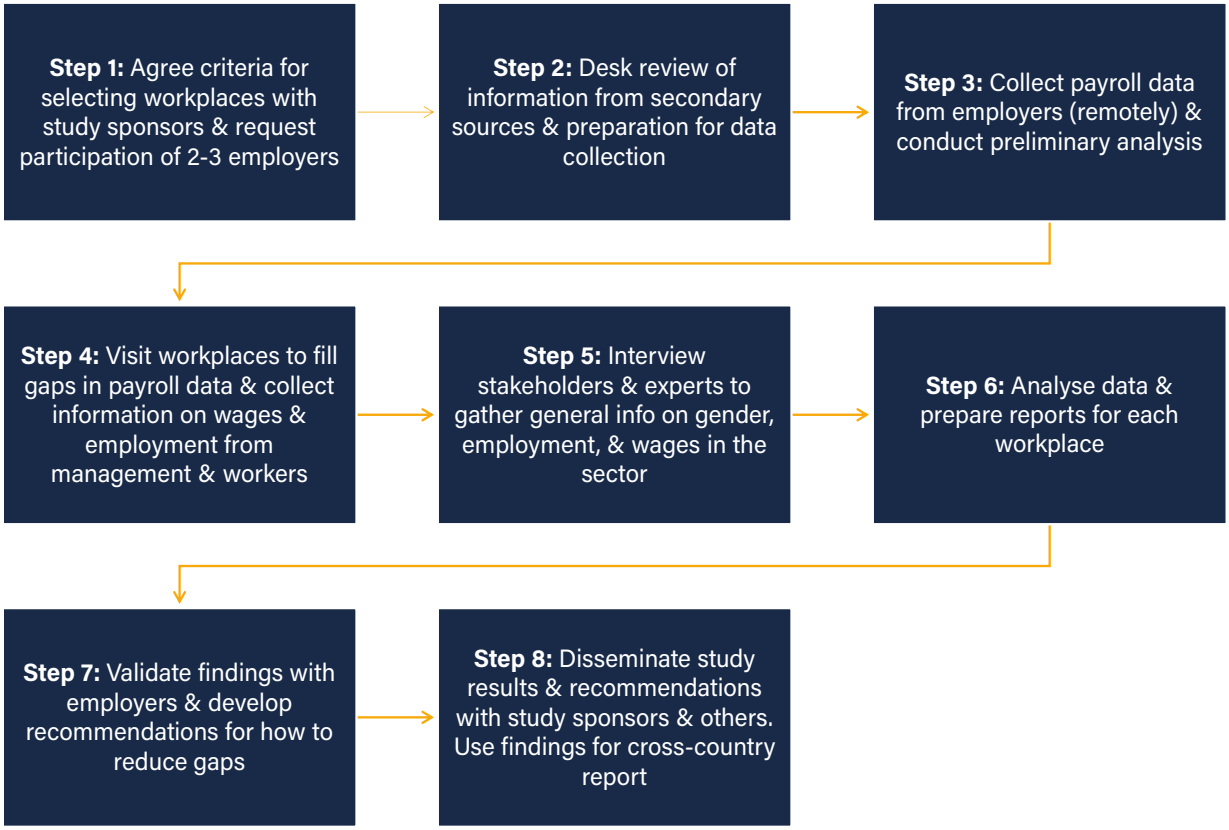
Each pilot study involved the same series of activities (see Figure 5). The first step was to select two or three workplaces to take part in the study based on criteria that were expected to affect wages and the size of gender pay gaps. Depending on the country, relevant selection criteria included some or all of the following: type of product; size of workforce; proportion of women in the workforce; region of country; presence of trade unions; certifications held; and proportion of production going to brand or retailer funding the study (which affects willingness to participate). After agreeing the selection criteria with the research team, sponsors of the study identified suitable workplaces and invited them to participate in the study.

Next, the research team undertook a desk review of published materials on the country and sector context for employment, wages, and gender. This information was used to develop a detailed analytical framework and research questions and tools for the study and data collection.

Participating workplaces were asked to send ARI at least one month of payroll data for the research team to do a preliminary analysis and identify potential gaps in data. This was followed by workplace visits to collect full payroll data for a period of between one and two years (see next section for details) as well as information from management on employment policies and practices and on market and supply chain dynamics. Across the 12 study workplaces, over 15,000 workers were included in the payroll data analyzed.

Semi-structured interviews were then held with workers to verify information provided by management and explore workers' views and experiences of gender-related topics. Workers were selected at random by the research team based on criteria such as gender, occupation, type of contract, marital status, and parental status (including pregnant women and women with very young children) to include workers with a range of characteristics relevant to the study. Between 1% and 17% of workers were interviewed at each site, depending on the size of the workplace, totaling 334 workers across the 12 workplaces (208 women and 126 men).

Figure 5. Steps in the process for each pilot gender pay gap study



Semi-structured interviews were also carried out with stakeholder organizations and other experts in each country, including industry associations, trade unions, women's rights organizations, standards organizations, NGOs, UN agencies, multistakeholder initiatives, universities, and policy thinktanks. The purpose was to collect general information on gender, employment, and wages in the sector to contextualize the findings from the pilot study workplaces, and to gather information on existing initiatives and other actions that could help to address gender pay gaps and gaps to a living wage.

Confidential reports were prepared for each workplace based on detailed analysis of the payroll data and other information gathered. Employers were given an opportunity to point out possible errors and/or provide additional information. The separate workplace reports were aggregated into anonymized reports for each country and shared with study sponsors[23], and then the findings from the five country pilot studies were used to produce this public multi-country report.

2.3 Approach to gathering and analyzing payroll data

Employers were asked to provide between one and two years of payroll data.[24] This was to cover the annual production cycle of peak and off-peak periods and, for studies that took place during the COVID 19 pandemic, periods just before the pandemic, during the height of the pandemic, and as the pandemic waned. This allowed us to determine average wages across the production cycle and also assess the extent of fluctuation in wages due to production cycles and the pandemic.

Importantly, employers provided payroll data for all levels and all types of workers, including management, workers employed through third parties (i.e., contract workers), and informal workers. This is important for measuring gender pay gaps, because common causes of gender pay gaps are that management and other higher-paying jobs are dominated by men whereas women are often concentrated in non-standard forms of employment that come with fewer rights and protections. In several cases, employers were asked to add information that was missing from the original payroll data provided, such as data for contract workers or piece rate workers, or information on the gender, occupation, or type of contract for each worker. For all workplaces except the two farms in Colombia, data for the most senior level of management (usually general managers) was excluded, and one factory in Bangladesh did not provide data for administrative workers.

[23] The country report for Colombia was published by ARI and can be found here.

[24] Payroll data were from the following periods in each country: June 2019 to July 2021 for Turkey; January 2020 to October 2021 for Bangladesh; January 2020 to January 2022 for Thailand; January 2020 to July or September 2021 for Colombia; and March 2022 to February 2023 for Morocco. We either asked employers for payroll data for every month of the year or we asked for payroll data for specific months during peak, shoulder, and off-peak periods. This was to test the pros and cons of each approach.

For the analysis, payroll data from discrete pay periods were merged into a single dataset for each workplace and workers were categorized according to gender, occupation, type of contract (permanent, fixed term, seasonal, contract worker), and form of pay (day rate, piece rate, month rate). Similar occupations were grouped together to facilitate the analysis. For some workplaces, additional adjustments were necessary, such as grouping different types of wage payments into categories that aligned with the analytical framework.

When analyzing wages, we excluded all workers who joined or left the workforce in the month being analyzed, because many of these new workers started or left mid-month and so would not have received full pay for that month. We excluded them to prevent this biasing the results. For the same reason, we excluded the month of April 2020 for Bangladesh, because factories were closed due to a national COVID-19 lockdown and wages were atypical that month.[25] We also excluded non-regular payments, such as severance pay and wage advances, as well as some cash allowances that were conditional and only received by a few workers, such as allowances for marriage, death or bereavement, glasses, and children's education. This was done to make monthly wage data more comparable among workers.

Various checks were carried out on each dataset to detect potential inconsistencies and errors. For some workplaces, this led to a small number of anomalies being excluded (less than 1% of all observations).

Further information on the analysis of payroll data is provided in relevant sections of this report.

2.4 Strengths and limitations of the pilot studies

A key strength of the pilot studies is the use of detailed individual worker payroll data which allowed us to measure gender pay gaps accurately and investigate the direct causes of gender pay gaps in each study workplace. We were also able to estimate the proportion of women and men workers earning a living wage. When combined with analysis of the qualitative data collected through worker and management interviews, this provided a nuanced understanding of wage and gender dynamics at the workplace level and facilitated the development of tailored recommendations to close gender pay gaps. The study workplaces thus provided a window into gender and wage dynamics in the sectors and countries being studied, how gender pay gaps and gaps to a living wage come about, and what can be done to address these issues.

[25] Most workers were paid 60% or 65% of their base wage, using government loans for this purpose. However, some essential workers still came to work and were paid as normal.

The limitation of this approach is that we do not know how similar or different the study workplaces are to other workplaces in the same sector and country. The willingness of employers to participate in the pilot studies suggests that they may be among the more progressive employers in their sectors. This limitation is partially addressed by doing stakeholder interviews and a desk review of published materials, as this helps to contextualize the findings from the study workplaces and identify commonalities between these workplaces and wider patterns of employment (particularly in relation to occupational gender segregation and types of contracts). Going forward, the Anker Research Institute intends to develop a simplified methodology for scaling up the measurement of gender pay gaps from in-depth case studies to other workplaces in the same sector (subject to securing funding for this).

It is also important to note that the findings on the size of gender pay gaps and the proportion of women and men earning a living wage are not strictly comparable across the study workplaces because there were some differences in the extent to which all workers were included in the payroll data shared with researchers. Specifically, the highest level of management was not included in payroll data for all workplaces, and for one factory in Bangladesh, administrative workers were not included in the payroll data. This does not undermine the value of the study findings, but it is something for readers to be aware of.

It should also be noted that because of limited time available, worker interviews were conducted within the workplace. Although workers were selected independently by research teams with no interference from managers, and interviews took place in a private space where workers could not be overheard, we recognize that this may have affected how workers responded to some questions. This is partly because workers generally do not differentiate between research studies and social compliance audits and are often worried about giving the 'wrong' answers (i.e., answers that would lead to the workplace failing an audit). To mitigate this risk, researchers explained the purpose of the study to interviewees, making it clear that it was different from an audit and that workers' responses would be treated as confidential, and framed questions in a way that was less likely to provoke unreliable responses.

3. COUNTRY AND SECTOR CONTEXT FOR THE PILOT STUDIES

3.1 Country context

3.1.1 Economic conditions[26]

[26] See Table 3 for sources of information for this section.

Among the 3 study countries for the garment sector, Bangladesh has the largest population (around 171 million) and the lowest urbanization rate (40%). Turkey is the second largest country, with 85 million people, of whom 77% live in urban areas, while around half of Thailand's population of 72 million people live in urban areas.

Bangladesh is a lower-middle-income country according to the World Bank with per capita Gross National Income (GNI) of just $6,511 in PPP (purchasing power parity internationally comparable dollars[27], which is far lower than Turkey and Thailand which are both classified as upper-middle-income countries and have per capita GNI of $27,841 and $16,246, respectively. Bangladesh also has the highest national poverty rate, at 18.9%, but this is down from 40.0% in 2005 and is relatively close to the national poverty rate for Turkey (14.3%), which has experienced considerable inflation and an increase in poverty and inequality in recent years. In Thailand, just 6.3% of the population are below the national poverty line, but the degree of economic inequality, as measured by the Gini index, is similar to that of Bangladesh.

Of the 2 study countries for the agrifood sector, Colombia has the greater population (around 52 million) and a notably high urbanization rate, constituting 82% of its total population, compared to a population of around 37 million people in Morocco, of which 65% live in urban areas. Colombia holds upper-middle-income status, while Morocco is positioned as a lower-middle-income country. This distinction is mirrored in their respective per capita GNI: Colombia has a per capita GNI of $14,974, which is almost double Morocco's per capita GNI of $7,974. However, Colombia contends with a comparatively high national poverty rate of 39.3%, whereas Morocco reports a significantly lower figure at 4.8% (although this is partly due to differences in how the two countries define and measure poverty).[28]

[27] PPP dollars indicate how many local currency units (such as peso, rupees, etc.) are needed to purchase an equivalent set of goods and services as one dollar in the United States. Thus, it controls for differences in prices between countries.

[28] It should also be noted that some of the World Bank's data for Morocco may be outdated, potentially not aligning with its current economic conditions.

Table 3. Summary of economic conditions in the pilot study countries using standardized indicators

	GARMENT SECTOR STUDIES			AGRIFOOD SECTOR STUDIES	
	Turkey	**Bangladesh**	**Thailand**	**Colombia**	**Morocco**
Population size	84,979,913	171,186,372	71,697,030	51,874,024	37,457,971
Urban population as % of total population	77% (2022)	40% (2022)	53% (2022)	82% (2022)	65% (2022)
Economic development status	Upper-middle income	Lower-middle income	Upper-middle income	Upper-middle income	Lower-middle income
Per capita Gross National Income (PPP, current internationally comparable $)	$27,841 (2017)	$6,511 (2022)	$16,246 (2017)	$14,974 (2022)	$7,974 (2022)
% population below national poverty line	14.4% (2020)	18.9% (2022)	6.3% (2021)	39.3% (2021)	4.8% (2013)
Gini index	41.9 (2019)	31.8 (2022)	35.1 (2021)	51.5 (2021)	39.5 (2013)

Notes: (i) Economic development status is according to the World Bank's categorization of countries using per capita GNI. (ii) The Gini index is a measure of income inequality, where 0 represents perfect equality and 100 represents perfect inequality.

Source: All values sourced from World Bank development indicators for 2022, unless stated otherwise.

3.1.2 Gender inequality[29]

Table 4 indicates the rank for each pilot study country in the World Economic Forum (WEF) Global Gender Gap Report, which assesses the degree of gender equality in political, economic, educational, and health domains. Table 4 also shows the country designation according to OECD's Social Institutions and Gender Index (SIGI) which measures gender discrimination related to the family, physical integrity, financial inclusion, and civil liberties.

Turkey is ranked 129 out of 146 countries in the Global Gender Gap Report for 2023 due to its relatively poor performance across all four domains, but especially for women's economic participation and opportunities. In contrast, it is designated as a low discrimination country in the 2023 SIGI index, partly due to significant improvements in the legal environment for women's rights since 2001, although civil liberties are still relatively restricted for women. Conversely, Bangladesh, is ranked 59 out of 146 countries by WEF, but this is due to being ranked 7th for women's political empowerment which counterbalances much poorer standings for health (126th), educational attainment (122nd), and economic participation and opportunity (139th). SIGI categorizes Bangladesh as a high discrimination country,

[29] See Table 4 for sources of information for this section.

particularly because of discriminatory family practices such as child marriage and differential treatment of women in matters of marriage, divorce, and inheritance (despite laws prohibiting these practices).

Although Thailand ranks lower than Bangladesh in the Global Gender Gap Report (74 out of 146 countries), this is mostly due to poor performance on political empowerment (ranked 120th) and for the other domains, it ranks between 24th and 61st. Thailand has low gender discrimination according to SIGI and has seen some important advances in women's legal rights in recent years, although violence against women and teenage pregnancy remain chronic issues.[30]

In contrast to the garment sector countries, Colombia and Morocco present a notable coherence between their WEF rankings and SIGI categorizations, with Colombia being the more gender equal of the two. The relatively high Global Gender Gap Report rank of 42 for Colombia aligns with its SIGI designation as a low discrimination country, while Morocco's low Global Gender Gap Report rank of 136 corresponds with its high discrimination categorization in SIGI. Morocco has particularly poor performance in relation to women's economic participation and political empowerment, as well as high levels of discrimination in the family, but advancing gender equality has been identified as a national priority.[31] In Colombia, meanwhile, rural women have yet to see the same level of progress in gender equality as women in urban areas.[32]

An important aspect of gender equity is the degree to which women are in paid work or actively looking for paid work compared to men, as measured by the labor force participation rates (LFPR) for women and men aged 15 to 64. For the study garment sector countries, Turkey has the lowest reported LFPR for women, at 36.7%, which is less than half the LFPR for men (75.3%). There is an equally wide gap between the LFPRs for women and men in Bangladesh, at 39.5% for women and 82.5% for men. In contrast, Thailand exhibits a comparatively high LFPR for women of 68.5%, albeit still lower than the LFPR of 82.7% for men.

For the agrifood study countries, the LFPR for women is much higher in Colombia than in Morocco, at 57.1% compared to 22.4%, while the rates for men are considerably higher than those for women (82.3% for Colombia and 74.6% for Morocco).

When it comes to gender pay gaps at national level, Turkey has the highest gap among the garment sector countries, with a gender pay gap of 12.0% for hourly wages for wage workers and a gap of 15.9% for monthly earnings. The higher gap for monthly earnings indicates that women do fewer hours of paid work per month than men, on average. Thailand is not far

[30] World Bank Country Gender Assessment for Thailand, 2022.
[31] As stated in the Kingdom's New Development Model, published in 2021.
[32] Situation of Rural Women in Colombia 2010-2018, Ministry of Agriculture and Rural Development, 2019.

behind Turkey, with a gender pay gap of around 11% for both hourly wages and monthly earnings. In contrast, Bangladesh has a reported gender pay gap of -4.7% for hourly wages, meaning women wage workers earn more per hour than men wage workers on average, but the gender pay gap in monthly earnings is slightly in favor of men (2.2%) which indicates gender differences in the amount of time worked.

In Colombia, there is also a small gender pay gap in favor of women for hourly income (-2.9%) but for monthly earnings the gender pay gap is 12.9%.[33] Meanwhile, Morocco has the largest reported gender pay gap in hourly earnings of all 5 study countries, at 18.3%. Information on the gender pay gap for monthly earnings is not available for Morocco.

Table 4. Summary of gender inequality in the pilot study countries using standardized indicators

	GARMENT SECTOR STUDIES			AGRIFOOD SECTOR STUDIES	
	Turkey	**Bangladesh**	**Thailand**	**Colombia**	**Morocco**
Country rank in WEF Global Gender Gap Report (out of 146 countries) [(b)]	129	59	74	42	136
Country category in OECD Social Institutions and Gender Index [(c)]	Low discrimination	High discrimination	Low discrimination	Low discrimination	High discrimination
Labor force participation rate for women and men aged 15-64 [(a)]	Women 36.7% Men 75.3%	Women 39.5% Men 82.5%	Women 68.5% Men 82.7%	Women 57.1% Men 82.3%	Women 22.4% Men 74.6%
Gender pay gap in mean hourly wage	12.0% (2015) [(d)]	-4.7% (2017) [(d)]	10.9% (2015) [(d)]	-2.9% (2019) [(e)]	18.3% (2017) [(f)]
Gender pay gap in mean monthly earnings	15.9% (2015) [(d)]	2.2% (2017) [(d)]	11.3% (2015) [(d)]	12.9% (2019) [(e)]	Not available

Source: (a) World Bank Gender Data Portal, ILO Modelled estimates for 2021. (b) World Economic Forum Global Gender Gap Report 2023. (c) OECD SIGI Global report 2023. (d) Gender pay gap values for Turkey, Bangladesh, and Thailand are ILO calculations using national data sources for wage workers for the years indicated. These values are based on the ILO's factor-weighted gender pay gap methodology full details of this methodology and all values are provided in the ILO Global Wage Report 2018/19. (e) Gender pay gap values for Colombia are DANE (the national statistical office) calculations using national household survey data for 2019 (DANE, 2020). These values are for all types of employment rather than just wage employment, unlike the ILO calculations. (f) The gender pay gap value for Morocco is from an academic analysis using national employment survey data for wage workers for 2017 (Lazaar and Dasser, 2022).

[33] Note that this is the gender pay gap for all women and men in paid employment, including self-employment (but excluding unpaid family labor). This is different from the gender pay gaps for the other countries which only take wage workers into consideration.

3.2 Sector context[34]

Among the garment sector countries, Bangladesh has the most exports of textiles and apparel, amounting to $46.2 billion in 2021 and constituting a substantial 5.2% share of the global total. These exports contribute approximately 11% to Bangladesh's Gross Domestic Product (GDP), which is an indication of the sector's pivotal role in the national economy. The Bangladesh garment sector employs an estimated three to four million people in around 5,000 mostly large, formal enterprises.

Turkey is the second-largest player among study countries, with textile and apparel exports totaling $35.7 billion, equivalent to around 4% of the country's GDP. Turkey's distinctive garment industry landscape is characterized by the prevalence of micro-enterprises and small- and medium-sized enterprises (SMEs), with approximately 35,000 entities registered with government authorities. The sector formally employs around 600,000 people, but informal employment is reportedly common, especially at lower tiers of supply chains.

Thailand has the smallest garment sector among the 3 study countries: textile and apparel exports stand at $7.09 billion and represent a modest 0.8% of global exports and 1.4% of Thailand's GDP. There are approximately 570,000 workers in the Thai garment industry, mostly employed by SMEs.

Colombia's prominence in the global banana sector is reflected in exports valued at close to $1 billion in 2022, constituting nearly 8% of world banana exports. In spite of being an important player on the global stage, banana exports contribute a modest 0.3% to Colombia's GDP. Colombia's banana industry includes a large number of small-scale producers organized in cooperatives as well as larger-scale plantations, and is estimated to provide direct and indirect employment for around 300,000 people.

Morocco's exports of fresh fruits and vegetables have grown rapidly over the past two decades, reaching a value of around $2.9 billion in 2021/2022, which is around 2% of GDP. Key products are tomatoes, green beans, bell peppers, avocados, citrus fruit, berry fruits, and watermelons, most of which are destined for European markets. There is no available information on the total number of enterprises and workers in Morocco's fresh produce sector, but the broader agrifood sector involves over 2,000 companies as well as a large number of small-scale producers.[35]

[34] See Table 5 for sources of information in this sector.

[35] This is the number of companies active in the agrifood industry in 2018, according to MEYS Emerging Markets Research.

Table 5. Summary of information on the garment, banana, and fresh produce sectors of the pilot study countries

	GARMENT SECTOR STUDIES			AGRIFOOD SECTOR STUDIES	
Sector	**Turkey Garments**	**Bangladesh Garments**	**Thailand Garments**	**Colombia Bananas**	**Morocco Fresh produce**
Value of exports (USD) and % of world exports [(a)]	$35.7B 4.1% (textiles and apparel)	$46.2B 5.2% (textiles and apparel)	$7.09B 0.8% (textiles and apparel)	$0.98B 7.5%	$2.9B % of world exports not available
Value of exports as % of GDP [(b)]	Approx. 4.4% (textiles and apparel)	Approx. 11.1% (textiles and apparel)	Approx. 1.4% (textiles and apparel)	Approx. 0.3%	Approx. 2%
Number and types of enterprises [(c)]	Around 35K, mostly micro-enterprises and SMEs	Around 5K, mostly large factories	Around 4K, mostly SMEs	Around 35K production units (small-scale producers and plantations)	Not available
Estimated number of workers [(d)]	Around 600K registered workers plus large number of informal workers	Around 3-4M workers	Around 570K workers	Around 300K direct and indirect workers	Not available

Source: (a) For Turkey, Bangladesh, and Thailand, this is the value of exports for all textile products including ready-made garments in 2021 (OEC data). For Colombia, this is the value of exports of bananas in 2022 (FAOSTAT). For Morocco, this is the value of fruit exports in 2021 according to USDA and the value of vegetable exports in 2022 according to East Fruit. (b) These values have been calculated using the value of exports in 2021 according to OEC data and each country's GDP in 2021 according to the World Bank. (c) For Turkey, this is the number of government registered enterprises in 2015 (Oral, 2019). For Bangladesh, this is the number of enterprises currently registered on the portal, Mapped in Bangladesh – MiB. For Thailand, this is the number of government registered enterprises according to Rungrueang et al., 2020. For Colombia, this is the number of production units growing bananas including for domestic markets, according to Alvarez Caro et al., 2023. (d) For Turkey: Clean Clothes Campaign Turkey, 2022. For Bangladesh: Asian Center for Development, 2020 and Hossain and Akter, 2021. For Thailand, the number of workers is estimated using the Thailand Labor Force Survey in Q1 2021. For Colombia: Alvarez Caro et al., 2023.

PART III. GENDER PROFILES OF THE WORKFORCES AT THE 12 PILOT STUDY WORKPLACES

Part III of the report summarizes information on the workforces at the 12 pilot study workplaces as background to the analysis of gender pay gaps in each country. This includes the number and types of workers and the proportion of women at each workplace, and information on the age, contract, occupation, marital status, migrant status, and years of service of women and men workers. There is considerable variation in all of these variables across the study countries and workplaces.

4. OVERVIEW OF WORKFORCE GENDER PROFILES

BOX 2. SUMMARY OF FINDINGS

Pilot study workplaces vary in size. The garment factories in Turkey and the farms and packhouses in Colombia and Morocco are medium-sized workplaces with between 100 and 400 workers, while in Bangladesh and Thailand they are large garment factories with between 1,000 and 4,000 workers.

All workers at study workplaces are formally employed and most have permanent contracts, but the forms of pay vary greatly. In the garment factories, workers usually work full-time throughout the year, whereas at the agrifood farms and packhouses, some workers have seasonal, fixed term, or part-time contracts to align with fluctuations in production. Production workers in both garments and agrifood are either paid by the day or by the piece and receive overtime pay when they work extra hours (excluding contract workers in Bangladesh), while management and support workers are typically paid by the month and do not always receive overtime pay as this is sometimes considered included in their salaries.

The proportion of women at each workplace varies from 10% to 20% up to 70% to 80%, and within workplaces can also vary for different types of workers. It is highest for the packhouse in Morocco (70% to 80%) and the garment factories in Thailand (60% to 80%), and lowest for the farms in Colombia and Morocco (10% to 20%). In Bangladesh, women are disproportionately likely to be daily rate workers rather than monthly rate or piece rate workers, while in Morocco, women are disproportionately likely to be seasonal workers rather than fixed term or permanent workers.

The study workforces in Turkey, Colombia, and Morocco tend to be older than in Bangladesh and Thailand. For some workplaces, women are older and more likely to be divorced, widowed, and/or lone parents than men. In Turkey, Colombia, and Morocco, most workers are 31 to 50 years old, whereas in Bangladesh and Thailand, most workers are 18 to 35 years old. Women workers are generally older than men workers in Turkey, Thailand,

and Morocco but not in Bangladesh and Colombia. In the 3 countries for which we had information on marital status (Turkey, Colombia, and Morocco), women are more likely than men to be divorced or widowed and many are lone parents.

The workplaces in Thailand and Bangladesh have a higher proportion of domestic and/or international migrants than the other study countries. In Thailand, workers from Myanmar account for 7% and 65% of workers at the 2 study factories, and other workers have migrated from rural areas of the country, typically leaving children in their home villages – which is also the case in Bangladesh.

The average number of years of service is higher for women than for men for all workplaces except those in Morocco. Men are sometimes more likely than women to leave a workplace for higher pay elsewhere, whereas women may be more likely to leave for family reasons or social pressures, but this depends on the location and various other factors.

4.1 Size of workforce and types of workers at pilot study workplaces

4.1.1 Size of workforce

The pilot study garment factories in Turkey are medium-size factories with between 200 and 400 workers each, while in Bangladesh and Thailand they are large factories with between 1,000 and 4,000 workers (Table 6).[36] The factories in Turkey and Thailand are focused on the final stage of garment production ('cut, make, trim' or CMT), while in Bangladesh, the factories also do other operations such as dyeing and printing fabric. Most of the factories are part of larger groups of factories under the same ownership doing CMT and other operations, in some cases involving factories in other countries.

For the agrifood sector studies in Colombia, the study workplaces are medium-size farms with integrated packhouses that have between 100 and 300 workers and produce bananas for export. For Morocco, the study workplaces are a fresh produce farm and a separate packhouse that packs fresh produce from multiple farms, both with between 200 and 400 workers. Similar to the garment sector studies, these farms and packhouses are part of larger groups of workplaces under the same ownership.

[36] The number of workers at each workplace has been rounded up or down to prevent identification of participating firms.

Table 6. Overview of the size of workforce and types of workers at pilot study workplaces (end of the relevant study period for each pilot study)

	Size of workforce	Types of contracts	Forms of pay
GARMENTS			
Turkey	3 factories with between 200 and 400 workers	All full-time permanent workers	Monthly rate with & without OTP
Bangladesh	3 factories with between 1500 and 4000 workers	Almost all full-time permanent workers. One factory has contract workers.	Monthly rate with & without OTP, daily rate with OTP, piece rate with & without OTP
Thailand	2 factories with between 1000 and 3000 workers	All full-time permanent workers	Monthly rate with & without OT, daily rate with OTP
AGRIFOOD			
Colombia (bananas)	2 farms with integrated packhouses and between 100 and 300 workers	Mostly full-time permanent workers. Rest are part-time permanent workers or fixed term workers.	Monthly rate with OTP, task rate with OTP
Morocco (fresh produce)	1 farm and 1 packhouse with between 200 and 400 workers	Mostly seasonal workers. Rest are full-time permanent workers or fixed term workers.	Monthly rate, daily rate, hourly rate, all with OTP but working hours annualized so OTP rarely received

Notes: (i) The end of the relevant study period is July 2021 for Turkey, October 2021 for Bangladesh, January 2022 for Thailand; July or September 2021 for Colombia; and February 2023 for Morocco. (ii) OTP is an abbreviation for overtime pay.

Source: Payroll data.

4.1.2 Types of contracts

All workers at the 12 study workplaces are formally employed and registered with the relevant national social security fund. For several workplaces, managers said that this had not always been the case and had changed to comply with buyers' social compliance requirements.

At the factories in Turkey and Thailand, all workers are on permanent contracts and work full-time throughout the year. This is also true for almost all workers at the factories in Bangladesh – the exception being one factory where 10-20% of workers are contract workers who are employed and managed by service agents.[37] Most workers at the banana

[37] In Turkey, there were also two factories with a few workers who were employed by private contractors – for one factory, these workers served food in the canteen, in the other, they were security guards. These workers were not included in payroll data but were interviewed and confirmed that they were formally employed and received all their entitlements according to the law.

farms in Colombia are also full-time permanent workers who work year-round, but some permanent workers have a 'special shift' contract which means they only work on days when bananas are being harvested and packed for shipping. At one of the farms, there are also some workers on fixed term contracts – these are for a minimum of 4 months and can be renewed for up to 2 years.

The fresh produce farm and packhouse in Morocco are different because most workers are seasonal due to the nature of production. These seasonal workers have an open-ended "*carte du travail*" (a simplified form of contract) and often return each year for 2 to 4 months at the farm or 5 to 6 months at the packhouse. The remaining workers are either full-time permanent workers who work year-round or fixed term workers on contracts for 3 to 6 months that can be renewed for up to 2 years.

4.1.3 Forms of pay

How workers are paid depends on the workplace, the type of contract, and the type of work performed – and there is a lot of variation between workplaces and between countries.

For the garment sector studies, we found the following:

- **At the study factories in Turkey, almost all workers are paid a fixed monthly base wage for standard working hours and receive overtime pay** at premium rates when they go over these hours and are deducted for days they take as unauthorized leave. The higher paid workers in management and support functions do not receive overtime pay as this is considered included in their salary.

- **At the study factories in Bangladesh, workers are paid a fixed daily base wage or a fixed monthly base wage or they are paid by the piece. There is variation between factories in the types of workers who are entitled to overtime pay.** Production workers are either paid a fixed rate for an 8-hour day and are classed as 'daily rate' workers or they are paid according to the number of pieces they process and are classed as 'piece rate' workers, whereas managers and support staff are all on a monthly salary (i.e., 'monthly rate' workers). All daily rate workers receive overtime pay at premium rates, as do piece rate workers at Factory A, but piece rate workers at Factory B (who are contract workers) do not receive overtime premiums – they are just paid for the pieces they process during overtime hours. Monthly rate workers generally do not receive overtime pay as this is considered included in their monthly salary, but at Factory A, monthly rate workers in production areas receive an allowance to compensate them for overtime hours.

- **At the study factories in Thailand, workers are either paid a fixed daily base wage or a fixed monthly base wage. All except the highest paid workers receive overtime pay.** Most production workers are daily rate workers, while more senior

production workers and managers and support staff are monthly rate workers. All daily rate workers receive overtime pay at premium rates, as do some monthly rate workers, but other monthly rate workers receive an allowance instead or, if they have a relatively high salary, do not receive overtime pay.

For the agrifood sector studies, we found the following:

- **At the study farms in Colombia, workers are paid by the task or they are paid a fixed monthly base wage. All workers receive overtime pay.** Production workers are mostly paid by the task, which can be individual or group-based, and receive overtime pay when they do extra hours. Managers and support staff have a monthly salary and also receive overtime pay.

- **At the study farm and packhouse in Morocco, workers are paid a fixed hourly or daily or monthly base wage. All workers are entitled to overtime pay but overtime pay is rarely earned due to annualization of working hours.** Permanent workers are usually paid by the month but some are paid by the day. Seasonal and fixed term workers on the farm are paid by the day, while seasonal workers at the packhouse are paid by the hour. Working hours for all workers are annualized and workers only receive overtime pay if they exceed annual thresholds for standard working hours – this almost never happens because although workers have long working days during the harvesting and packing period, this is balanced out by short working days during the off-season. Note that seasonal workers do not meet the annual threshold because hours are not accumulated across different employers.

4.2 Proportion of workers who are women

The proportion women in the workforce varies considerably depending on the workplace, sector, and country. For the garment sector studies, women generally form the majority of workers, especially in Thailand (60% to 80% women) and Turkey (50% to 70% women).[38] In Bangladesh the proportion of women is somewhat more variable, at between 30% and 60% women.[39] At the farms in both Colombia and Morocco, women make up only 10% to 20% of

[38] These figures have been rounded to the nearest 10% to prevent identification of the study workplaces.

[39] The proportion of workers in the Bangladeshi garment industry who are women has decreased over the past decade due to an increase in the proportion of total production that is knitwear versus woven products. Knitwear has a higher proportion of men than woven because knitwear involves greater use of heavy machinery and this machinery is typically operated by men. Nevertheless, the total number of women in the industry has increased because exports have grown. For further information, see Barrientos (2020), pp.179-180.

the total workforce, but at the packhouse in Morocco, they account for 70% to 80% of workers.

Table 7. Proportion of workers who are women for entire workforce and for different types of workers (end of study period for each workplace)

	% women in entire workforce	% women for workers with different types of contracts	% women for workers with different forms of pay
GARMENTS			
Turkey	50% to 70%	NA	NA
Bangladesh	30% to 60%	Permanent workers: 30% to 60% Contract workers: 0% to 10%	Monthly rate: 0% to 10% Daily rate: 40% to 70% Piece rate: 0% to 10%
Thailand	60% to 80%	NA	Monthly rate: 70% to 90% Daily rate: 60% to 80%
AGRIFOOD			
Colombia	10% to 20%	Permanent workers – full-time: 10% to 20% Permanent workers – part-time: 40% to 50% Fixed term workers: 10% to 20%	Monthly rate: 10% to 30% Task rate: 10% to 20%
Morocco Farm	10% to 20%	Permanent workers: 0% to 10% Fixed term workers: 0% to 10% Seasonal workers: 10% to 20%	Monthly rate: 0% to 10% Daily rate: 10% to 20%
Morocco Packhouse	70% to 80%	Permanent workers: 10% to 20% Seasonal workers: 80% to 90%	Monthly rate: 10% to 20% Hourly rate: 80% to 90%

Notes: (i) NA is Not Applicable. (ii) For Colombia, the percentages for Permanent full-time and Permanent part-time workers are for Farm A only, because payroll data for Farm B do not differentiate full-time from part-time workers. (iii) For this table, the exact percentages have been converted into bands of 10% to prevent study workplaces from being identified. For example, if the percentage of women is 5%, this is cited as 0% to 10% in this table.

Source: Payroll data. Calculations by the authors.

When workers are disaggregated according to type of contract and/or form of pay, a different pattern emerges in some countries. In Bangladesh, less than 10% of contract workers and monthly rate workers are women, compared to between 40% and 70% of daily rate workers. In Thailand, women are slightly over-represented among monthly rate workers, and at one farm in Colombia, women are over-represented among part-time workers and among monthly workers. Finally, in Morocco, women are under-represented among permanent workers and fixed term workers, especially at the packhouse where women account for 80% to 90% of seasonal workers but only 10% to 20% of permanent workers. The implications of this are discussed later in this report.

4.3 Age and marital status of women and men workers

Table 8 summarizes our findings on the age and marital status of workers in each country. For the garment sector studies, in Turkey, most workers are aged between 31 years and 50 years, whereas in Bangladesh and Thailand, workers are generally younger – typically between 18 years and 35 years. Daily rate workers tend to be younger, on average, than monthly rate and piece rate workers. In Turkey and Thailand, women are generally somewhat older than men, while in Bangladesh, men's ages are more widely spread than women's ages (suggesting men may spend more years working in the sector than women).[40]

For the agrifood sector studies, most workers in both Colombia and Morocco are between 31 years and 50 years, but in Colombia, men's ages are more widely spread than women's ages, while in Morocco, women are generally older than men. In Morocco, seasonal workers at the farm tend to be younger than fixed term and permanent workers, but at the packhouse, seasonal workers tend to be older than permanent workers.

We only have information on the marital status of workers for Turkey, Colombia, and Morocco. In Turkey, most workers are married or in a union, but this is more likely for women than men. This correlates with women workers being older than men, on average. Women are also more likely than men to be divorced or widowed in Turkey, and this group accounts for 19% of all women at one workplace. In Colombia, most workers are also married or in a union, but this is more likely for men than women, and many women are single mothers (accounting for 50% of all women at one workplace). The situation is somewhat different in Morocco, in that fewer than half of men and women are married, but again, women are more likely than men to be divorced or widowed (e.g., 15% of women at the packhouse are divorced or widowed, but no men are). During interviews, women often said that they have no choice but to work, due to their family's financial needs, and those who are the sole breadwinners in their households said they struggle to make ends meet. In both Turkey and Colombia, single mothers reported not receiving any financial support from the fathers of their children.

[40] In Colombia, this may be linked to the pension age being earlier for women than for men.

Table 8. Summary of information on age and marital status of workers at study workplaces (end of study period for each workplace)

Country	Age of workers	Marital status of workers
GARMENTS		
Turkey	Most workers 31-50 years. Women generally older than men.	Most workers married but more likely for women than men. Relatively high proportion of divorced or widowed women.
Bangladesh	Most workers 18-35 years. Men's ages more widely spread than women's ages. Daily rate workers younger than monthly rate workers and piece rate workers.	No information available.
Thailand	Most workers 18-35 years. Women generally older than men. Daily rate workers younger than monthly rate workers.	No information available.
AGRIFOOD		
Colombia	Most workers 31-50 years. Men's ages more widely spread than women's ages.	Most workers married or in a union but more likely for men than women. Relatively high proportion of single mothers.
Morocco	Most workers 31-50 years. Women generally older than men. At farm, seasonal workers younger than permanent and fixed term workers, but at packhouse, seasonal workers older than permanent workers.	Most workers are not married, but this is more likely for women than men. Relatively high proportion of divorced or widowed women.

Source: Payroll data. Calculations by the authors.

4.4 Nationality and migrant status of women and men workers

Thailand is the only country where there are significant numbers of migrant workers from another country (Myanmar – previously Burma) in the study workforces. In one of the workplaces, 65% of workers are Burmese; in the other, 7% are Burmese. Almost all these international migrant workers are daily rate workers. Although most Burmese workers are women, the percentage of Burmese workers who are men is higher than the percentage of Thai workers who are men.

In the factories in Bangladesh and Thailand, women and men workers have often migrated from rural areas of the country to work in the garment industry. This is less often the case in the factories in Turkey[41].

[41] In the years after war broke out in Syria (in 2011), many Syrian refugees worked in garment factories in Turkey. However, at the time of the research, there were no Syrian workers at any of the study

A minority of the farm and packing workers in Colombia and Morocco are migrants.

4.5 Years of service and turnover rates for women and men

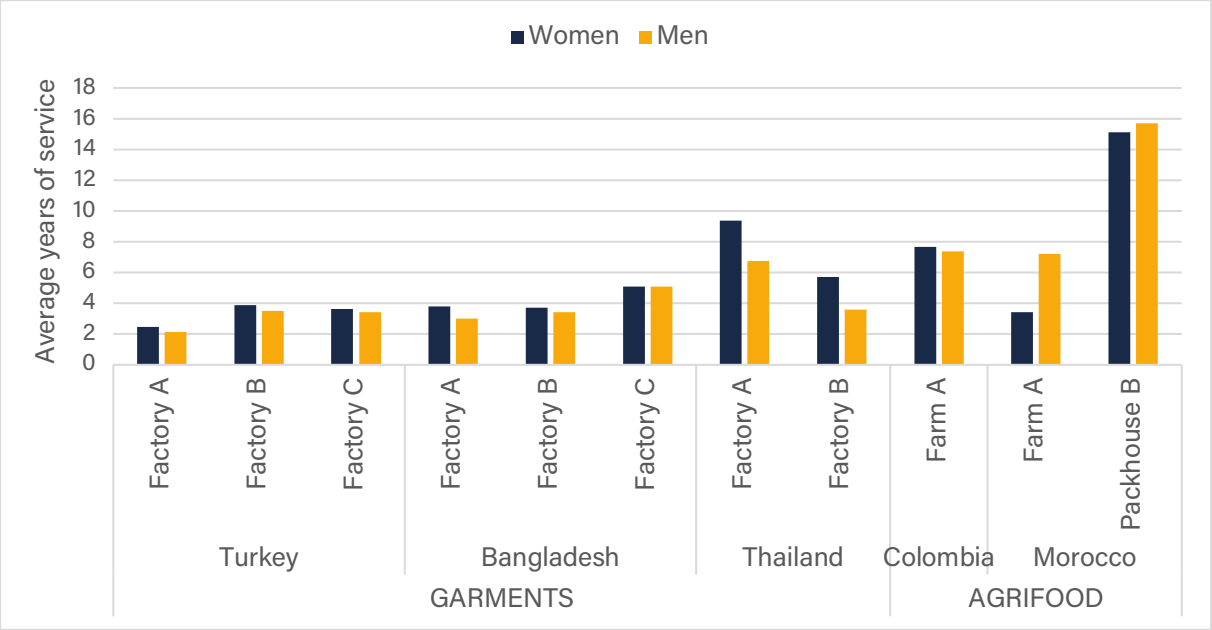
We calculated the number of years of service for each worker using information on start dates and exit dates or, for workers still in the workforce, the last payroll month in the datasets.[42] There is considerable variation between countries in the average number of years of service, with workers in Turkey and Bangladesh generally having fewer years of service than workers in Thailand, Colombia, and Morocco (Figure 6). For most workplaces, women have worked for the employer for longer than men, on average. The largest differences are for Thailand, where women have an average of 2 to 3 more years of service than men. In most other workplaces the difference is quite small (less than a year).

The exception is Morocco, where men have more years of service than women, especially at farm level. Also, the packhouse in Morocco has very high averages for both women and men (15.1 years and 15.7 years, respectively). This is partly because workers in Morocco are entitled to a seniority allowance that increases with the number of years of service that a worker has accrued, which is an incentive for workers to stay. In addition, workers from the previous season are supposed to be given preference when employers recruit each year, although this seems to be at the discretion of employers.

factories. According to factory managers, the number of Syrians working in the garment industry has decreased significantly in recent years.

[42] This information was only collected for one farm in Colombia. For the other farm in Colombia, information was only collected for workers still in the workforce at the time of the visit.

Figure 6. Average number of years of service, by gender (end of study period for each workplace)



Notes: (i) Calculations exclude workers who started in the last month of the study period and anomalies in the data (e.g., when a start date is later than the month of the payroll period). (ii) Workers' start dates were not available for Farm B in Colombia.

Source: Payroll data. Calculations by the authors.

Employers in Turkey and Bangladesh said turnover rates are generally lower for women than for men, but women and men leave for different reasons. Men are more likely to leave for another job with higher pay, while women are more likely to leave for family reasons or social pressures, including leaving work after marriage or moving to where their husband works, or leaving to take care of children or elderly relatives. In Turkey, attitudes towards married women working depend on the location of the factory. One study factory is in a socially conservative area where it is frowned on for married women to work. Another factory is in an area with high costs of living and even if men do not really want their wives to work, they accept it because the extra income is needed. In Thailand, employers said some women do not return to work after having children, but this mostly applies to Burmese women rather than Thai women.

In both Bangladesh and Thailand, domestic and international migrant workers sometimes return to their home villages or towns for a period, such as for annual festivals or to spend time with their children, and then switch to another factory on their return. After working for a number of years to support their families and save money, many go home permanently. We do not know if there any differences between women and men migrants in this regard.

We do not have information on the reasons why workers leave the farms and packhouse in Colombia and Morocco.

PART IV. SIZE OF OVERALL GENDER PAY GAPS

Part IV is concerned with the overall gender pay gap at pilot study workplaces for base wages as well as for gross pay. It also investigates gender gaps to living wages. This analysis sets the stage for the analysis of the direct and indirect determinants of gender pay gaps in Parts V and VI.

5. SIZE OF GENDER PAY GAPS AT PILOT STUDY WORKPLACES

BOX 3. PURPOSE OF THIS SECTION

This section provides information on the overall size of gender pay gaps at the 12 study workplaces, first for base wages for standard working hours and then for gross cash wages based on time worked and including overtime pay and cash allowances and bonuses.[43] The use of these two measures of pay provide different insights to the causes of gender pay gaps.

Calculation of gender pay gaps

The gender pay gap is the ratio of average pay for women to average pay for men, expressed as a percentage difference. For example, if women earn 75% of what men earn, the gender pay gap is 25%. If women earn 125% of what men earn, the gender pay gap is -25%.

SUMMARY OF FINDINGS

The gender pay gap for base wages ranges from -1.5% to 29.5%. The garment factories in Bangladesh have large gender pay gaps of between 22% and 30% for base wages. In Turkey, the gender pay gaps for base wages are smaller but variable, at between 4% and 17%, while both factories in Thailand have negligible gaps of -0.5% to -1.5%. In the agrifood sector studies, the gender pay gap for base wages is largest for the packhouse in Morocco, at 15%, followed by 10% for both farms in Colombia, and only 5% for the farm in Morocco.

The gender pay gap for gross cash wages ranges from -5.5% to 25.9%. Gender pay gaps for gross cash wages are by and large similar to gender pay gaps for base wages, with the exception of the farm in Morocco, where there is a difference of almost 11% between the two values.

Gender pay gaps at study workplaces are often very different from gender pay gaps at national level. There are only 5 out of 24 possible cases where the gender pay gap in base wage or gross cash wage at workplace level is within 5% of the comparable country-wide gender pay gap. In Bangladesh and Thailand, the deviation from the national gender pay

[43] In-kind benefits such as company transport are not included in this analysis of gross wages.

gap is between 10% and 25% for each workplace. This demonstrates the importance of measuring gender pay gaps at workplace level.

5.1 Measuring gender pay gaps at pilot study workplaces

In this report, we define the gender pay gap as the ratio of average pay for women to average pay for men, expressed as a percentage difference. For example, if women earn 75% of what men earn, the gender pay gap is 25%. If women earn 125% of what men earn, the gender pay gap is -25%.

We calculate gender pay gaps using two main variables: (i) mean base wage for standard working hours, and (ii) mean gross cash wage based on time worked and including overtime pay and cash allowances and bonuses. Values are calculated using individualized payroll data for a study period of one to two years at each workplace (see section 2 for details). For all countries except Morocco, gender pay gaps are for average wages for one month. For Morocco, gender pay gaps are for average wages for one day. This is because the payroll data for Morocco are annualized and do not include information on the number of days each worker was paid for each month, and so we could not calculate average wages per month. For Colombia, we excluded the top 10% and bottom 10% of the wage distribution when calculating average wages because the number of workers was not very large and we wanted to reduce the influence of outliers on average values.

As noted in section 2, our findings on the size of gender pay gaps are not strictly comparable across all study workplaces due to some variations in the extent to which management and administration were included in the payroll data shared with researchers. This mostly relates to Bangladesh, where factories A and C included administrative workers but factory B did not. Also, for the farms in Colombia, all levels of management were included in the payroll data, whereas for all the other countries, the top tier of management was excluded. This section should be read with that in mind.

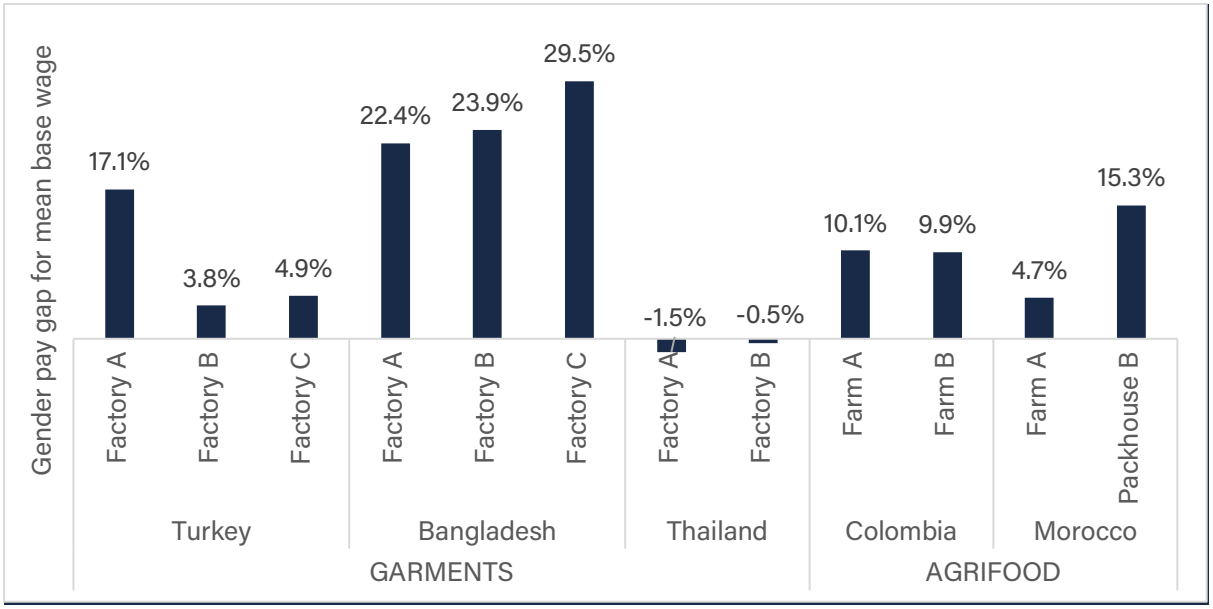
5.2 Gender pay gaps for base wages

The gender pay gap for mean base wages varies between countries, as would be expected, but it also varies between workplaces in the same sector and country (Figure 7). In Turkey, for example, one garment factory has quite a large gender pay gap of 17.1% for base wages but the other two factories both have small gaps of less than 5%. The largest gender pay gaps for base wages are for the three garment factories in Bangladesh which have gaps of between 22.4% and 29.5%, which stands in contrast to the very small gender pay gaps of -0.5% and -1.5% (i.e., gaps in favor of women) for the two garment factories in Thailand.

For the study workplaces in the agrifood sector, the gender pay gap for base wages is largest for the packhouse in Morocco (15.3%), whereas the farm in Morocco only has a small

gap of 4.7%. The two banana farms in Colombia both have gender pay gaps of around 10% for base wages.

Figure 7. Gender pay gap for mean base wage, by workplace (mean for study period for each workplace)



Notes: (i) The gender pay gap is the ratio of average pay for women to average pay for men, expressed as a percentage difference. A negative value means that average wages for women are higher than average wages for men. (ii) For all countries except Morocco, gender pay gaps are for average basic wages for one month of standard working hours. For Morocco, gender pay gaps are for average basic wages are for standard working hours for one day (i.e., 8 hours). (iii) For Bangladesh, April 2020 was excluded from the analysis because factories were closed due to a COVID-19 lockdown and wages were atypical (workers received only a proportion of their full wage). (iv) For Colombia, we used 10% trimmed means to reduce the influence of outliers on mean values because the total number of workers was low.

Source: Payroll data. Calculations by the authors.

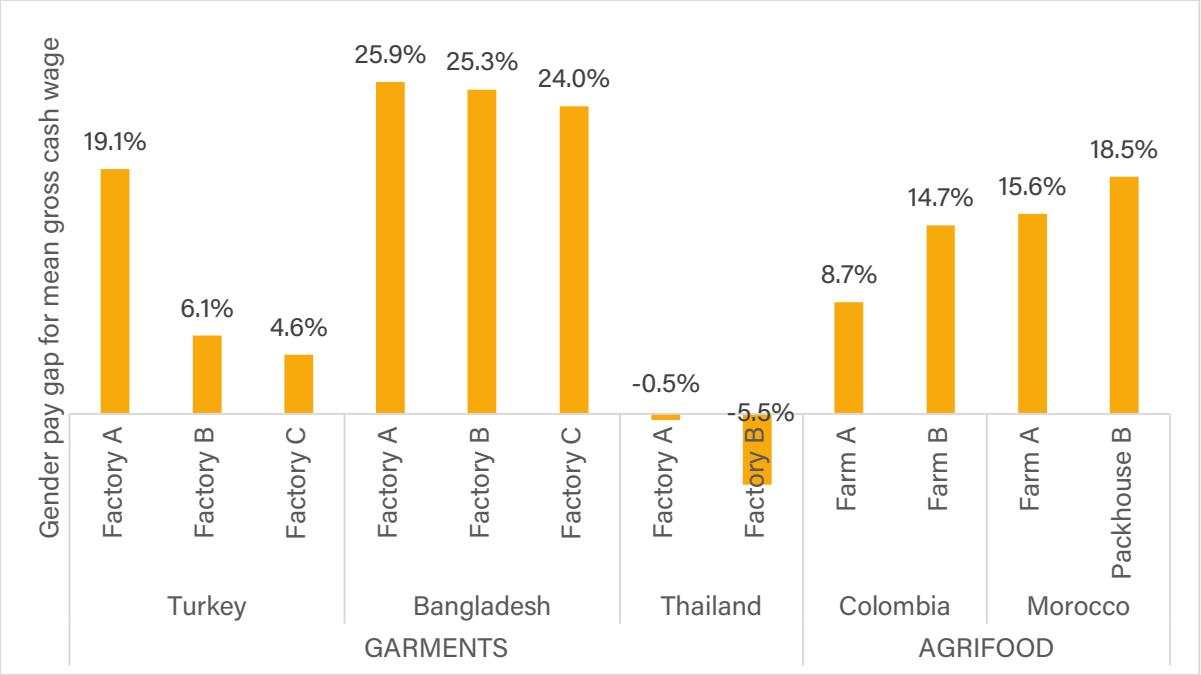
5.3 Gender pay gap for gross cash wages

For all countries except Morocco, we calculated the gender pay gap for gross cash wages using the average gross cash wage per month for women and for men including overtime pay and cash allowances and bonuses. For Morocco, we first calculated the average gross cash wage per day for each woman and man worker by dividing each worker's annual gross cash wage by the number of days they were paid for the year (including days worked and paid leave days). We then calculated the gender pay gap for gross cash wages using the average gross cash wage per day for women and for men.

The gender pay gaps for gross cash wages range from -5.5% at Factory B in Thailand to 25.9% at Factory A in Bangladesh (Figure 8). The gaps for gross cash wages are sometimes larger than the gaps for base wages and sometimes smaller, with no consistent pattern across countries. The difference between the two values is sometimes very small (e.g., 0.3% for Factory C in Turkey) but in other cases there is a substantial difference (e.g., -10.9% for

the farm in Morocco). The relationships between gender pay gaps for gross cash wages and gender pay gaps for base wages are linked to the wage systems in place at each workplace – in particular, which workers are entitled to overtime pay and different types of cash allowances and bonuses. We explore this in section 7.3 of this report.

Figure 8. Gender pay gap for mean gross cash wage, by workplace (mean for study period for each workplace)



Notes: (i) For Bangladesh, April 2020 was excluded from the analysis because factories were closed due to a COVID-19 lockdown and wages were atypical that month. (iii) For Colombia, we used 10% trimmed means to reduce the influence of outliers on mean values because the number of workers is low.

Source: Payroll data. Calculations by the authors.

BOX 4. NOTE ON THE RELATIONSHIP BETWEEN GENDER PAY GAPS AND THE WORKFORCE GENDER PROFILE

The study workplaces vary in size and in the proportion of workers who are women. We did not find any correlation between these characteristics and the size of the gender pay gap at each workplace. For example, the garment factories in Bangladesh and Thailand are all large factories with over 1000 workers but the gender pay gaps for these two countries are very different. Similarly, the proportion of women workers is highest for the 2 factories in Thailand and the packhouse in Morocco, but at the factories in Thailand there is effectively no gender pay gap while at the packhouse in Morocco there is a gap of around 19%. However, there are not enough workplaces in our sample to draw concrete conclusions about the relationship between gender pay gaps and workforce size or percentage women in the workforce. Relationships between gender gap gaps and the personal characteristics of workers (age, education, and migrant status) are investigated in section 7.5 of this report.

5.4 Comparison of gender pay gaps at study workplaces and national measures of gender pay gaps

We compared our findings on gender pay gaps for the study workplaces with gender pay gaps at national level according to the ILO and other institutions. We first compared gender pay gaps in hourly wages at national level with the gaps in base wages for study workplaces. These are not strictly comparable metrics, as hourly wages may include payments for overtime and cash allowances and bonuses while base wages do not. However, we did not have information on working hours for all workers at the study workplaces and so could not calculate the average hourly gross cash wage. The gender pay gap for base wages is therefore the best alternative measure to the gender pay gap for hourly wages that we have, as base wages are for a standard number of working hours.

We also compared gender pay gaps in monthly earnings at national level with the gaps in gross cash wages per month for study workplaces. Again, there are some differences between these measures as monthly earnings are net of taxes and other deductions while the gross cash wage is the wage before deductions. Nevertheless, they can be considered as reasonably similar measures of gender pay gaps.

Table 9 shows the results for garment sector countries and Table 10 shows the results for agrifood sector countries. These results indicate that gender pay gaps at workplace level are often very different from gender pay gaps at national level. There are only 5 instances out of the 24 results (2 for each study workplace) where the gender pay gap at a study workplace is within 5% of the country-wide gender pay gap.

- For Turkey, the gender pay gap for hourly wages at national level is 12%, while at the 3 study factories the gender pay gap for base wages is either much lower than this (4% to 5%) or somewhat higher (17%). There are similar differences for monthly earnings.

- For Bangladesh, there is a gender pay gap of -5% in favor of women for hourly wages and 2.2% for monthly earnings at national level, but in contrast for the 3 study garment factories the gender pay gap in base wages ranges from 22% to 30%, with similar differences for monthly earnings.

- For Thailand, the country-level gender pay gap is around 11% for both hourly wages and monthly earnings, but in contrast at both study garment factories, there are small gender pay gaps in favor of women.

- For Colombia, there is a gender pay gap for hourly wages of -3% in favor of women at national level, which contrasts with the gap of around 10% for both study farms. For monthly earnings, the national gender pay gap is 13%, which is relatively similar to the gender pay gaps of 9% and 15% at the study farms.

- For Morocco, the national gender pay gap for hourly wages is 18% which is similar to the gender pay gap for base wages at the packhouse (15%) but much higher than the gender pay gap at the farm (5%). Information on the country-wide gender pay gap in monthly earnings is not available.

These results demonstrate the relevance of measuring gender pay gaps at the workplace level, as using country-level information could be very misleading.

Table 9. Comparison of gender pay gaps at national level and at pilot study garment factories in Turkey, Bangladesh, and Thailand (for year indicated or relevant study period for each workplace)

	Turkey	Bangladesh	Thailand
National gender pay gap in mean hourly wage for all wage workers	12.0% (2015)	-4.7% (2017)	10.9% (2015)
Gender pay gap in mean base wage for pilot study workplaces (in ascending order)	3.8%, 4.9%, 17.1% (June 2019 - July 2021)	22.4%, 23.9%, 29.5% (Jan. 2020 – Oct. 2021)	-1.5%, -0.5% (Jan. 2020 – Jan. 2022)
National gender pay gap in mean monthly earnings for all wage workers	15.9% (2015)	2.2% (2017)	11.3% (2015)
Gender pay gap in mean monthly gross cash wage for pilot study workplaces (in ascending order)	4.6%, 6.1%, 19.1% (June 2019 - July 2021)	24.0%, 25.3%, 25.9% (Jan. 2020 – Oct. 2021)	-5.5%, -0.5% (Jan. 2020 – Jan. 2022)

Notes: The values for gender pay gaps at national level have been calculated using ILO's factor-weighted gender pay gap methodology.

Source: ILO Global Wage Report 2018/19 for national gender pay gaps. Calculations by the authors for pilot study workplaces.

Table 10. Comparison of gender pay gaps at national level and at pilot study farms and packhouses in Colombia and Morocco (for year indicated or relevant study period for each workplace)

	Colombia	Morocco
National gender pay gap in mean hourly wage for all workers in paid employment (Colombia) / all wage workers (Morocco)	-2.9% (2019)	18.3% (2017)
Gender pay gap in mean base wage for pilot study workplaces (in ascending order)	10.1%, 9.9% (Jan. 2020 – July/Sept. 2021)	4.7%, 15.3% (March 2022 – February 2023)
National gender pay gap in mean monthly earnings for all workers in paid employment	12.9% (2019)	Not available
Gender pay gap in mean monthly gross cash wage for pilot study workplaces (in ascending order)	8.7%, 14.7% (Jan. 2020 – July/Sept. 2021)	15.6%, 18.5% (March 2022 – February 2023)

Notes: (i) National gender pay gap values for Colombia were calculated using national household survey data for all workers in paid employment. (ii) The national gender pay gap value for Morocco was calculated using national employment survey data for wage workers.

Source: DANE, 2020 and Lazaar and Dasser, 2022 for national gender pay gaps in Colombia and Morocco, respectively. Calculations by the authors for gender pay gaps at pilot study workplaces.

6. GENDER GAPS TO LIVING WAGES AT PILOT STUDY WORKPLACES

BOX 5. PURPOSE OF THIS SECTION

In this section, we assess whether there are any gender differences in the proportion of workers who have a living wage. To do this, we first decide on an appropriate living wage estimate for each workplace using the Anker Methodology. We then compare these estimates with the average monthly prevailing wage for each worker excluding overtime pay but including cash allowances and bonuses and in-kind benefits that are allowable under the Anker Methodology.

SUMMARY OF FINDINGS

At most of the study workplaces, only a small proportion of workers earn a living wage. At 6 of the 12 study workplaces, fewer than 15% of women and men have a living wage. At 4 study workplaces, between 16% and 41% of women and men have a living wage. However, for 1 garment factory in Thailand and 1 banana farm in Colombia, between 65% and 94% of women and men earn a living wage.

In 9 out of 12 workplaces, the proportion of women with a living wage is lower than the proportion of men with a living wage – at these workplaces, there is therefore a gender

gap to a living wage. The proportion of women with a living wage is under 10% for 8 of these workplaces (2 in Turkey, 3 in Bangladesh, 1 in Colombia, and 2 in Morocco). The proportion of men earning a living wage is under 10% for just 1 workplace (in Bangladesh).

6.1 Deciding on an appropriate living wage benchmark for study workplace locations

To determine whether women and men at the study workplaces earn a living wage, we first need appropriate living wage benchmarks for the study locations. We estimated a gross living wage for each study workplace location using the Anker Methodology.[44] This is the gross wage required by a worker in a particular place to be able to afford a basic but decent living standard for herself or himself and her or his family. For some locations, the Anker Research Institute had previously estimated the living wage and we just needed to update these estimates to the relevant date using information on inflation and taxes. For other locations, we calculated new Anker living wage Reference Values.[45]

The date used for each living estimate depended on the months of payroll data that were used to calculate prevailing wages. We did not want to use a single payroll period to calculate prevailing wages as this can be misleading when wages fluctuate over the course of the year. On the other hand, living wage estimates are time-specific, as living costs vary over time, and so using payroll data for more than a year would also not be correct. So, we first decided on an appropriate time period to use for calculating prevailing wages in each country (either a six-month period or a one-year period, depending on the months of payroll data that we had) and we then estimated a living wage for the midway point in that time period.

[44] For information on the Anker Methodology, see here.
[45] For information on Anker Reference Values, see here.

Table 11. Living wage estimates used for the location of each study workplace

	Workplace A	Workplace B	Workplace C
Turkey	TRY 5,697 (April 2021) [a]	TRY 4,211 (April 2021) [a]	TRY 4,211 (April 2021) [a]
Bangladesh	BDT 17,926 (March 2021)	BDT 17,926 (March 2021)	BDT 17,926 (March 2021)
Thailand	THB 13,461 (October 2021)	THB 13,461 (October 2021)	
Colombia	COP 1,717,518 (May 2021)	COP 1,717,518 (May 2021)	
Morocco	MAD 2,497 (Sept. 2022) [a]	MAD 3,598 (Sept. 2022) [a]	

Notes: [a] Living wage differs by workplace for Turkey and Morocco. In Turkey, we used a living wage benchmark that is 15% higher than the 2021 Anker Urban Reference Value for Turkey for workers in one factory location because living costs in this location are known to be higher than is typical for urban Turkey. For workers in the other workplace locations, we used a living wage benchmark that is 15% lower than the Anker Urban Reference Value for Turkey, as living costs for workers in these locations are known to be below typical urban living costs for Turkey, because they are living in smaller towns and semi-urban areas. For Morocco, different living wage benchmarks were used because one workplace is in an urban location and the other workplace(s) us in a rural location.

Source: Anker Research Institute.

6.2 Calculating prevailing wages for women and men in the relevant time period

In the Anker Methodology, a living wage should be earned within regular working hours and working at a normal pace. Overtime payments therefore need to be excluded from the calculation of prevailing wages for comparison to a living wage. Cash allowances and bonuses are included in prevailing wages if they meet certain criteria, such as being a guaranteed benefit that is received within one year. This is because workers need to be able to count on receiving allowances or bonuses so that they are able to pay for ongoing living expenses. Benefits that are at the discretion of employers or that are deferred (such as pensions and severance pay) are excluded when calculating prevailing wages.[46]

In-kind benefits are also included in prevailing wages in the Anker Methodology if they are guaranteed benefits that are received within one year and also meet other criteria such as being considered of personal benefit and value to workers or their families and being of a quality that meets minimum standards for decency. A fair and reasonable monetary value for in-kind benefits is determined using information on the cost of the benefit to employers, the replacement cost to workers, cost to purchase the benefit on the market, and the amount allowed for the benefit in the living wage estimate. The value of each in-kind benefit should not exceed 10% of the total wage (15% for housing). The total value of all in-kind

[46] Full details on the principles for measuring prevailing wages for comparison to an Anker Methodology living wage estimate are set out in the Anker Methodology Living Wage manual, see: Living Wages Around the World (e-elgar.com) .

benefits should not be more than 30% of the total wage to allow for workers' agency and self-determination over how they spend most of their earnings.[47]

We used the principles outlined above to develop a tailored approach for calculating prevailing wages at each workplace based on the wage system used. For each worker, we calculated the average prevailing wage per month during the relevant period using payroll data for base wages and cash allowances and bonuses.[48] The pro-rated value of in-kind benefits for one month was calculated at the workplace level and included in the prevailing wage for relevant workers. Specific adaptations for each country were made as follows:

- In Bangladesh, base wages for piece rate workers were calculated by dividing the wage earned for pieces completed by the number of hours worked in the month (regular hours and overtime hours) and multiplying this by the number of standard working hours in a month.[49]

- In Colombia, base wages for production workers who are sometimes paid by the task and sometimes paid by the hour were calculated using the average gross wage earned by each worker per month excluding overtime payments and cash allowances and bonuses.

- In Turkey, Bangladesh, and Thailand, we adjusted base wages for monthly rate workers who work overtime hours but do not receive overtime pay (because this is considered included in their salary) to reflect an estimate of the amount earned during standard working hours.[50]

- For Morocco, we did not have data on earnings for seasonal workers and fixed term workers during periods when they were not working at the study workplaces, and so we made an assumption that these workers earned the statutory minimum wage during these periods. This was based on information provided by workers and managers about employment opportunities and wages for non-permanent workers

[47] General principles for valuing in-kind benefits are described in chapter 16 of the Anker Methodology Living Wage Manual.

[48] Cash allowances and bonuses received periodically rather than every month were converted into an average amount for one month.

[49] Additional payments for overtime hours were excluded from these calculations. Hours worked for contract workers were not recorded and had to be estimated based an assumption that contract workers do the same working hours as daily rate workers, since they are part of the same production lines.

[50] These assumptions were based on information provided by management and workers about working hours for those workers who do not receive overtime pay, as well as average overtime hours for production workers from payroll data, which served as a benchmark for typical working hours at each workplace.

during the off-peak season.[51] In this way, we got an approximation of annual earnings for these workers.

6.3 Proportion of women and men earning a living wage

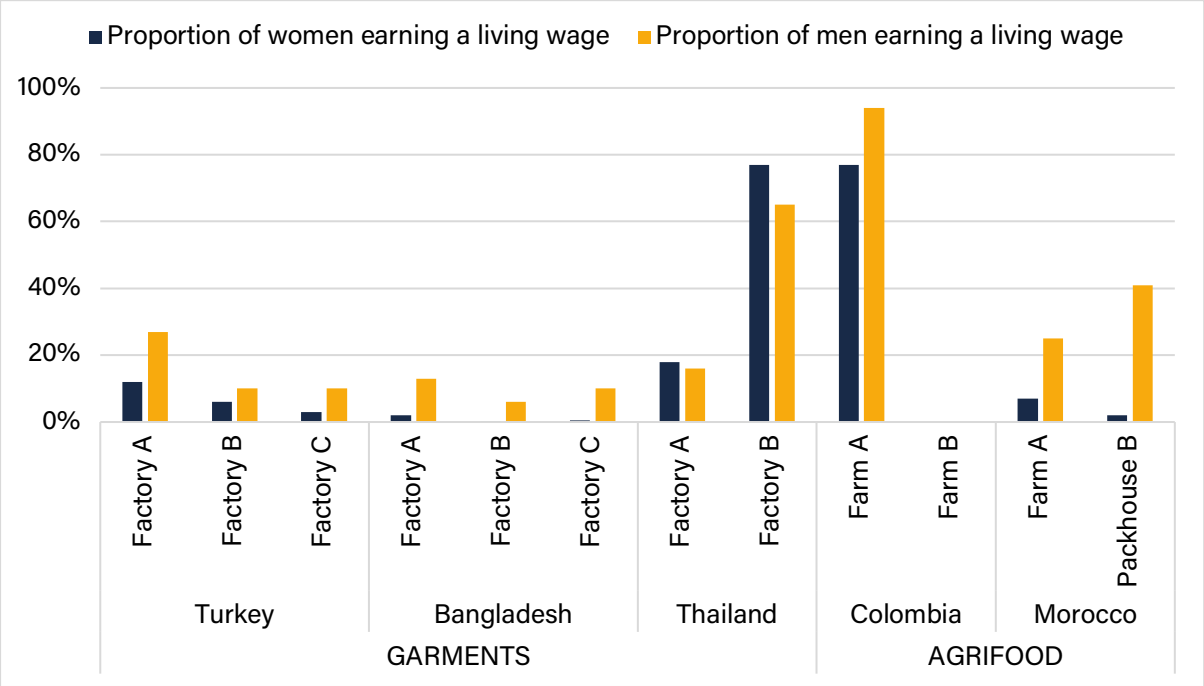
Figure 9 shows the proportion of women and men earning a living wage at each study workplace**.** In 6 of the 12 workplaces, less than 15% of women and men earn a living wage, and for a further 4 workplaces, this figure does not exceed 50%.

However, for Factory B in Thailand and Farm A in Colombia, between 65% and 94% of workers earn a living wage. At Factory B in Thailand, this is mostly because workers receive various cash allowances and bonuses on top their base wage (which is typically the statutory minimum wage, or close to it) to incentivize productivity and worker retention. Although workers at Factory A in Thailand receive similar types of cash allowances and bonuses, these are lower in value than at Factory B and so fewer workers at this factory earn a living wage. At Farm A in Colombia, the high percentage of workers earning a living wage may be due to wages and benefits being established through collective bargaining between a trade union (SINTRAINAGRO) and an association of banana producers and exporters (AUGURA). At Farm B, wages and benefits are established through a company-specific collective pact between workers and employers that does not involve a trade union. However, there are also other factors that affect wage levels at each farm, such as local socio-economic conditions and market dynamics.

At all workplaces except the two garment factories in Thailand, the proportion of women earning a living wage is lower than the proportion of men earning a living wage. For 8 workplaces (2 in Turkey, 3 in Bangladesh, 1 in Colombia, and 2 in Morocco), fewer than 10% of women earn a living wage, while the proportion of men earning a living wage is under 10% for just one workplace (in Bangladesh). The largest differences between the proportion of women and men earning a living wage are found in Morocco: at the farm, 7% of women earn a living wage compared to 25% of men, and at the packhouse, just 2% of women earn a living wage compared to 41% of men. This is largely because most women at the farm and the packhouse are seasonal workers whereas men are more spread across different types of contracts. In contrast, in Thailand, a higher proportion of women earn a living wage than men because women are slightly over-represented among higher paid workers.

[51] Seasonal workers at the packhouse said they have many different opportunities for employment because they are in an urban area. Seasonal workers at the farm have fewer employment opportunities in the local area, which is rural, and often need to migrate to cities or other areas of Morocco (or even to Spain) for work during the off-peak season at the farm. Most workers said that they earn a wage that is around the statutory minimum wage when not working at the study packhouse or farm, with variation in additional benefits depending on the employer.

Figure 9. Proportion of women and men with a gross wage equal to or above the living wage estimate for the workplace location (% for relevant period for each workplace)



Notes: (i) For Bangladesh, the findings for Factory B do not include administrative workers because we did not have payroll data for these workers. (ii) For Colombia, the findings are only for production workers and do not include management and administrative workers because we did not have wage data for management and administrative workers for 2021. (iii) For Morocco, we estimated the proportion of seasonal and fixed term workers with a living wage using an assumption that they earn the statutory minimum wage during periods when they are not working at the study workplaces.

Source: Payroll data and other information provided by employers. Calculations by the authors.

As explained above, the gross living wage estimate for the location of each workplace was calculated using the Anker Methodology. See Table 11 for the estimates used. The average prevailing wage was calculated for each worker using the Anker Methodology, payroll data for each worker, and information on wage systems and hours worked by different types of workers at each workplace. In some cases, we used reasoned assumptions to adjust wages to align with Anker Methodology principles.

PART V. DIRECT DETERMINANTS OF GENDER PAY GAPS AT PILOT STUDY WORKPLACES

In this part of the report, we explore factors that directly affect wages and that may therefore explain the differences that exist between wages for women and men at the pilot study workplaces. We do this by investigating the effect on wages of gender differences in:

i. Types of work that women and men do and their skill levels and grades. E.g., do occupations that are mostly done by women pay less than occupations that are mostly done by men?

ii. Types of employment relationships and contracts for women and men. E.g., do women earn less than men because they are disproportionately likely to be on fixed term or seasonal contracts?

iii. Forms of pay and access to additional wage payments for women and men. E.g., do women have lower pay because they receive fewer cash allowances and bonuses than men?

iv. Amount of time worked by women and men per day, month, and year. E.g., are gender differences in wages due to women taking more time off or working less overtime than men?

v. Age, experience, education, and migrant status of women and men. E.g., are women's wages lower than men's wages because women have less experience or less education or are more likely to be migrant workers than men?

For each of these five possible direct determinants of gender pay gaps, we first explain the rationale for the analysis and then we summarize our findings from analysis of payroll data and other information and provide an overall conclusion. The detailed results of the analysis can be found in Annexes A1 to A5.

7. DIRECT DETERMINANTS OF GENDER PAY GAPS AT PILOT STUDY WORKPLACES

BOX 6. SUMMARY OF FINDINGS

Occupational gender segregation is an important determinant of gender pay gaps at all workplaces except for the two factories in Thailand where there were small or no gender pay gaps. Although women and men at the study workplaces are generally paid the same when they do the same work, women typically do lower skilled work than men and occupations that are dominated by men tend to pay more than occupations that are dominated by women. The exception to this are the two factories in Thailand, where

occupational gender segregation is less marked than for most other workplaces and the occupations that are mostly performed by men do not consistently pay more or less than the occupations that are mostly performed by women. It is possible that women and men at some study workplaces do not receive equal pay for work of equal value, due to gender biases in the valuation of work, but this would require further investigation to determine.

Differences in the types of contracts that women and men have is an important determinant of gender pay gaps at one factory in Bangladesh and the farm and packhouse in Morocco, but not at the two farms in Colombia. For the other study workplaces, there are no differences in the types of contracts that workers have. Type of contract is partly determined by occupation.

Differences in the forms of pay and/or access to additional wage payments for women and men is a determinant of gender pay gaps in gross cash wages at all workplaces. Gender differences in forms of pay and/or access to additional wage payments increase gender pay gaps for some workplaces, for others they reduce gender pay gaps, and for yet others there are mixed effects depending on the type of wage payment. Gender differences in forms of pay and access to additional wage payments largely explain the small gender pay gaps in favor of women in Thailand. Form of pay and access to additional wage payments are partly determined by occupation, type of contract, and/or amount of time worked.

Differences in the amount of time worked by women and men is a direct determinant of gender pay gaps in all countries, but not an important factor for most workplaces. For farms and packhouses in Colombia and Morocco, gender differences in time worked increase gender pay gaps and are partly determined by gender differences in occupations and types of contracts. In garment factories in Turkey, Bangladesh, and Thailand, gender differences in the number of days worked by women and men each month are sometimes counterbalanced by opposing differences in the amount of overtime women and men work. Amount of overtime worked is partly determined by occupation and type of contract.

There is no conclusive evidence that gender differences in age and experience, educational attainment, or migrant status are important direct determinants of gender pay gaps at any of the study workplaces. Note that for educational attainment, we were not able to investigate this in all study workplaces due to gaps in the payroll data.

Table 12. Summary of findings on the direct determinants of gender pay gaps in each pilot study country and sector

Direct determinant of gender pay gap:	GARMENTS			AGRIFOOD	
Gender differences in:	**Turkey**	**Bangladesh**	**Thailand**	**Colombia**	**Morocco**
Types of work performed	✓	✓	×	✓	✓
Employment relationships and contracts	×	✓ / ×	×	×	✓
Forms of pay and access to additional wage payments	✓	✓	✓	✓	✓
Amount of time worked	✓ (minor)	✓ (minor)	✓ (minor)	✓ (minor)	✓
Age and experience, educational attainment, and migrant status	× / ?	× / ?	× / ?	× / ?	× / ?

Notes: In this table, a tick (cross) denotes that the direct determinant does (does not) contribute to gender pay gaps at all study workplaces in the relevant country. A tick with 'minor' indicates that the determinant has only a small effect on gender pay gaps. A tick and a cross indicate that the direct determinant contributes to gender pay gaps at only some of the study workplaces in the relevant country. A question mark indicates that there was insufficient information to draw conclusions for all aspects of the direct determinant.

7.1 Gender differences in wages due to types of work that women and men do and their assigned skill levels and grades

BOX 7. RATIONALE FOR THE ANALYSIS: Differences in the types of work that women and men do can lead to gender pay gaps in two ways. First, women could receive lower pay than men in the same or similar occupations. This could be for various reasons such as outright discrimination and/or women having fewer skills or less experience or being at the lower end of a grading scale. Second, women could receive lower pay than men because they are more likely to work in lower paying occupations. This could occur when occupations are segregated by gender with occupations typically performed by men receiving higher pay compared to occupations typically performed by women.

See Annex A1 for detailed findings for gender differences in wages due to types of work that women and men do and their assigned skill levels and grades

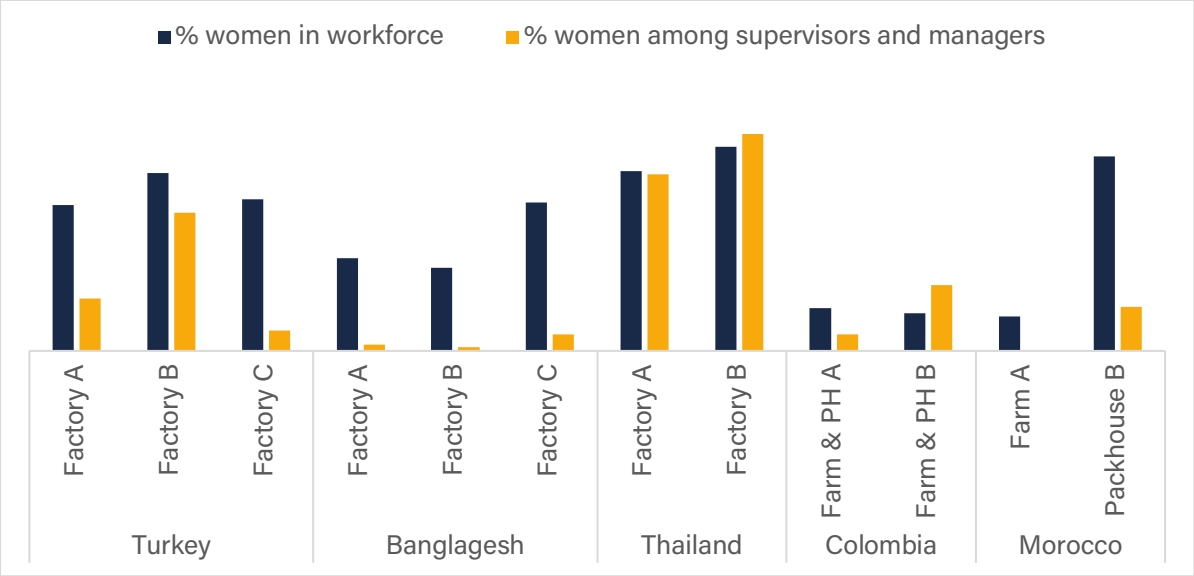
At all study workplaces, women and men often do different types of work and men are usually distributed across a wider range of occupations than women.

- **Garments:** In all three countries, most workers doing sewing, finishing, packing, quality control, and cleaning are women, while men are more likely to be in knitting, dyeing, printing (uncut fabric), ironing, warehouse, loading, drivers, maintenance, and security.

- **Agrifood:** In Colombia and Morocco, most cultivation work is done by men, while women are mostly involved in harvesting (Morocco only) and packing (both countries).

Dominance of supervisory and managerial positions by men at 8 of the 12 workplaces is an important component of this occupational gender segregation, although there is more balanced representation of women in these positions at one factory in Turkey, both factories in Thailand, and a farm in Colombia (Figure 10). Not only do these jobs typically offer higher-than-average pay, but people in these positions also often influence the workplace culture and employment practices such as recruitment, training, promotion, and dismissal. When men dominate this work, it can serve to reinforce gender biases that lead to women earning less than men.

Figure 10. Proportion of women in the workforce and proportion of women among supervisors and managers at each study workplace (%, end of study period for each workplace)



Source: Payroll data. Calculations by the authors.

There are only two countries where workers at the study workplaces are graded based on skill level: Bangladesh and Morocco. For both countries, women are more concentrated in lower skill grades than men (Tables 13 and 14). This Is particularly problematic in Bangladesh, where most occupations have 'assistant' (grade 7), 'general' (grade 6), 'junior' (grade 5), and 'senior' (grade 4) skills levels. In theory, workers should move up through grades 7 to 4 over time as they acquire more skills and experience. Our findings indicate that women are not moving up through the grading system in the same way as men. This also limits women's access to supervisory positions. For Morocco it is different, as most workers at the farm and packhouse in Morocco are on grade 7 and do different types of work from the workers who are on other grades.

Table 13. Distribution of women and men workers by grade at the study garment factories in Bangladesh (%, October 2021)

Grade	Factory A		Factory B		Factory C	
(1 is highest skill grade)	% of women with grade	% of men with grade	% of women with grade	% of men with grade	% of women with grade	% of men with grade
Monthly rate workers (ungraded)	1%	27%	0.2%	12%	2%	31%
Grade 1	NA	NA	0%	0.1%	NA	NA
Grade 2	0.2%	0.3%	0%	1%	NA	NA
Grade 3	0.3%	4%	10%	20%	10%	17%
Grade 4	15%	31%	13%	25%	29%	27%
Grade 5	17%	11%	3%	16%	19%	10%
Grade 6	12%	16%	26%	11%	11%	6%
Grade 7	54%	10%	49%	15%	30%	8%

Notes: (i) NA indicates not applicable because there are no workers on that grade for the factory. Note that grades 1 and 2 are only used for a few specific occupations and these occupations do not exist at all study workplaces. (ii) All daily rate, piece rate, and contract workers have a grade and all of these workers are included in the figures, as are the small number of monthly rate workers at each factory that have a grade. Ungraded monthly rate workers include workers with a broad range of skill levels up to the highest level of management.

Source: Payroll data. Calculations by the authors.

Table 14. Distribution of women and men workers by grade at the study farm and packhouse in Morocco (%, February 2022)

Grade	Farm A		Packhouse B	
(17 is highest grade)	% of women with grade	% of men with grade	% of women with grade	% of men with grade
Grade 14-17	0%	2%	0.4%	3%
Grade 12-13	2%	0.4%	0.4%	18%
Grade 10	2%	1%	1%	11%
Grade 9	0%	1%	0.4%	3%
Grade 8	0%	1%	0%	12%
Grade 7	95%	95%	98%	52%

Source: Payroll data. Calculations by the authors.

7.1.1 Gender differences in wages due to women and men being paid differently for the same work

To see if there is unequal pay for equal work, we explored average base wages for women and men doing the same types of work. In garment factories in Turkey and Bangladesh and at the farm in Morocco, we found women frequently earn less than men doing the same

type of work (see Figure 24 in Annex A1 for examples). This is usually because women do somewhat less skilled work than men in the same occupational group. For example, among sewing machine operators, men may operate a greater variety of sewing machines than women and therefore be paid more, and among farmworkers, women may just do basic cultivation tasks while men do additional work such as driving tractors. Similarly, in Colombia, women packhouse workers earn less than men packhouse workers and this is because men packhouse workers sometimes also do cultivation tasks, which are considered more skilled and therefore better paid. It is different for the factories in Thailand, as for some occupations average pay for women is higher than average pay for men, and for other occupations it is the reverse.

Overall, there is no concrete evidence of unequal pay for equal work at any of the study workplaces. The possible exception is Bangladesh, where interviewees suggested that men may be able to earn more than women doing the same work by negotiating a higher base wage or by switching factories for higher pay, especially when there are shortages of skilled labor. This is supported by our finding that between 78% and 87% of women earn the statutory minimum wage for their grade (taking into account mandated increments for each year of service) compared to between 72% and 73% of men (see Table 21 in Annex A1), as well as higher turnover rates for men than for women.

It is possible that there is sometimes unequal pay for work of equal value.[52] For example, at one factory in Turkey, pay for cutting and ironing, which are both dominated by men, is higher than pay for sewing, which is dominated by women, but at the other two factories these occupations are paid equally, or sewing is slightly higher paid. This suggests that at the first factory, occupations dominated by men may be valued more highly than occupations dominated by women, even if they involve similar levels of skills, effort, and responsibility. To confirm this would require an in-depth, gender-neutral evaluation of all occupations on a like-for-like basis, which was beyond the scope of this research.

7.1.2 Gender differences in wages due to women and men doing different types of work

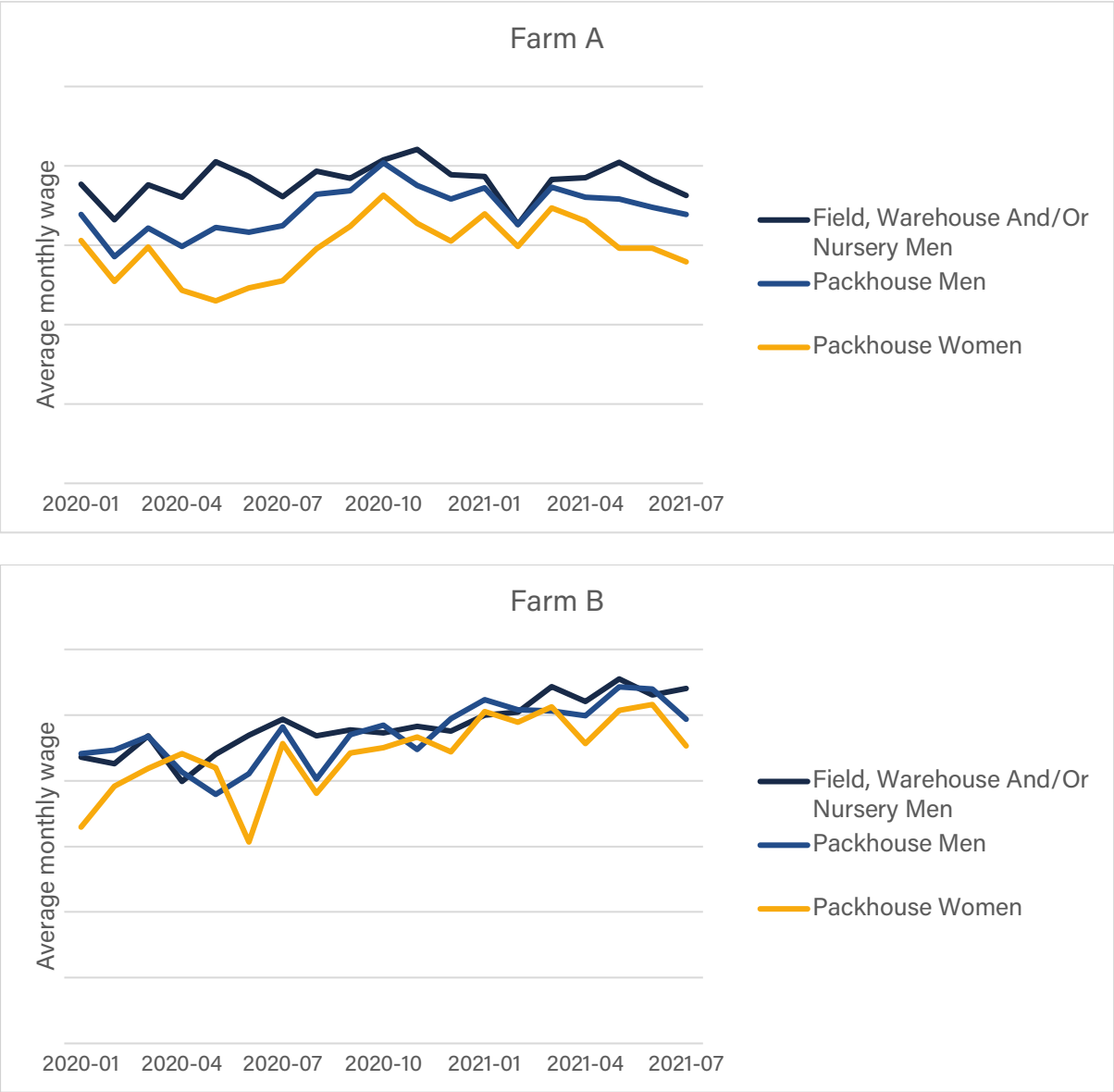
To see whether gender pay gaps are caused by occupational gender segregation, we compared average base wages for occupations dominated by women with average base wages for occupations dominated by men. For the garment factories, we found consistently higher wages for men-dominated occupations in Turkey and Bangladesh (see Table 22 in

[52] The right to equal pay for work of equal value means that workers should be paid the same when they do work that is not the same but can be shown to be of equal value, when evaluated using objective criteria such as skills and qualifications required, working conditions, level of effort, and level of responsibility. This is different from the right to equal pay for equal work, which means workers should be paid the same when they do the same or similar work. Both are established human rights under ILO Equal Remuneration Convention (100).

Annex A1). We also found this for one of the factories in Thailand, but at this factory there are only 3 small men-dominated occupations and these account for less than 1% of the workforce.

For the Colombia banana farms, we compared average base wages for field-related workers, who are all men, with packhouse workers, who are men and women, and found field-related workers earn the most, followed by men packhouse workers (Figure 11). Similarly, at the fresh produce farm and packhouse in Morocco, we found women are more concentrated than men in the lowest paying occupations (general workers, farm workers, and packers), especially at the packhouse where 98% of women are in these occupations compared to only 52% of men (see Table 23 in Annex A1).

Figure 11. Mean base wage for field-related workers and packhouse workers at study banana farms in Colombia, by gender (10% trimmed mean, January 2020 to July 2021)



Source: Payroll data. Calculations by the authors.

7.1.3 Conclusion for types of work performed

We conclude from this analysis that occupational gender segregation is an important determinant of gender pay gaps in all countries except Thailand. Although in Thailand women and men often do different types of work, the occupations typically done by men are not better paid than the occupations typically done by women.

7.2 Gender differences in wages due to types of employment relationships and contracts for women and men

BOX 8. RATIONALE FOR THE ANALYSIS: Gender pay gaps can arise if there is a tendency for women and men to have different types of contracts, such as when most permanent workers are men while women are concentrated in informal, irregular and/or short-term work. This can happen if there is a perception that men are the primary "breadwinners" and women only secondary earners in households, even when this is not factually correct, and as a result, men are given priority for permanent, formal jobs. It can also be a result of women being channeled into seasonal contracts because they are deemed better at the type of work involved (such as picking and packing crops), while men are deemed to be better qualified for, or perceived to be better suited to, roles that involve year-round work, such as management and technical positions.

See Annex A2 for detailed findings for gender differences in wages due to types of employment relationships and contracts for women and men

All workers at the 12 pilot study workplaces are formally employed and registered for social security. As noted earlier, at many of the study workplaces, employment has become more formalized over time, largely due to pressure from buying companies and standards organizations to comply with labor laws. This is an important change, as it provides workers with job security and legal entitlements such as paid leave, health insurance, severance pay, and pensions. According to information gathered from published materials and key informants in each country, this is often not the case for garment workers in Turkey and Thailand[53], and seasonal agricultural workers in Morocco, indicating that some study workplaces may better than is typical in this regard.

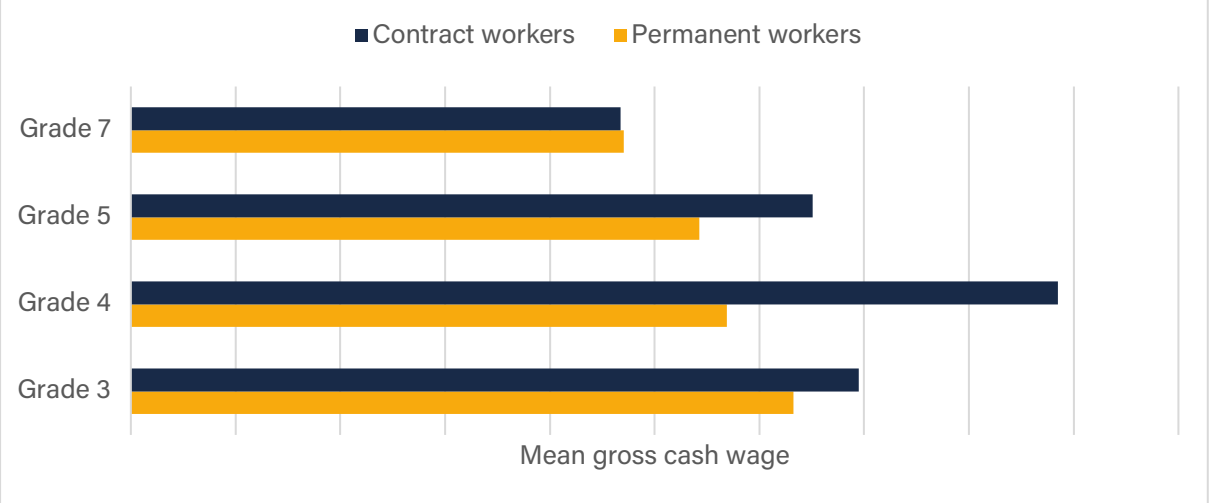
Most workers at the 12 workplaces have permanent contracts for work throughout the year. The exceptions to this are a group of contract workers at one garment factory in Bangladesh, workers on special-shift and fixed term contracts at the banana farms in Colombia, and workers on seasonal and fixed term contracts at the fresh produce farm and packhouse in Morocco. For these workplaces, we calculated average wages for workers

[53]For Thailand, this relates to migrant workers, specifically.

with different types of contracts and then looked at the proportion of women and men on different types of contracts to see whether this is a cause of gender pay gaps.

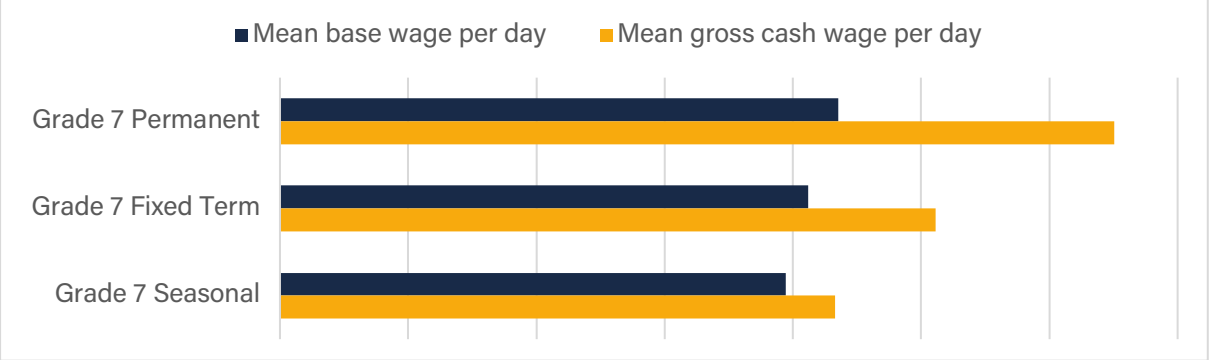
For the factory in Bangladesh, we found higher gross cash wages for contract workers than for daily rate workers, even when they are on the same grade (Figure 12). As contract workers are mostly men, this contributes to gender pay gaps. Similarly, in Morocco, seasonal workers earn a lower gross cash wage per day than fixed term workers and permanent workers, including when they are on the same grade (Figure 13), and because women are mostly seasonal workers, this contributes to gender pay gaps. However, at the farms in Colombia, there is no substantive difference in wages for workers on different types of contracts (Figure 14), although it should be noted that we only have disaggregated data for special shift workers for one of the farms and do not know if this is also true for the other farm.

Figure 12. Mean gross cash wage per month by type of contract and grade at Factory B, Bangladesh (January 2020 to October 2021)



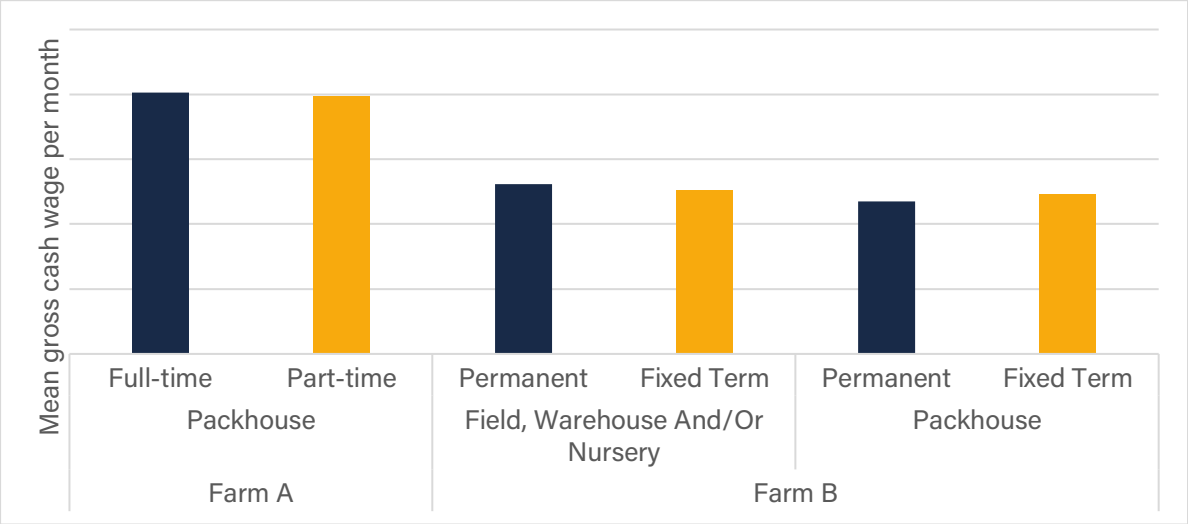
Source: Payroll data. Calculations by the authors.

Figure 13. Mean base wage per day and mean gross cash wage per day by type of contract for grade 7 workers at Farm A, Morocco (March 2022 to February 2023)



Source: Payroll data. Calculations by the authors.

Figure 14, Mean gross cash wage per month by type of contract and occupational group at Farm A and Farm B, Colombia (10% trimmed mean, January 2021 to July/September 2021)



Source: Payroll data. Calculations by the authors.

7.2.1 Conclusion for types of employment relationships and contracts

We conclude that gender differences in types of contracts is a direct determinant of gender pay gaps for one garment factory in Bangladesh and for the fresh produce farm and packhouse in Morocco, but not for the two banana farms in Colombia or for the garment factories in Turkey and Thailand, where all workers are on full-time permanent contracts. In Bangladesh, Colombia, and Morocco, type of contract is partially determined by occupation. In Bangladesh and Morocco, type of contract affects access to additional wage payments, and in Bangladesh, it also affects how workers are paid, as explored in the next section.

7.3 Gender differences in wages due to forms of pay and access to additional wage payments for women and men

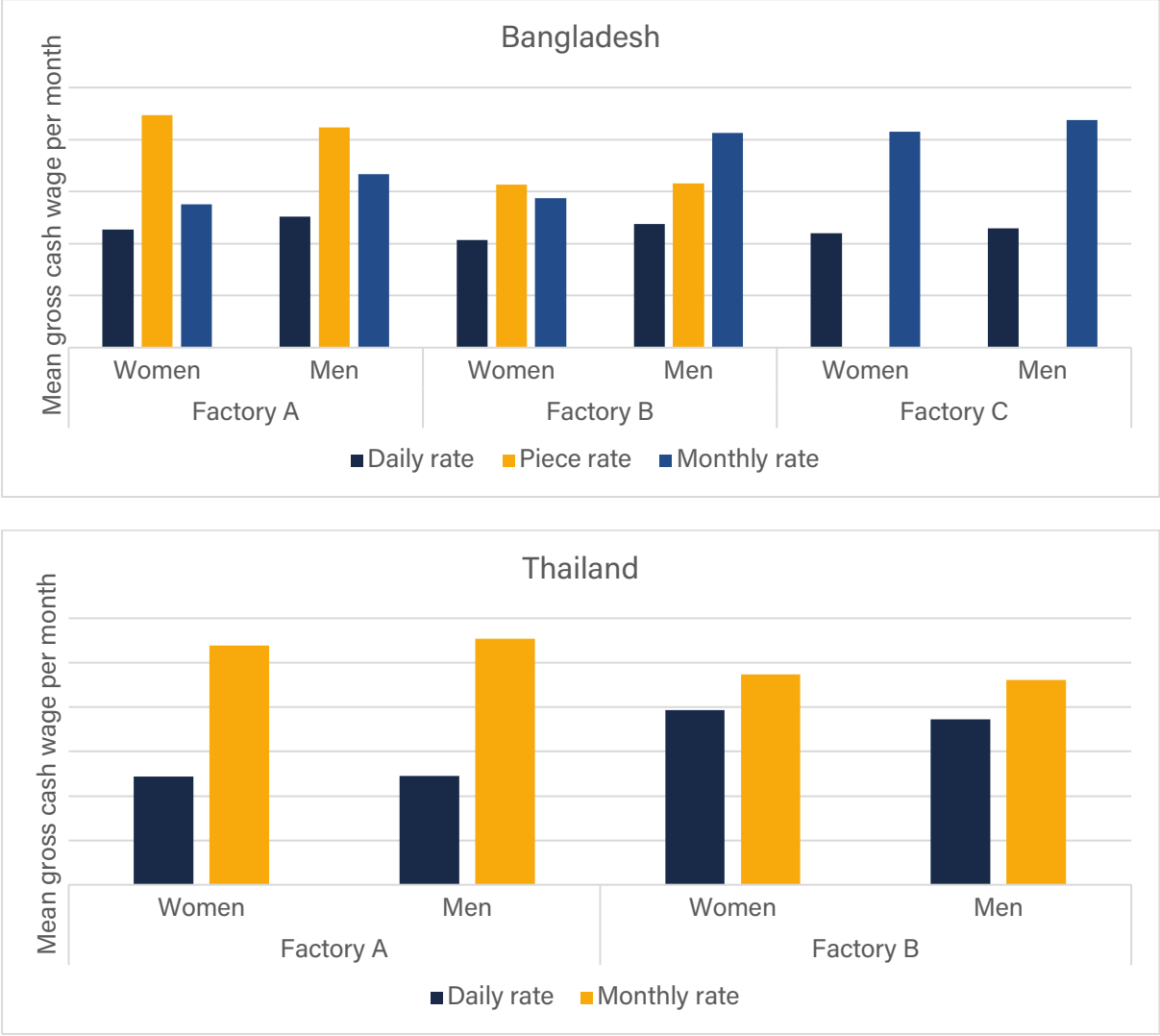
BOX 9. RATIONALE FOR ANALYSIS: Gender pay gaps are sometimes caused by gender differences in how women and men are paid and their access to additional payments and benefits that constitute part of wages, such as overtime pay, production bonuses, and benefits in kind. These differences are often associated with women and men having different types of contracts and/or doing different types of work. They may also be caused by discriminatory employment policies and practices, such as men being given larger bonuses than women because they are perceived to perform better, even if there is no objective evidence for this.

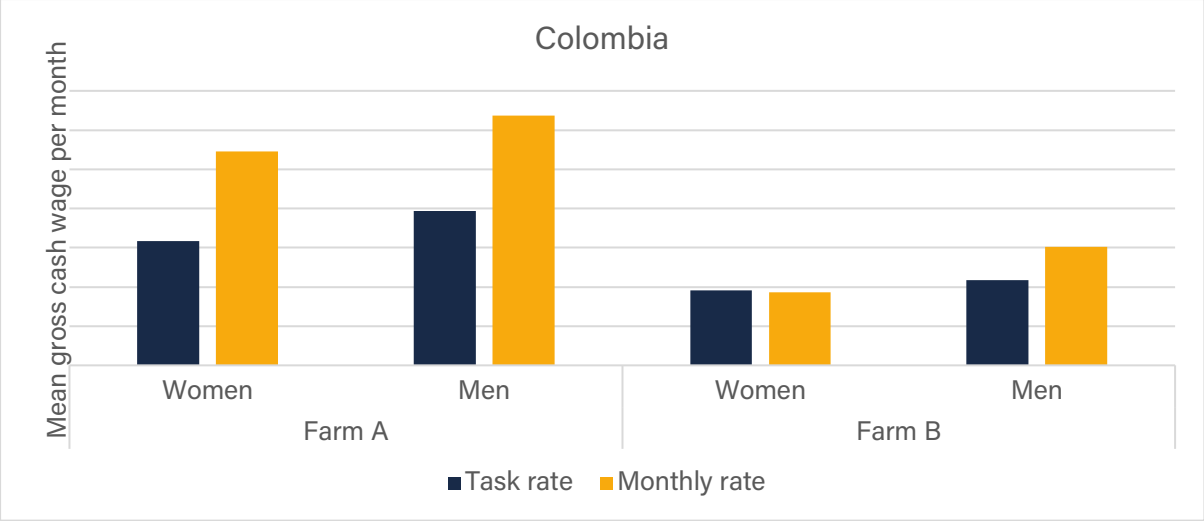
See Annex A3 for detailed findings for gender differences in wages due to forms of pay and access to additional wage payments for women and men

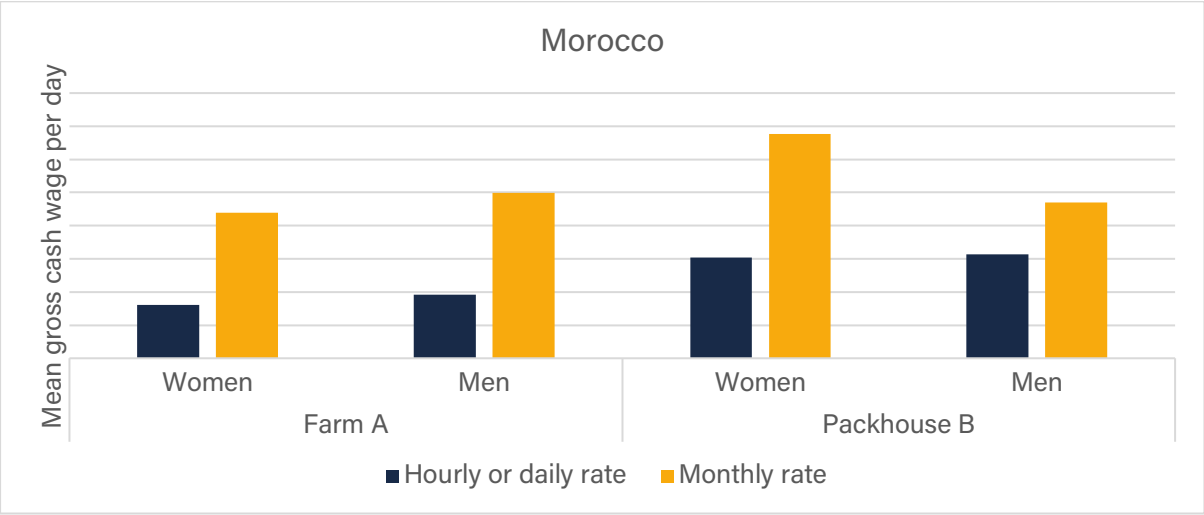
7.3.1 Gender differences in wages due to forms of pay

We compared average gross cash wages for workers with different forms of pay and found that monthly rate workers earn more than daily rate or hourly rate workers in Bangladesh, Thailand, and Morocco, although the average gross cash wage for piece rate workers is higher than that of monthly rate workers in Bangladesh (Figure 15). In Colombia, monthly rate workers usually earn more than task rate workers, but at one farm, the average wage for women monthly rate workers (who are few in number) is lower than that of women and men task rate workers. Depending on the proportion of women and men with each form of pay, this either increases gender pay gaps (Bangladesh and Morocco) or decreases gender pay gaps (Thailand and one farm in Colombia).

Figure 15. Mean gross cash wage by gender and form of pay at study workplaces in Bangladesh, Thailand, Colombia, and Morocco (mean for study period in Bangladesh, Thailand, and Morocco, and 10% trimmed mean for 2020 in Colombia)







Source: Payroll data. Calculations by the authors.

7.3.2 Gender differences in wages due to access to additional payments

We also explored women's and men's access to additional payments on top of base wages. We found considerable variation between countries in the types of additional pay available to workers and whether women or men are more likely to receive these payments.

- **Garments:** In Turkey, women receive more in overtime pay than men, on average, because they are more likely to be in a job that involves a lot of overtime and/or premiums for overtime hours. But there are no gender differences in access to Eid bonuses or in-kind benefits (meals and transport) at any of the factories. In Bangladesh, women are more likely than men to receive overtime pay and bonuses for attendance and Eid because these payments are often not received by monthly rate workers and contract workers, who are mostly men. In Thailand, men at one factory earn slightly more overtime pay than women because they are more likely to be in a job that involves a lot of overtime, but this is more than offset by women earning more than men in performance-related and attendance bonuses. At the

other factory, there are no substantive gender differences in overtime pay or cash allowances and bonuses.

- **Agrifood:** In Morocco, men are more likely than women to receive various cash allowances and bonuses because these payments are more often received by permanent workers and fixed term workers than by seasonal workers, and women are disproportionately likely to be seasonal workers. In Colombia, women daily rate workers earn more in cash allowances and bonuses than men at one farm, but at the other farm it is the reverse.

7.3.3 Conclusion for forms of pay and access to additional payments

We conclude that gender differences in forms of pay and/or access to additional wage payments is a direct determinant of gender pay gaps in gross cash wages at all study workplaces – but with considerable differences across countries in this effect. Women's and men's access to additional payments often varies according to the type of payment, and so the net impact on the size of gender pay gaps can be small. The form of pay and access to additional payments are partly determined by a worker's occupation and type of contract, as well as the amount of time worked. We are unable to say whether other factors are also involved, such as gender biases in the payment of performance-related bonuses.

7.4 Gender differences in wages due to amount of time worked by women and men

BOX 10. RATIONALE FOR THE ANALYSIS: In most countries, women do fewer hours of paid work per day and fewer days of paid work per month than men, on average, and this can be one of the main causes of gender pay gaps. These differences are often a result of societal expectations that women should do the bulk of unpaid care work in the home, including looking after children and cooking and cleaning. This is often exacerbated by inadequate State and employer support for workers with family responsibilities. This can lead some women to work part-time or do less overtime or take more time off than men to balance paid work and unpaid work responsibilities. Men are also sometimes given more opportunities to work full-time or extra hours on the assumption that they are the main earners in their households. Gender differences in the amount of time worked can also arise when women are more likely than men to be employed as seasonal workers or fixed term workers, because these types of workers typically do not work all year round and may not have a guaranteed number of days of work each week.

See Annex A4 for detailed findings for gender differences in wages due to amount of time worked by women and men

7.4.1 Gender differences in wages due to number of days worked per month or per year

We compared the number of days women and men are paid for each month or the number of days of paid and unpaid leave they take, depending on the available data for each workplace. We were not able to do this analysis for Morocco because we did not have information on the number of days worked per month or the amount of paid and unpaid leave taken by workers at the farm and packhouse in Morocco.

Overall, we found only small differences in the average number of days worked by women and men across the 10 study workplaces in Turkey, Bangladesh, Thailand, and Colombia (Table 15). For Bangladesh and Thailand, women tend to work slightly more days per month and take less paid and unpaid leave than men, which somewhat reduces gender pay gaps in gross cash wages, while for Turkey and Colombia, men tend to work slightly more days and take less leave than women, which somewhat increases gender pay gaps in gross cash wages.

Table 15. Number of paid days or number of worked days and/or days of paid and unpaid leave taken by women and men at study workplaces in Turkey, Bangladesh, Thailand, and Colombia (mean for relevant study period[54])

	Mean number of days for women	Mean number of days for men
Turkey (All workers)	24.9 to 27.6 paid days per month [a]	25.6 to 27.7 paid days per month [a]
Bangladesh (All workers)	0.12 to 0.21 paid leave days per month 0.75 to 0.99 unpaid leave days per month	0.27 to 0.38 paid leave days per month 0.74 to 1.10 unpaid leave days per month
Thailand (Daily rate workers only)	Factory A: 0.49/0.60 paid leave days per month for Burmese/Thai workers Factory A: 0.14/0.19 unpaid leave days per month for Burmese/Thai workers Factory B: 24.1/23.9 worked days per month for Burmese/Thai workers	Factory A: 0.59/0.81 paid leave days per month for Burmese/Thai workers Factory A: 0.27/0.50 unpaid leave days per month for Burmese/Thai workers Factory B: 24.1/22.8 worked days per month for Burmese/Thai workers
Colombia (Task rate workers only)	Farm A: 25.2/24.2 paid days per month for permanent/special shift workers [a] Farm B: 21.6/24.4 paid days per month for permanent/fixed term workers [a]	Farm A: 25.3/25.1 paid days per month for permanent/special shift workers [a] Farm B: 24.1/24.0 paid days per month for permanent/fixed term workers [a]

Notes: [a] The number of paid days per month includes pay for days worked, public holidays, and paid leave days. [b] Morocco is not included in this table because we did not have data for the number of paid days or paid and unpaid leave days per month in Morocco.

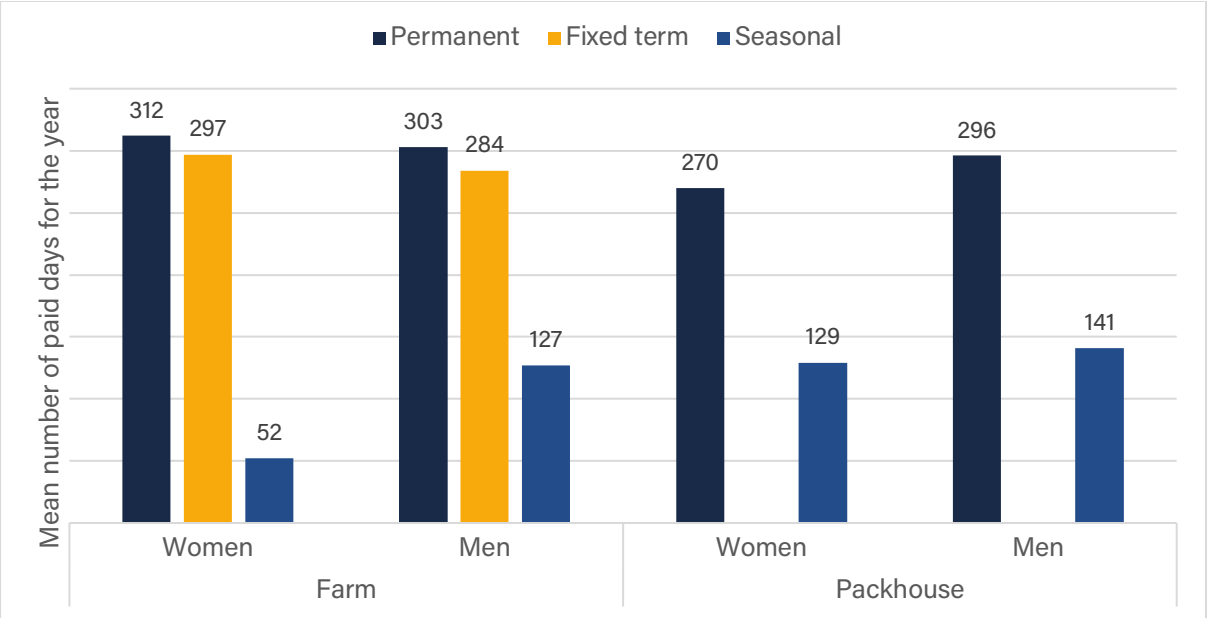
Source: Payroll data. Calculations by the authors.

For Morocco, we analyzed the total number of paid days for women and men during the year studied (Figure 16). One average, women worked far fewer days than men, which

[54] For Colombia, we used 10% trimmed means due to the small number of women workers.

results in a large gender pay gap for gross cash wage for the year at both workplaces. This is mostly because women are more likely to be seasonal workers than men, but even among seasonal workers, women work fewer days than men. However, among fixed term and permanent workers, women tend to work slightly more days per year than men, which somewhat reduces the size of gender pay gaps for annual earnings.

Figure 16. Mean number of paid days for the year at the study farm and packhouse in Morocco, by type of contract and gender (March 2022 to February 2023)

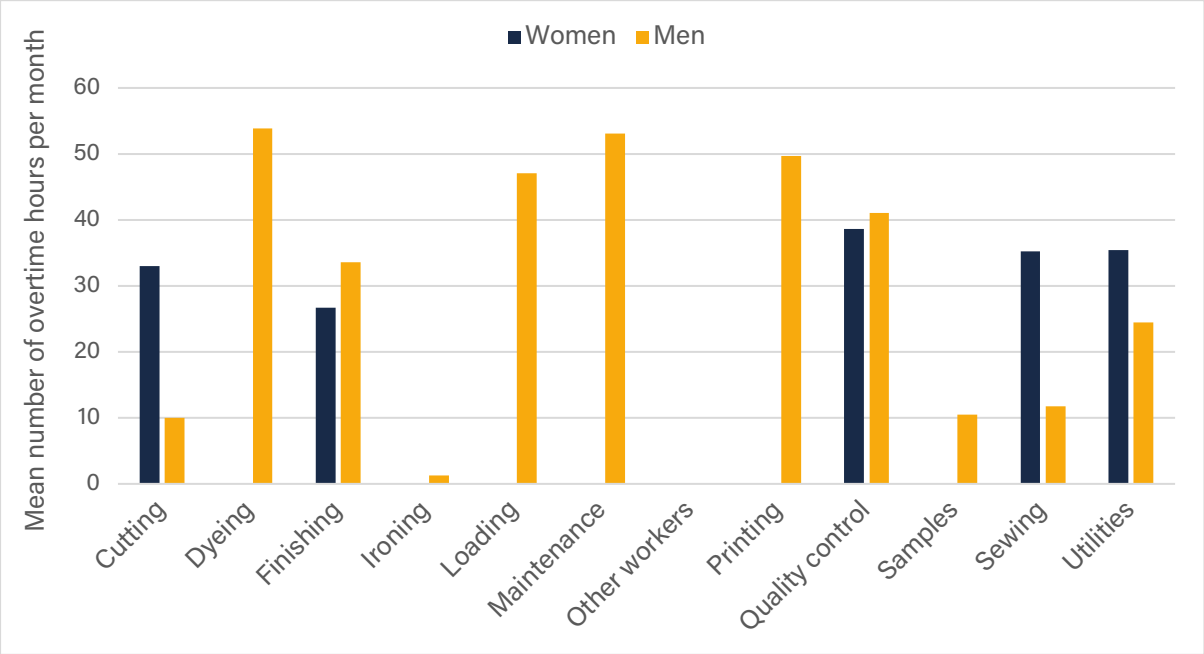


Source: Payroll data. Calculations by the authors.

7.4.2 Gender differences in wages due to number of hours of overtime worked

We also looked at gender differences in the amount of overtime worked. For all workplaces in Turkey and one factory in Thailand, women work more overtime than men, but for all workplaces in Bangladesh and Colombia, and the other factory in Thailand, men work more overtime than women. We do not have information on time worked in Morocco. In all countries, gender differences in the amount of overtime worked are often associated with occupational gender segregation rather than differences in women's and men's availability for paid work, as some occupations involve more overtime than others. Figure 17 provides an example of this from one of the factories in Bangladesh, where, on average, men do more overtime than women, but for some occupational groups, women do more overtime than men.

Figure 17. Mean number of overtime hours per month, by occupational group and gender at Factory B, Bangladesh (January 2020 to October 2021)



Source: Payroll data. Calculations by the authors.

7.4.3 Conclusion for amount of time worked

We conclude that gender differences in time worked is a direct determinant of gender pay gaps in all countries, although for most study workplaces, the average amount of time worked by women and men per month is similar. For the agrifood sector studies in Colombia and Morocco, gender differences in time worked contribute to gender pay gaps in favor of men, but for the other studies countries for the garment sector, there are mixed effects as women may work more/ fewer days per month than men, but this is often counterbalanced by women working fewer/ more overtime hours than men. For Colombia and Morocco, differences in the number of days worked per month or per year by women and men are partly linked to the types of contracts women and men have, and in all countries, gender differences in the amount of overtime worked are linked to occupational gender segregation.

BOX 11. WHO LOOKS AFTER WORKERS' CHILDREN WHEN THEY ARE AT WORK?

At all pilot study workplaces, workers work full days and sometimes do a lot of overtime. This raises the question of who is caring for workers' children when they are at work. Most workers reported that their children are cared for by grandparents or other relatives, either in the area where they reside or in their hometowns and villages (the latter being more common in Bangladesh and Thailand). In some cases, children are cared for by private childcare providers (a neighbor or a more formal service), but this can be expensive and is usually only done if workers have no relatives who can provide childcare. In Bangladesh and Turkey,

employers over a certain size are required to provide free childcare services, In Bangladesh, only one factory had this service running at the time of the study; the other two factories had closed their childcare centers during the pandemic and had yet to reopen them. Nevertheless, all factories said that these childcare services are rarely used by workers. In Turkey, one factory pays for workers to use a third-party childcare service, but again, uptake of this service is rare. The other two factories did not meet the size threshold or had only recently crossed the threshold at the time of the study.

Interviewed workers that use factory-provided or other private childcare services all said they are happy with the services provided, although the high cost relative to salaries is an issue (except when employers are covering this cost). Some workers with children living elsewhere said they would opt to use a childcare service locally if it was free or more affordable. This is particularly true for Burmese workers in Thailand, as it is difficult for them to visit their children regularly – a situation made worse by the pandemic and the military coup in 2021. However, many also said that they would have to provide financial support for relatives even if their children were not being cared for by them, and they would not be able to afford to pay for childcare on top of this. Others pointed out that they need to work long hours including overtime to earn enough to cover household needs; as such, they would not be able to spend time with their children, even if they did live with them. This demonstrates the importance of ensuring workers earn a living wage during regular working hours.

7.5 Gender differences in wages due to age and experience, education, and migrant status of women and men

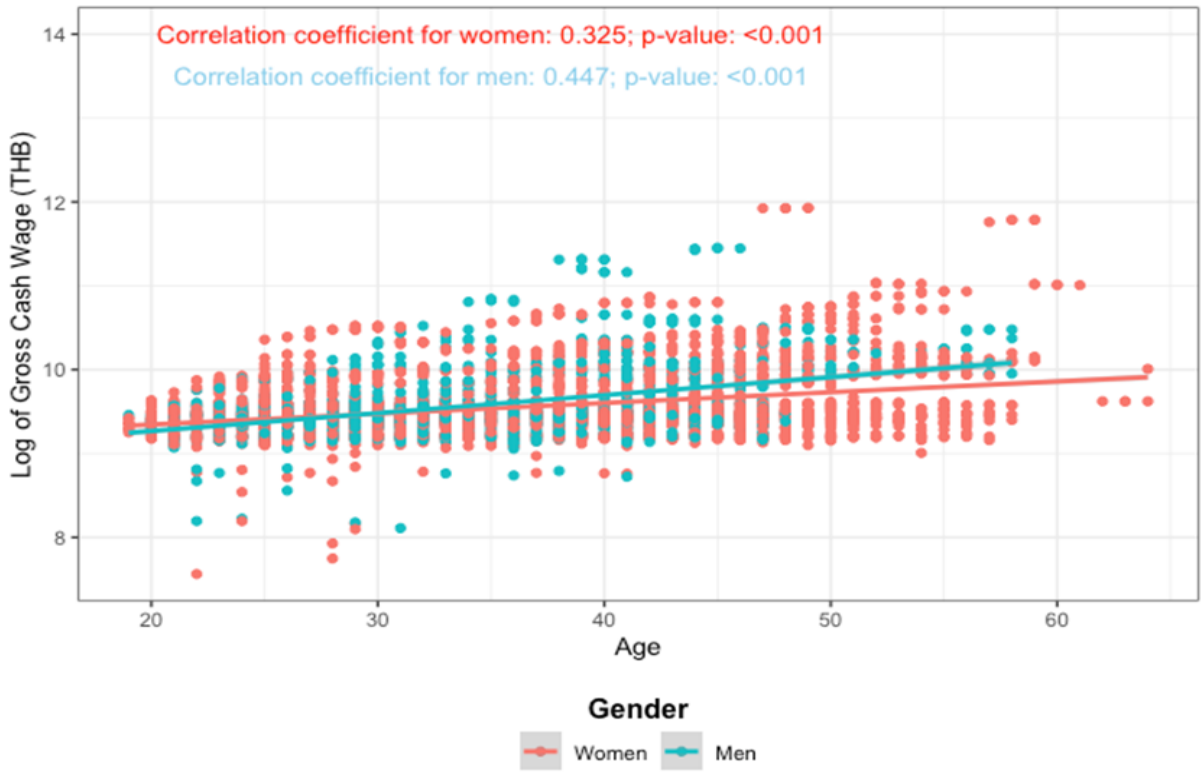
BOX 12. RATIONALE FOR THE ANALYSIS: Wages are often linked to workers' personal characteristics, such as their age, education, skills, and years of experience. In general, wages are expected to increase with age and experience, but for women, wages often stagnate or go down after having children, while wages for men continue to increase. This mostly happens when women switch to more flexible jobs or do fewer hours of paid work after having children, but it can also be because women with family responsibilities are discriminated against during recruitment, training, promotion, and dismissal. Women sometimes also have less education than men, especially in low-income countries, due to priority being given to the education of boys, girls dropping out of school due to teenage pregnancy or child marriage, or other reasons. This may limit women's access to higher-paid jobs. The nationality and migrant status of workers can also affect their wage levels if migrant workers have fewer rights and entitlements than non-migrants or are discriminated against by employers.

See Annex A5 for detailed findings for gender differences in wages due to age and experience, education, and migrant status of women and men

7.5.1 Gender differences in wages due to age and experience

We used age as a proxy for experience and examined the relationship between age and wages for women and men. For most workplaces, we found either no correlation or only a weak correlation between age and wages for both women and men. Although for some workplaces men's wages increase slightly with age while women's wages do not change, for most of these workplaces there are not enough women in higher-paying positions to draw firm conclusions. For the factories in Thailand, the relationship between age and wages is somewhat stronger but with no substantive difference in the strength of the relationship for women and men. Figure 18 provides an example of this analysis for one of the factories in Thailand.

Figure 18. Distribution of gross cash wage by age and gender at Factory A in Thailand (January 2022)



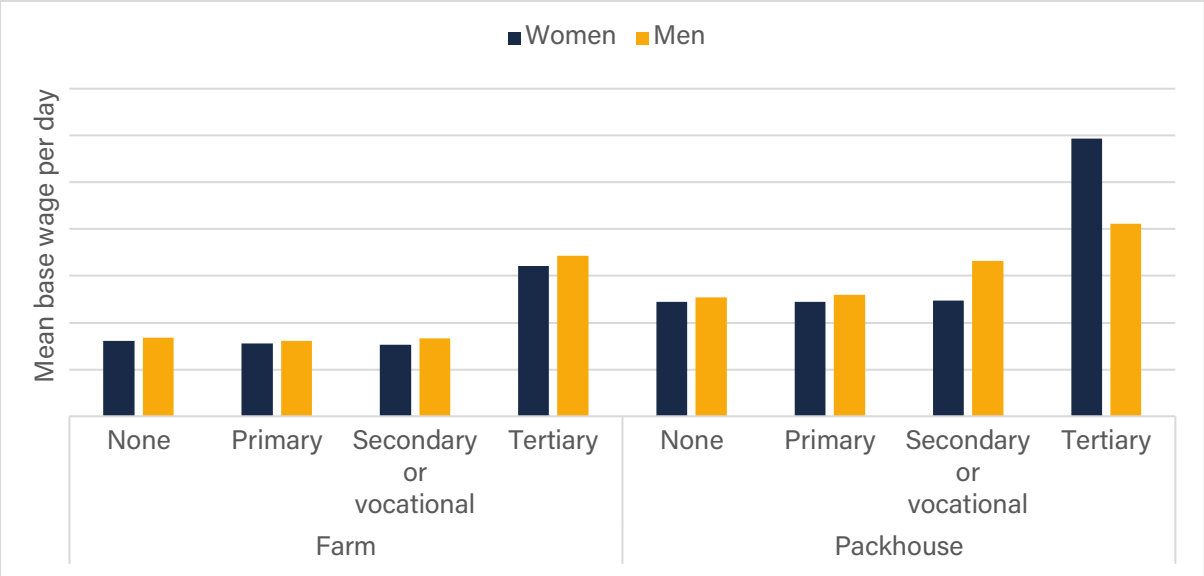
Source: Payroll data. Calculations by the authors.

7.5.2 Gender differences in wages due to educational attainment

We were only able to assess the influence of education on wages for one country, Morocco, as for the other countries we did not have individualized information on educational attainment. For the farm in Morocco, wages do not increase with education until the tertiary education level, and since there are equal proportions of women and men with tertiary education, this is not a determinant of gender pay gaps (Figure 19). At the packhouse, wages increase at a lower level of education and men have higher educational attainment

than women, on average, which could help explain the gender pay gap. However, women's wages do not increase with education as much as men's wages, which suggests that other factors are more important as determinants of the gender pay gap at the packhouse.

Figure 19. Mean base wage per day, by educational attainment level and gender at the farm and packhouse in Morocco (March 2022 to February 2023)

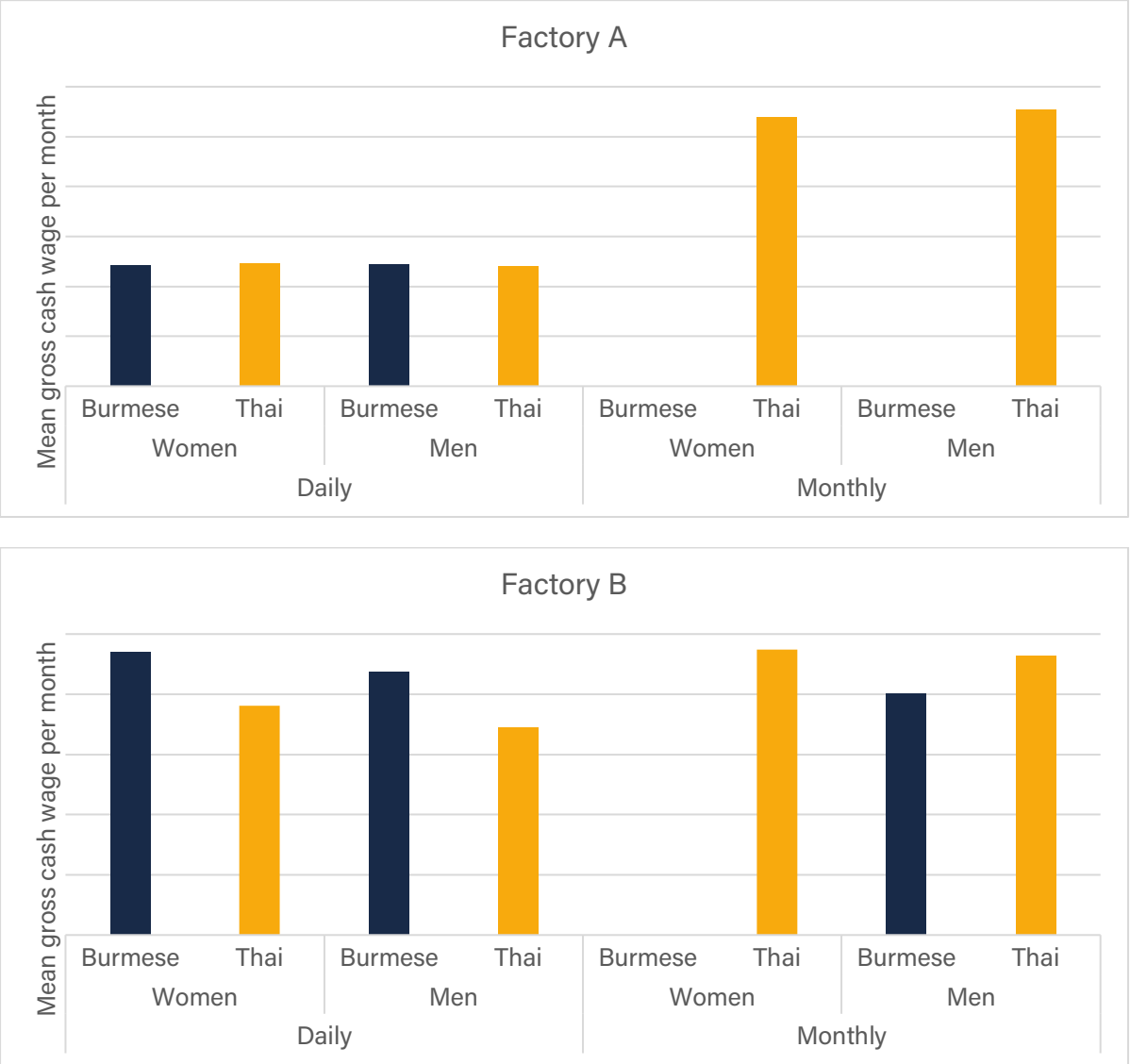


Source: Payroll data. Calculations by the authors.

7.5.3 Gender differences in wages due to migrant status

For Thailand, we explored the effect of international migrant status on wages. For factory A, there is no substantive difference between gross cash wages for migrant daily workers (Burmese) and non-migrant daily workers (Thai) (Figure 20). There are no Burmese monthly workers at this factory. At factory B, Burmese daily rate workers generally earn a higher gross cash wage than Thai daily rate workers, especially Thai men. This is because Burmese women and men and Thai women earn more than Thai men in performance-based bonuses and attendance bonuses. For monthly rate workers, Thai workers earn more than Burmese workers, but this is because there are very few Burmese monthly workers and they are in junior roles. There is no independent effect of migrant status on gender pay gaps.

Figure 20. Mean gross cash wage per month by nationality and gender at the pilot study factories in Thailand (January 2020 to January 2022)



Source: Payroll data. Calculations by the authors.

7.5.4 Conclusions for age and experience, education, and migrant status

Overall, we do not have conclusive evidence that gender differences in personal characteristics such as age and experience, educational attainment, or migrant status are direct determinants of gender pay gaps at the study workplaces. However, we only have information on educational attainment for one country, from which it is not possible to reach wider conclusions across countries.

PART VI. INDIRECT DETERMINANTS OF GENDER PAY GAPS AT PILOT STUDY WORKPLACES

Part VI is concerned with the indirect determinants of gender pay gaps. These are the underlying socio-economic norms and reasons for gender pay gaps and gender inequality in society and the economy. These also include the political and economic labor market contexts such as laws and union representation.

8. INDIRECT DETERMINANTS OF GENDER PAY GAPS AT PILOT STUDY WORKPLACES

BOX 13. SUMMARY OF FINDINGS

There is considerable diversity in the indirect determinants of the gender pay gap at each workplace, but discriminatory norms and gender stereotypes regarding the types of work women and men do are a common factor. These affect the management and workplace culture, limit the range of occupations that women have access to, and reinforce men's dominance of leadership positions. **This is exacerbated by a lack of formal and transparent systems for recruitment, training, remuneration, and/or promotion** at some workplaces, the **lack of structured approaches to ensure equal opportunities** for women and men, and **weaknesses in worker representation and grievance mechanisms.**

Discriminatory norms and gender stereotypes vary across and sometimes also within countries, including norms around unpaid care work and gender-based violence that often constrain women's economic opportunities. Wages at the study workplaces are also influenced by local labor market conditions. **We sometimes found wider gender pay gaps in locations where there is more competition for labor and/or greater diversity in wages across the workforce**. This means that study workplaces with relatively high wages (including the unionized banana farm in Colombia) sometimes have larger gender pay gaps than study workplaces where most workers earn the statutory minimum wage, or close to it.

The nature of legal and policy frameworks for employment and gender equality can also play a role in determining the size of gender pay gaps. For study workplaces, this is most evident in relation to maternity pay, which is paid at a lower rate than women would earn during regular working days.

Gender pay gaps are also influenced by production dynamics, global economic factors, and buyers' purchasing practices, due to associated effects on working time and

company performance. **This means that gender pay gaps often vary in size over the year and from year to year**. There are signs that tension between buyers' purchasing practices and their requirements for socially and environmentally responsible production are starting to be addressed, as well as indications that **standards and auditing for decent work and other human rights initiatives have resulted in some positive change** at some of the study workplaces. In time, this may help to reduce and eliminate gender pay gaps, where they exist.

8.1 Indirect determinants of gender pay gaps at the workplace or sector level

In this part of the report, we explore the underlying socio-economic-political conditions which shape and affect the direct determinants of gender pay gap discussed and analyzed above. These indirect determinants of gender pay gaps are sometimes policies and practices that are specific to each workplace, but they may also be common features of the sector more generally. Indirect determinants are often at the level of society or the national economy or can be associated with global markets and supply chain dynamics. Taking this broad approach enables a more holistic understanding of gender pay gaps and recognizes that gender differences in wages are not caused by the actions of employers alone.

We first explore indirect determinants at the workplace or sector level using information provided by management and workers at study workplaces. We then explore indirect determinants at societal and global levels by also drawing on our interviews with stakeholder organizations and experts and a desk review of published materials and data on employment, wages, and gender in each of the five countries. The overall results of this analysis are summarized in Table 16.

Table 16. Summary of indirect determinants of gender pay gaps at pilot study workplaces

Workplace or sector level	Society or economy level	Global or supply chain level
• Management and workplace culture and gender biases • Lack of formal and transparent systems for recruitment, training, remuneration, and/or promotion • Lack of structured approach to ensure equal opportunities • Weaknesses in worker representation and grievance mechanisms	• Localized, discriminatory norms and gender stereotypes • Influence of minimum wages and local economic conditions on wages • Legal and policy frameworks for employment and gender equality	• Global supply and demand dynamics and other macroeconomic factors • Buyers' purchasing practices and level of commitment to responsible business practices • Global human rights and sustainable development initiatives and regulations

Source: Interviews with workers, managers, and other stakeholder organizations and experts in study countries.

8.1.1 Management and workplace culture and gender biases

All study workplaces are seen by both women and men workers as good places to work, relative to other factories, farms, and packhouses that they know of. Depending on the workplace, workers in the study factories, farms, and packhouses mentioned positive aspects such as:

- Formal employment and access to social security benefits, including for migrant workers;
- Higher pay than elsewhere and/or access to benefits such as free company transport and private medical insurance;
- Correct, transparent, and on time payment of wages;
- Equal treatment for all workers and prohibition of harsh treatment and sexual harassment;
- Being able to take time off for family emergencies, as and when necessary.

At several workplaces, women workers referred to the difference it makes having one or more women at the senior management level because these women understand their problems and act as role models. Some workers said the working environment had improved as a result of training and awareness raising (often connected to interventions from buyers or sustainability standards) and others said that changes had occurred because of wider progress towards gender equality in society. For their part, senior

managers at the pilot study workplaces expressed commitment to gender equality and a good working environment, not least to retain workers and reduce worker turnover and absenteeism.[55]

Nevertheless, at most workplaces, managers, supervisors, and/or workers quite frequently expressed views that indicate unconscious gender biases or discriminatory attitudes. This was most evident when interviewees were asked why certain types of work are done mostly or exclusively by women or by men. A common reason given was that men are seen as physically stronger than women, which results in men dominating jobs that require a lot of physical strength, such as loading heavy boxes onto trucks or moving large rolls of fabric around or transporting heavy trusses of bananas from field to packhouse. A lack of women with appropriate training and skills, particularly for jobs like maintenance and driving that are traditionally done by men, was also cited as a reason for occupational gender segregation. But often the reasons given reflect views and assumptions about women's and men's capabilities and preferences which were contradicted by other managers or workers and by examples of women or men doing the jobs in question at other workplaces. For instance:

- In Turkey and Bangladesh, some workers (especially men) said cutting and ironing are too physically demanding and involve too much risk for women, but other workers (especially women) disagreed and at several garment factories, there are at least some women doing these jobs which shows that women can do this work.

- In Bangladesh, some men mentioned the need for accuracy to prevent fabric being wasted as a reason why women could not do cutting, and in Morocco, some men did not think women would be able to do complex tasks like managing irrigation and pest management systems.

- At two factories in Bangladesh, women are excluded from occupations that involve night shifts (dyeing, knitting, printing, maintenance, security), partly because this requires the factories to take additional security measures but also because it is assumed that women or their families would not want women to work at night. However, at the other factory in Bangladesh, there are significant numbers of women doing alternate day and night shifts and those who were interviewed all said they preferred this over working only during the day.

[55] Senior level commitment to gender equality among pilot study workplaces may have influenced the willingness of these workplaces to take part in the study, which would imply a possible selection bias - as noted in section 2 of this report.

- At the farm in Morocco, the need to drive tractors was given as a reason why there are few women doing cultivation work, but this is a skill that some women workers have already acquired from working on their families' farms.
- At the packhouse in Morocco and some garment factories in Bangladesh, women's 'soft hands' or 'carefulness' were given as the reason why packing is done by women, but in the packhouses in Colombia and at other garment factories in Bangladesh and elsewhere, both women and men do this type of work, demonstrating that this is a gender stereotype.
- In Bangladesh and Morocco, many (but not all) workers said men make better supervisors and managers for reasons such as being more intelligent, better at decision making, more able to control workers, or more patient than women – and generally accepted that men's dominance of management positions is the natural order of things. Being a supervisor or manager is considered stressful and some people said this puts women off doing this work. It was also pointed out that women may need the approval of their families to take on supervisory or management roles, and this is often not forthcoming. This type of view was also expressed at some workplaces in Turkey and Colombia, and one women supervisor in Turkey said she is sometimes confronted by men she manages because of her gender. However, these views were contested by other workers who said women can be just as good managers as men, as long as they have the right education, training, and mindset, and often gave examples of women doing this type of work successfully.

> *"It would be good to have women managers because they understand women's issues, but women think all decision-makers and managers are naturally men".*
>
> Women worker at packhouse in Morocco

Workers occasionally said that pressure to meet targets leads to undesirable behavior by supervisors and line managers, such as shouting or a reluctance to allow workers to leave if they are sick or need to take care of family matters. These behaviors, whilst not condoned by senior managers, when they occur may particularly affect women. A different issue raised by some managers or supervisors in Colombia and Morocco is conflict and arguments between women workers, which is perceived as a downside to hiring women.

In all countries except Thailand, albeit but not at all workplaces in each country, women prefer not to work in areas where there are no or few women. This can simply be because they want to be able to chat with other women, or it can be related to the atmosphere and language used in areas dominated by men, which can be off-putting for women, or concerns about sexual harassment (even though workers said this is prohibited and taken seriously by management if it is reported). Women are sometimes also concerned about

how they would be viewed by other people if they work in an area with few women, or they are prevented from doing so by their husbands or relatives. In Turkey, some women said concerns about sexual harassment particularly affect divorced women, because if a married woman is sexually harassed her husband will seek retribution against the abuser, while divorced women are often blamed by their families and others for causing the harassment.

Overall, it is clear that gender stereotypes and discriminatory norms and attitudes influence the management and workplace culture at many study workplaces. It is important to emphasize that discriminatory views are not universal across all managers and workers at any of the workplaces, and it is also important to recognize that these views are rooted in norms and beliefs in wider society – despite many examples that contradict these stereotypes.

8.1.2 Lack of formal and transparent systems for recruitment, training, remuneration, and promotion, and no structured approach to ensure equal opportunities

All workers at the pilot study workplaces are formally employed, which is not necessarily typical for the sectors and countries studied. This may help to limit gender pay gaps as formal employment provides workers with more secure income and access to various wage-related benefits – and men are often more likely to be formally employed than women.

Nevertheless, systems for recruitment, training, promotion, and pay rises vary between workplaces and at some workplaces they are more formal and transparent than others. Informality can open up opportunities for gender biases to affect decision making, especially in the absence of targeted policies and strategies to ensure equal opportunities for women and men. For example, in the garment factories in Bangladesh, workers may be promoted to higher grades based on performance and acquisition of new skills, and this is typically initiated by a worker asking their line manager to put them forward for a promotion. Since there are no formal performance evaluations, this increases the risk that gender biases (conscious and unconscious) and nepotism could influence which workers are promoted. Similarly, at the factory in Turkey with the largest gender pay gap, the factory manager has a relatively informal discussion with each worker each year to decide on pay rises. In contrast, at another garment factory in Turkey and at the two garment factories in Thailand, each worker's performance is formally evaluated periodically, and promotions and wage increases are decided based objective and transparent criteria to prevent bias.

During recruitment, occupational gender segregation is often reinforced by men and women applying for jobs in areas where they have experience and/or being assigned by human resources personnel to work in areas where men and women typically work. When a job involves some heavy lifting, these jobs tend to be automatically assigned to men rather than just delegating the heavy lifting parts of the job to men or especially strong

women. For instance, at one factory in Turkey, a manager said line managers in the sewing department are usually men because this job requires strength to move sewing machines around, without considering the possibility that this could easily be delegated to appropriate workers. Similarly, in Morocco, managers said one reason most farm workers are men is because part of this job involves lifting heavy containers of agrochemicals, but farm workers usually work in teams and if there were mixed teams, heavy lifting tasks could be assigned to men, if necessary. Almost all employers in the pilot studies lacked a structured approach to ensuring equal opportunities and countering gender stereotypes and biases in recruitment (where this is a problem). However, some study employers have taken steps to enable women to do jobs that are traditionally dominated by men, as described in Box 14.

Another reason why occupational gender segregation is reinforced and women often get stuck doing low skilled work is that there are few formal opportunities for workers to acquire new skills as part of their employment. Most training is on-the-job and if workers want to learn new skills, they either have to do this in their own time at their own expense, or they have to actively seek out opportunities to try different activities while at work. This can be easier for men than women because women are often busy with care work during evenings and weekends, and it is often more culturally acceptable for men to be assertive. Given this, in-house training centers at one factory in Bangladesh and one factory in Thailand provide good examples of structured approaches to enable (women) sewing machine operators to gain skills that allow them to earn higher wages. Likewise, in Colombia, the collective bargaining agreement between employers and trade unions includes various measures to increase women's participation in the banana industry, including training programs and opportunities to provide food services and uniforms to banana plantations as well as commitments to recruit women into permanent positions. Over time, these types of targeted actions to address gender imbalances in employment opportunities should help to reduce gender pay gaps.

BOX 14. EXAMPLES OF WOMEN BEING ENABLED TO DO JOBS TRADITIONALLY DONE MEN

At the packhouse in Morocco, women have been trained to drive forklift trucks and operate computerized machines, which are jobs traditionally done by men. Not only have women proven themselves to be at least as good as men at these jobs, they have become role models and have challenged beliefs that women cannot do this type of work.

One of the banana farms in Colombia has established an apprentice field coordinator role to enable women to gain skills and experience in this role, which is almost always performed by men. This is a transparent and practical approach to gradually increasing the proportion of women in management positions, which may otherwise face resistance from men.

At one of the garment factories in Turkey, women's reluctance to work in areas without other women was tackled by channeling a small group of newly recruited women together into a department that had previously been dominated by men. After this, other women were willing to join that department.

8.1.3 Weaknesses in worker representation and grievance mechanisms

Worker representation

All study workplaces have elected worker representatives who serve as a channel for communication between managers and workers. This is in accordance with national regulations or, in the case of the farm in Colombia, as part of trade union representation. According to worker representatives who were interviewed, in most cases their regular meetings with management are focused on operational issues and the discussion of minor complaints from workers, such as the quality of company-provided meals or the state of toilets. Worker representatives do not discuss wages or terms and conditions of employment with employers (except those who are part of the trade union).

Although worker representatives can be helpful, including as mediators when workers are seeking permission from managers to leave work early, not all workers who were interviewed knew who the worker representatives were. At some workplaces, women are under-represented in workers committees and other committees involving workers (such as health and safety committees). This is especially true in Morocco where most women are seasonal workers and seasonal workers are not eligible for election as worker representatives.

The unionized farm in Colombia is part of a group of banana companies that maintain exemplary industrial relations with the trade union for agricultural workers, SINTRAINAGRO. SINTRAINAGRO has a Women's Secretariat tasked with promoting equality for women workers and has pushed for measures to be included in the collective bargaining agreement to enable greater participation of women in the banana industry. However, women's participation in workplace committees is still low, even though SINTRAINAGRO provides women with ongoing training and the company actively encourages women's involvement. Managers indicated that some women who were involved in committees in the past had been inhibited by their male peers, and other key informants said women's family responsibilities can make it difficult for them to dedicate time to trade union activities.

Grievance mechanisms

Workers were asked about grievance mechanisms in Bangladesh, Thailand, and Morocco (not in Turkey or Colombia). For the study workplaces in these countries, there are several options available to workers if they have a problem or a grievance, including talking to

worker representatives, going to their line manager or a more senior manager, speaking to a member of the human resources team or a welfare officer, using suggestion boxes, and using complaints hotlines that are sponsored by buying companies. The channels used and effectiveness of these channels varied between workplaces.[56]

- In Thailand, workers are generally aware of the different mechanisms available, but Burmese workers at one of the factories are less aware than Thai workers. Workers said they choose an appropriate channel depending on the type of grievance. At one factory, all suggestions are reviewed by the Welfare Committee each month and the human resources manager issues a report so that workers can see what actions have been taken.

- In Bangladesh, workers said that if they have a problem, they talk to a manager or a worker representative or a welfare officer, and this usually resolves the issue, but some workers do not know what other grievance mechanisms exist and awareness of legal entitlements is often quite low, especially among workers with low levels of education.

- In Morocco, almost all workers said they speak to their line manager who takes the issue up with a senior manager (who are mostly men) or they go directly to the human resources manager (also a man). Workers did not mention speaking to worker representatives or using the suggestion boxes or hotlines that have been set up.

Although weaknesses in workplace systems for worker representation and grievance mechanisms do not always have a clear gender dimension, they can exacerbate barriers to women raising issues that concern them, including discrimination and unequal access to higher paying jobs.

8.2 Indirect determinants of gender pay gaps at society or economy level

8.2.1 Localized, discriminatory norms and gender stereotypes

Workplace culture, employment policies and practices, and worker representation are all strongly influenced by social norms and gender stereotypes that exist in wider society and that vary between the five countries studied. For example, we found considerable variation in workers' attitudes towards women working in areas dominated by men and the desirability of women continuing to work after getting married or having children, as well as

[56] When asked questions about grievance mechanisms, workers sometimes insisted that they have nothing to complain about. Although this may be true, in some cases it seemed that workers did not feel free to speak openly about their working conditions. This is a common problem at workplaces that are regularly audited for social compliance, and workers are sometimes instructed by employers not to say anything negative to auditors and other outsiders (including researchers) for fear of this affecting their relationships with buyers.

in beliefs about the capabilities of women and men to perform occupations such as cutting, ironing, packing, farm work, and managerial roles. These norms and stereotypes can vary across regions of a country (as we found in Turkey) and influence the types of work that women and men do, the skills they acquire, how long they remain in the workforce, and – as a consequence – how much they are paid.

We found less variation in societal expectations that women take primary responsibility for care work, including childcare. This does not appear to have a large effect on women's working hours due to the lack of options for part-time work, the need for workers to work full-time to meet household needs, and the tendency for workers' children to be cared for by relatives. Nevertheless, it can affect women's availability and willingness to take on positions of responsibility, such as being a supervisor or a worker representative. It may also cause many women to leave the workforce either permanently or temporarily after having children, although we do not know the proportion of women this affects in each country.[57]

Workplace culture and employment practices can also be influenced by the (localized) prevalence and acceptance of gender-based violence in wider society. Sexual harassment and other forms of gender-based violence are prohibited at all the study workplaces. However, information obtained from workers and key informants suggests that behavior such as unwanted touching, inappropriate language, pressure on pregnant women to leave their jobs, and stigmatization of divorced women may still occur in many of the pilot study locations. The effect of this on wages is most discernible as resistance to women working in areas dominated by men or doing nightshifts, which can limit opportunities for women to earn higher wages.

8.2.2 Influence of minimum wages and local economic conditions on wages

Wages for workers in all five countries are strongly influenced by statutory minimum wage rates.[58] At all study workplaces except the unionized farm in Colombia, the relevant minimum wage is the base wage for entry level workers, but at some workplaces, it is the base wage for most other workers as well. For workplaces where most workers earn the same minimum wage, or close to it, this usually results in small gender pay gaps, especially for base wages. This is true for two of the factories in Turkey, both factories in Thailand (for base wages), and the farm in Morocco (for base wages). Workplaces that have greater diversity in wages, either because minimum wage rates vary by grade (as in Bangladesh) or because wages are more differentiated by occupation (as at the third factory in Turkey,

[57] Although the average number of years of service is higher for women than men at most study workplaces, this may just be an indication of men's greater propensity to switch workplaces.

[58] In Turkey, Thailand, and Colombia, there is a single minimum wage for all workers, whereas in Bangladesh, there are specific minimum wage rates for garment workers on different grades, and in Morocco, there are separate minimum wage rates for industrial workers (including workers in packhouses) and agricultural workers.

the farms in Colombia, and the packhouse in Morocco), tend to have larger gender pay gaps because men dominate higher-paying positions.

Whether wages are close to minimum wages partly depends on local labor market conditions and costs of living. For example, the factory in Turkey with greater diversity in wages is in an area with high competition for labor and high living costs and has to pay above the minimum wage to attract production workers. This mostly benefits men because men dominate higher-paying occupations. In contrast, the other factories in Turkey are in lower cost areas with fewer employment opportunities and do not have to offer more than the minimum wage to attract production workers. At these factories, there are only small gender pay gaps because most women and men earn close to the minimum wage.

We found a somewhat similar situation in Bangladesh at the time of the factory visits because the garment industry was enjoying a boom in demand. This was due to a post-pandemic resurgence in consumer markets and some buyers shifting orders away from Myanmar (because of the military coup in 2021) and China (because of tensions in trading relations with the United States). Factory owners and other stakeholders reported a shortage of skilled labor to meet this demand and, as a result, upwards pressure on wages. A contributing factor was that many skilled workers had not returned to the industry after moving into other types of work during the pandemic. Interviewees speculated that men's greater willingness to switch factories or negotiate for a higher wage meant that men were more able to take advantage of this situation than women, thus widening gender pay gaps. This is supported by our finding that women are more likely than men to earn the minimum wage for their grade.

We also found greater diversity in wages benefitting men more than women at the unionized farm in Colombia, despite the inclusion of a number of clauses benefitting women in the collective bargaining agreement. The collective bargaining agreement sets the minimum amount that production workers can earn per day at a level that is substantially higher than the minimum wage and pay rates for different tasks take wages even further above the minimum wage. This compares to the non-unionized farm where the minimum daily rate is the same as the national minimum wage. This is evidence of the effectiveness of strong trade unions and collective bargaining for increasing workers' wages, but wage levels at each farm are also affected by local labor market conditions and costs of living in the departments where the farms are located (as well as differences in production levels, markets, and sales which affect productivity-based remuneration, as discussed below). What is notable is that there is little difference between the overall gender pay gaps for each farm, and in fact, the gender pay gap for production workers is larger at the unionized farm than it is at the non-unionized farm.

8.2.3 Legal and policy frameworks for employment and gender equality

In addition to minimum wage regulations, other labor laws and legislation related to employment and gender equality affect wages, particularly for workers who are formally employed. If women are disproportionately likely to be informally employed, this may increase gender pay gaps as formal workers usually have greater access to benefits such as paid leave, overtime premiums, and statutory bonuses than informal workers. This is not the case for the study workplaces, as all workers are formally employed,

Notwithstanding this, we found some examples of gendered impacts of national labor legislation in relation to paid maternity and paternity leave. Our research indicates that women at all study workplaces are paid maternity leave in accordance with the law, which prevents women experiencing a severe drop in income after childbirth, the exception being contract workers at one factory in Bangladesh. However, maternity pay is usually calculated using base wages and so women tend to receive a lower wage when on maternity leave than when working normally.[59] Moreover, in recent years, the governments of Turkey, Colombia, and Morocco have introduced or extended rights to paid paternity leave to encourage greater involvement of men in childcare. However, men often do not take this leave. This may be partly because they can earn more by attending work but is also likely to be due to insufficient actions to address underlying social norms related to care work.

Another example of labor legislation that particularly affects women is the annualization of working hours when calculating overtime pay in Morocco. This means that seasonal workers in the packhouse rarely receive premiums for overtime hours, despite working 60 hours a week throughout the packing season (standard working hours are 44 hours a week). Since women are more likely than men to be employed on seasonal contracts, this law especially disadvantages women.

In Bangladesh, employers are required by law to implement additional security measures if women work at night. Although this is for good reasons, it can act as a disincentive to employ women in occupations that involve nightshifts, which may limit their opportunities to earn a higher wage.

8.3 Indirect determinants of gender pay gaps at global level

8.3.1 Influence of production dynamics and global economic factors on working time and wages

[59] In Turkey, women receive two-thirds of their gross salary when on maternity leave. In the other countries, women receive the base wage but not additional forms of pay or piece rate pay that increases the gross cash wage per day. We were not able to quantify the contribution this makes to gender pay gaps but it is unlikely to be substantial, given only a small proportion of women go on maternity leave in any given year.

In the agrifood sector, production volumes vary from year to year depending on the weather, natural production cycles, and pests and diseases. This affects volumes entering global markets and in turn how much is purchased from a particular farm by different buyers and the prices received each season. Sales volumes and prices also vary due to other factors affecting global supply (e.g., conflict or industrial action in producing countries), fluctuations and trends in market demand, changes in import and export tariff regimes, exchange rate and inflation dynamics, and other macroeconomic factors. The same types of influences are present in the garment industry, as illustrated by the surge in orders in Bangladesh following the coup in Myanmar and tensions between China and USA.

For the study workplaces, these production dynamics and global economic factors affect workers' wages through two main pathways: first, through effects on working time, and second, through effects on company performance and profits. In Colombia, for example, one farm had a disease outbreak in 2020 which led to redundancies (mostly men) and reduced working days (greater reduction for women than for men, on average). At the farm and packhouse in Morocco, seasonal workers may be employed for up to two months more in high production years than in low production years, which particularly affects women's working time. Fluctuations in company performance and profits may affect men more than women through links to bonuses that are more often received by men. In Bangladesh, the surge in orders appears to have benefitted men more than women, due to men being more able to secure wage increases when there is a shortage of skilled workers. The COVID-19 pandemic is another example of how global events can affect wages for women and men (see Box 15).

The upshot is that gender pay gaps frequently vary over time for reasons that are wide-ranging and often beyond the control of employers. This is important to bear in mind when measuring gender pay gaps and seeking to understand the root causes of these gaps and how to address them. Although some of these factors cannot be avoided – such as natural production cycles and global shocks – it is important to understand how they affect wages for women and men and take action to limit differential impacts based on gender.

BOX 15. IMPACT OF THE COVID-19 PANDEMIC ON GENDER PAY GAPS

We examined the effect of the COVID-19 pandemic on workers' wages in all countries except Morocco, where the research took place at the tail end of the pandemic. The effects varied depending on how the pandemic affected orders from buyers and the nature of emergency measures adopted by governments. In most cases, we did not find substantive differences in impacts for women and men, but in Turkey, women's working time was somewhat more affected than men's working time. We do know how much of this is due to reduced, paused, or cancelled orders from buyers, how much is due to local peaks in COVID-19 infections and the need for women and men to self-isolate, and how much is linked to women's greater responsibility for care work at home.

Turkey: All 3 factories stopped most production in late March or April 2020 due to a national lockdown. Factories were closed for 6 to 11 weeks and there were sharp drops in production at 2 factories over the following year. During these periods, workers were put on temporary leave or reduced hours and most received Short-Time Work Allowance payments equivalent to 60% of gross pay directly from the State.[60] There was somewhat greater fluctuation in days worked after the onset of the pandemic for women than for men, meaning women's wages were slightly more affected than men's wages and gender pay gaps widened during this period.

Bangladesh: The pandemic caused a reduction in orders for up to 18 months, with variation in the duration and scale of the impact for each factory. During a national lockdown in April 2020, most directly employed workers at the 3 factories were furloughed and were paid 60% or 65% of their base wage for 1 or 2 months, funded by government loans. Contract workers were also meant to receive 65% of their base wage but some contract workers said that they received less than this amount. After the lockdown, the factories gradually returned to full capacity, in line with the rate of recovery of orders. Analysis of the number of women and men employed each month indicates that women and men were equally affected.

Thailand: At one factory, the pandemic had a severe impact on company performance due to cancelled and reduced orders, but the factory only closed for around 4 days (for sanitization). Around 20% of workers were furloughed for several months and these workers received 75% of their base wage, in accordance with government stipulations (but funded by the company).[61] Workers were selected for furlough based on orders, as the factory has dedicated lines for each buyer, with no apparent gender differences. At the other factory, orders dipped for around 3 months but the factory did not close or reduce working hours and all workers were paid their full wage, although some workers were asked to take their paid leave during this period. As Fair Trade certified factories, workers at both factories benefitted from continuous payment of Fair Trade Premiums by buying companies during the pandemic.[62]

Colombia: There was no drop in orders for bananas and both farms remained operational throughout the pandemic. There was a small increase in the amount of sick leave taken by women and men in the first year of the pandemic, but no substantive impact on wages for either gender.

8.3.2 Global human rights and sustainable development initiatives and regulations

[60] To be eligible, workers needed to have paid at least 450 days of SSI premium in the previous 3 years.
[61] The only assistance provided by Thai government was a reduction in social security contributions.
[62] Fair Trade Premiums are paid by Fair Trade buyers to certified producers based on orders. During the pandemic, Fair Trade buyers continued paying the Premium so workers could benefit from the funds. The use of Premium funds is decided by workers; at the study factories, this has included rent allowances, provision of staple food items, support for schooling, and support for migrant workers.

The policies and actions of global brands and retailers to improve labor practices in their supply chains have helped workers access formal employment and other improvements in working conditions at several study workplaces. These initiatives are part of a broader landscape of efforts to ensure decent work and respect for human rights that involve trade unions, advocacy and consumer-facing organizations, standards organizations and certification schemes, multistakeholder initiatives, and, increasingly, regulators.

For some study workplaces, these efforts are likely to have particularly benefitted women and possibly helped to reduce gender pay gaps, such as the provision of contracts to seasonal workers in Morocco.[63] Although most employers said buyers and social auditors do not usually put much specific emphasis on gender issues other than sexual harassment, at a few study workplaces, buyers have initiated gender projects such as skills training for women or general support to identify and address gender inequalities. In time, some of these projects may help to address gender pay gaps, where they exist.

Conversely, these initiatives may sometimes reinforce the exclusion of women from certain occupations, potentially exacerbating gender pay gaps. At the banana farms in Colombia, for instance, managers said women are not permitted to work with agrochemicals because this is not allowed by certification schemes (although this may be an overly strict interpretation of requirements for safe use of agrochemicals).

[63] The provision of contracts to seasonal workers may make it more likely that seasonal workers access seniority allowances and accrue social security credits that give them access to various other income-related benefits.

PART VII: CONCLUSIONS AND RECOMMENDATIONS

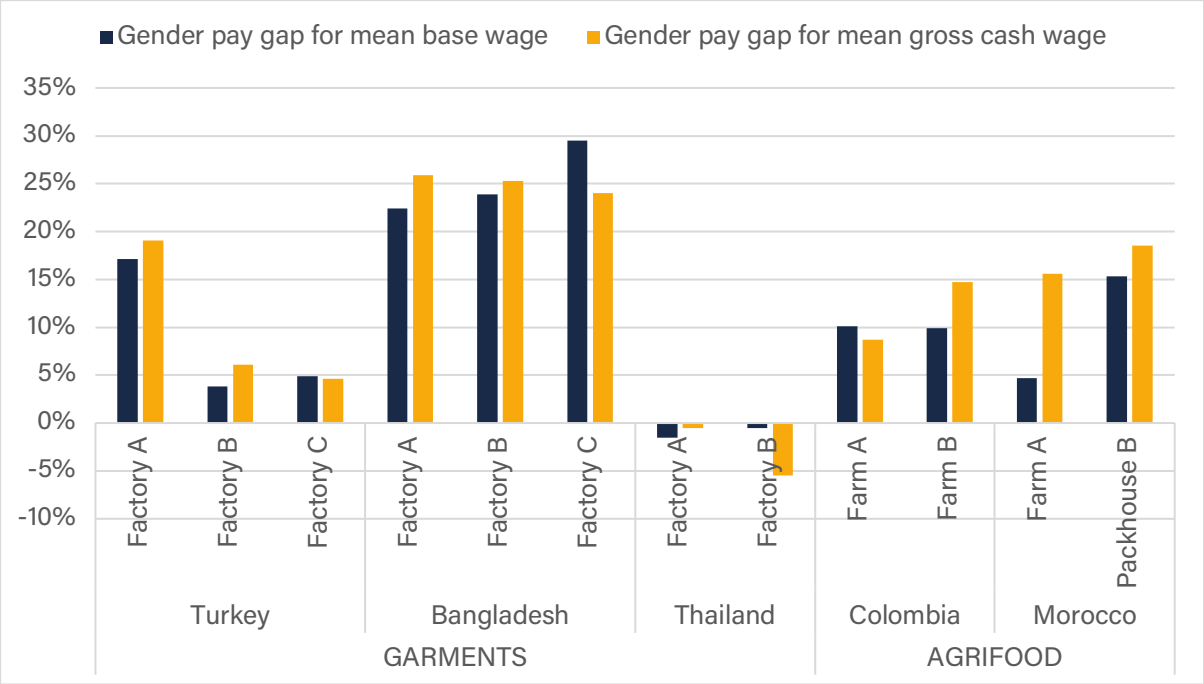
This part of the report draws conclusions on gender pay gaps and the gender gap to living wages at pilot study workplaces and what this means for garment and agrifood supply chains more generally. It also reflects on the effectiveness of the new ARI gender pay gap methodology. It then makes a series of recommendations for employers and workers at study workplaces and for other actors that have an influence on how much women and men in global supply chains are paid on how to reduce and eventually eliminate gender pay gaps, where they exist.

9. CONCLUSIONS

9.1 Conclusions on gender pay gaps and their determinants in pilot study workplaces and sectors

The main conclusion from the pilot studies is that while gender differences in pay are ubiquitous throughout the world, their size and determinants vary by workplace, sector, and country. For example, while large gender pay gaps of up to 30% were found at garment factories in Bangladesh, there were either no gender pay gap or a small gap in favor of women at garment factories in Thailand. In Turkey, the gender pay gap is markedly different for garment factories in different parts of the country, while for the fresh produce sector in Morocco, the gap at the packhouse is larger than the gap at the farm. **Importantly, the size of the gender pay gap at country level is not a good predictor of the size of the gap for individual workplaces**.

Figure 21. Gender pay gap for base wages and gross cash wages at the 12 study workplaces (based on mean wage for relevant study period)



Source: Payroll data. Calculations by the authors.

The tendency for women and men to do different types of work, and for women to be concentrated in less-skilled and lower-paid occupations, is a common direct determinant of gender pay gaps at study workplaces. There is somewhat more variation in the degree to which other direct determinants are important for each workplace. This is partly because of variation in the types of employment relationships and wage systems across the 12 workplaces. Moreover, direct determinants are often – but not always – interlinked, such as when the type of contract is linked to the type of work performed, or when access to additional payments is dependent on the type of contract or form of pay. In addition, some types of direct determinants increase gender pay gaps for some workplaces and reduce gender pay gaps for other workplaces. For instance, in Bangladesh, women tend to have more access to additional wage payments than men which reduces the size of gender pay gaps, but in Morocco, it is the opposite.

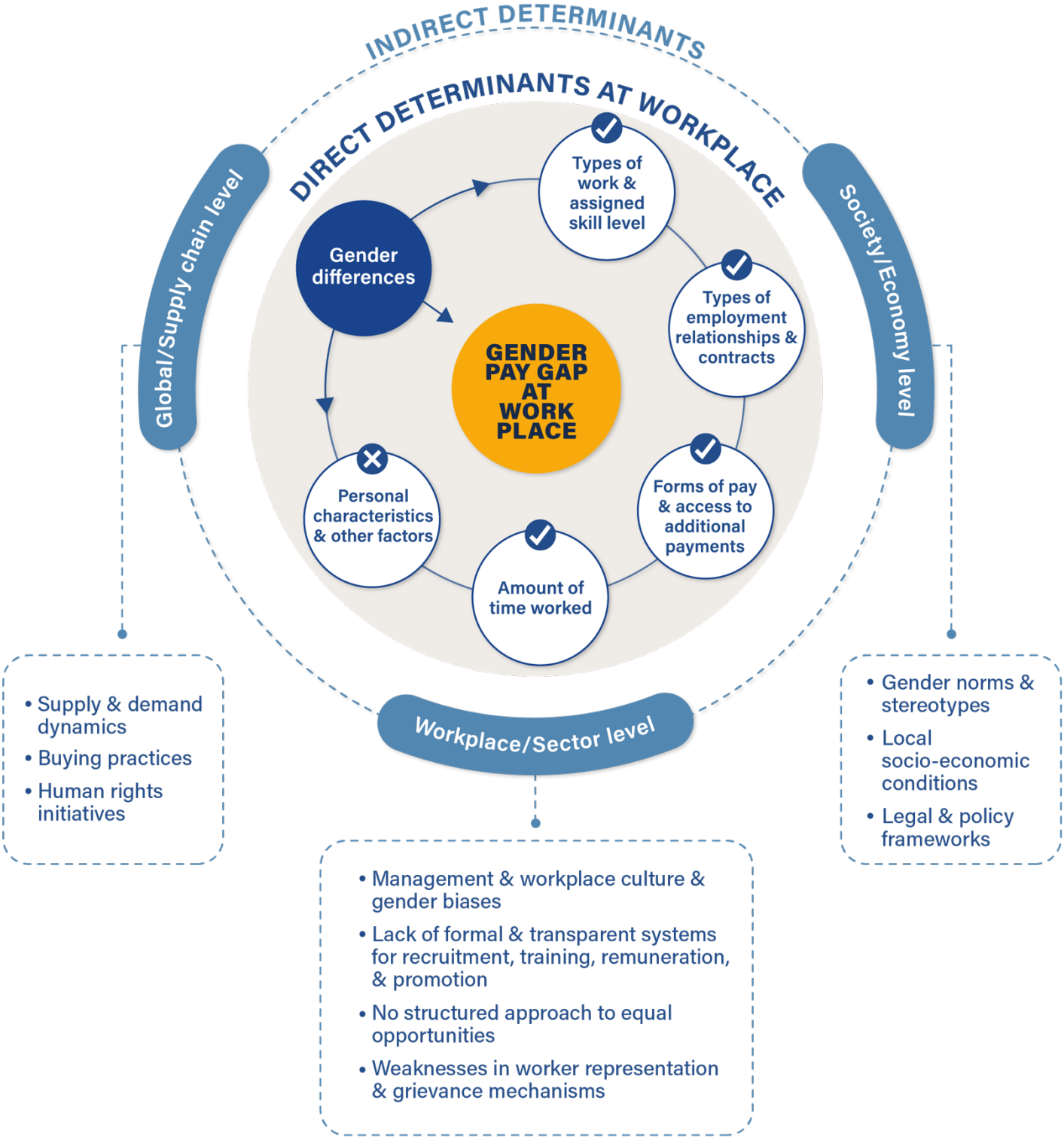
We did not find evidence that workers' personal characteristics (age and experience, education, migrant status) are important determinants of gender pay gaps at the 12 study workplaces, although this analysis was sometimes hampered by a lack of data (especially for education).

There are many different underlying causes of gender pay gaps at each workplace, as summarized in Figure 22. Overall, we found larger gender pay gaps for locations with the following conditions:

- Widespread support in local society for traditional gender roles and men's dominance of decision-making positions; and
- Informality and a lack of transparency in systems for recruitment, promotion, and wage setting.

Some of the indirect determinants of gender pay gaps are within the control of employers, including systems for recruitment, promotion, and deciding pay increases. Others are more difficult for employers to control or influence, such as societal norms and gender stereotypes and the supply of labor. Nevertheless, there are measures that employers and others can adopt to mitigate the effect of indirect determinants at societal and global levels, as discussed in section 10.

Figure 22. Summary of direct and indirect determinants of gender pay gap at the pilot study workplaces



9.1.1 Conclusions on gender gaps to living wages

The proportion of women with a living wage is lower than the proportion of men earning a living wage at 9 of the 12 study workplaces.[64] Only the 2 garment factories in Thailand have a higher share of women with a living wage than men.[65] At one workplace, there were no women or men with a living wage.

This gender gap to living wages is important because it means that initiatives and strategies that are designed to close gaps to a living wage need to be gender aware to achieve their aims. If not, there is a danger that efforts to increase wages may be unsuccessful or may exacerbate gender inequalities because they do not address gender-related reasons behind lower wages for women than men. For example, initiatives to increase wages through enhancing productivity may need to focus on increasing women's skill levels or providing tools and equipment that are tailored to women's needs.

It is also important to be aware that gender pay gaps do not automatically disappear if living wages are paid. Although the gender pay gap may narrow if wages for the lowest paid are increased, it is often difficult to only raise wages for part of the workforce. The actions required to close gender pay gaps are therefore different from the actions required to close the gap to a living wage.

9.2 Reflections on the ARI gender pay gap methodology

ARI developed a new gender pay gap methodology to measure and understand gender pay gaps at workplace level because most studies on gender pay gaps are done at the national level or, at best, for broad economic sectors such as manufacturing or agriculture. These studies do not provide specific enough information for employers and worker organizations and others to understand what needs to be done to close gender pay gaps at any given workplace. The pilot studies have proven this to be true – not least because of the diversity we found in the size and causes of gender pay gaps across workplaces and the deviation from gender pay gaps at national level.

The ARI methodology allows for in-depth analysis of gender pay gaps by combining statistical analysis of payroll data with semi-structured interviews to explore gender and labor dynamics with the workplace and sector and at family and societal levels. The methodological approach proved effective for several reasons:

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[64] Measured using Anker Methodology living wage estimates for each location and the mean prevailing wage for each worker excluding overtime pay but including allowable cash allowances and bonuses and a fair and reasonable value of in-kind benefits, in accordance with the principles of the Anker Methodology. See section 6 of this report for full details.

[65] There are no women or men earning a living wage at the 12th workplace, although it should be noted that for this workplace, administrative staff and managers were not included in the living wage analysis.

- Using individual worker payroll data allowed for accurate and credible measurement of gender pay gaps. Using samples of workers would have been less effective, partly because it is not always possible to know in advance which variables are important for sampling.
- Payroll data used included all types of workers including support staff (e.g., cleaners, security guards, maintenance workers), administrative workers, and management. Including all workers was important because occupational gender segregation was one of the most common causes of gender pay gaps.
- Qualitative research methods were helpful for exploring workers' perspectives on their employment and gender norms and sensitive topics such as sexual harassment, especially in socio-cultural contexts where women are not accustomed to discussing these topics openly.
- The worker interviews provided an opportunity to verify the information provided by employers, including payroll data.
- Data collection was relatively easy for employers as we (i) used payroll data which already existed, and (ii) kept interviews with workers short.

However, working with payroll data was found to be difficult and often involved considerable time to understand wage systems and organize and fill gaps in the data. The living wage analysis was found to be particularly complicated as it required adjustments to payroll data to align with the principles of the Anker Methodology. It is also likely that getting access to accurate payroll data for the entire workforce will not be possible at many workplaces. This is particularly an issue when many workers are informally employed or are employed through third parties. Certainly, it would not be feasible to conduct the same level of in-depth analysis as was done for the 12 study locations for all workplaces in a sector for cost reasons.

To address this, the most effective approach for measuring and understanding gender pay gaps in a particular country and sector may be to do a small number of in-depth workplace studies using ARI's gender pay gap methodology along with stakeholder interviews to understand gender dynamics in the sector and the diversity of employment relationships and wage systems. This information can then be used to develop simplified tools to assess the situation at each workplace that focus on the most important issues, and help identify the most relevant strategies, for the context.

10. RECOMMENDATIONS FOR MEASURING AND ADDRESSING GENDER PAY GAPS IN PILOT STUDY WORKPLACES AND GLOBAL SUPPLY CHAINS MORE GENERALLY

The following recommendations draw on the results of the pilot studies as well as information from the desk review and interviews with stakeholders and other experts in each country. While the recommendations have been shaped around the findings of the pilot studies, they are intended to be relevant for other workplaces in the same sectors of each country, noting that not all recommendations are relevant for all employers because of variation in the causes of gender pay gaps.

Recommendations are divided into: (i) recommendations for employers, to be implemented with support from workers organizations, commercial partners, and others, as relevant; (ii) recommendations for industry associations, trade unions, governments, global retailers and brands, standard organizations and auditing companies, NGOs, international organizations, and others.

10.1 Recommendations for employers, to be implemented with support from worker organizations, industry associations, commercial partners, and others

Monitor wages for women and men across the entire workforce and make a commitment to reducing and eventually eliminating gender pay gaps, where they exist.

- Use ARI's framework for measuring and analyzing gender pay gaps at workplace level to monitor the size and direct determinants of gender pay gaps in an ongoing way.

Develop a Gender Equality and Women's Advancement Strategy to ensure a structured approach to equal opportunities for women and men.

- Design the strategy around the direct and indirect determinants of gender pay gaps for the workplace. Include at least some of the measures outlined below, differentiating between short-term strategies (e.g., introducing training and skills development, formalizing systems for promotion and wage setting, improving grievance mechanisms) with longer-term strategies (e.g., achieving a gender balance at all levels of management, addressing discriminatory norms and gender stereotypes in society).
- Ensure clear lines of responsibility for implementing the strategy and achieving key performance targets.

- Introduce incentives for supervisors and managers to improve the gender balance in teams they are responsible for.
- Share the strategy with workers and business partners as a sign of the company's commitment to gender equality.

Develop a formal skills development program that enables workers, especially women, to acquire the skills required for higher-paying occupations.

- For the garment sector, this includes teaching women how to use different types of sewing machines and training them to do work that is typically done by men, such as operating cutting, knitting, and printing machines, and ironing.
- For the banana and fresh produce sectors, this includes training women to do cultivation tasks, operate machinery, and drive tractors and other vehicles.
- Motivate women to take up opportunities to learn new skills by making clear how this will increase their wages and by introducing them to women who do these jobs, as lack of confidence is often a barrier.
- Ensure all women are able to participate in skills training, regardless of education or parental status (e.g., do not hold training at times when women are occupied with household duties).

Adopt measures to achieve a gender balance at all levels of management.

- Adopt a 5-year plan and annual targets for increasing the number of supervisors and managers who are women and share these ambitions with the workforce as a sign of the company's commitment to women's leadership.
- Develop a training and mentoring program for women to acquire hard and soft management skills. This could include apprentice management positions and other strategies to ensure there is a pipeline of women who can take up supervisory and management positions in future (such as enabling women to acquire the required skills to move up through job grades).
- Partner with technical colleges and other relevant institutions for the sector and country to develop a pipeline of women with appropriate management skills.
- Lobby government to provide funding for training and other incentives to businesses to increase the proportion of women among management.

Be transparent around wages and wage-setting processes.

- Formalize wage-setting processes and adopt principles of transparency in relation to wages and wage-setting so that all workers understand how wages are

determined. This includes transparency around criteria for accessing cash allowances and bonuses.

- Review wage levels for each occupation and ensure equal pay for work of equal value.[66] In doing so, take into account access to overtime pay and cash allowances and bonuses for workers with different occupations.
- Provide regular training and information to workers on their terms and conditions of employment that is adapted to be suitable for workers with no formal education.

Ensure systems for recruitment, allocation of work, and promotions are transparent and objective.

- Use objective measures of skills, experience, and performance to make decisions related to recruitment, allocation of work, and promotion to help prevent gender biases and nepotism influencing decision-making.
- To reduce the risk of gender bias, widen the group of people involved in decisions related to recruitment, allocation of work, and promotion and ensure that workers are not line-managed by friends or relatives.

Address physical and safety-related barriers to women performing some types of work.

- Take the physical, physiological, and psychological differences between women and men into account when assessing health and safety risks and design risk-control mechanisms accordingly.
- Ensure work tasks, equipment, tools, and personal protection equipment (PPE) are designed or adapted to meet the different needs of women and men, including consideration of women's specific needs during menstruation, pregnancy, lactation, and menopause.
- Allocate tasks across mixed-gender teams according to each worker's capabilities. This could include allocating tasks that involve heavy lifting to men or especially strong women.

Formalize the employment relationship and provide job security and regular work for all workers.

[66] The right to equal pay for work of equal value means that workers should be paid the same when they do work that is not the same but can be shown to be of equal value, when evaluated using objective criteria such as skills and qualifications required, working conditions, level of effort, and level of responsibility. This is different from the right to equal pay for equal work, which means workers should be paid the same when they do the same or similar work. Both are established human rights under ILO Equal Remuneration Convention (100).

- Employ all workers directly and do not use repeated fixed term contracts to avoid making workers permanent.
- Make sure all workers are registered for social security and receive all entitlements under law, including seasonal workers and contract workers.
- Bangladesh garments: If contract workers are employed, enter into long-term agreements with service agents that include job security and all legal entitlements for contract workers.
- Morocco fresh produce: Provide guaranteed employment for seasonal workers each season and ensure that the allocation of work to women and men seasonal workers is fair and objective.
- Colombia bananas: Guarantee a minimum number of work days per week for 'special shift' packhouse workers.

Address gender stereotypes and unconscious gender biases that limit women's opportunities.

- Roll-out training and other activities (e.g., poster campaigns, working with role models, etc.) to address gender norms and stereotypes that prevent women from accessing higher-paying occupations.
- In areas and occupations that are dominated by men, recruit women in small groups rather than individually and provide gender training to men in these areas to ensure that there is a woman-friendly working environment.
- Isolate tasks involving heavy-lifting and allocate these tasks to men or especially strong women.
- Workplaces with nightshifts: Take the necessary steps to enable women to do night-shift work, if they want to. This may involve putting additional security measures in place and/or supporting women to obtain permission from their families to do this type of work.

Ensure worker committees and grievance mechanisms address the needs of all women and men workers.

- Ensure a gender balance in all worker committees and proportional representation of all types of workers, including seasonal workers and contract workers.
- Allow trade union representatives access to the workplace to organize workers.

- Establish a Women's Committee with representation from all types of workers as a forum for women to discuss issues of concern to them and to jointly develop recommendations for actions to address these issues.
- Provide leadership training to worker representatives to enable them to fulfil their roles.
- Ensure women have a channel through which they can report grievances directly to a woman.

Adopt family-friendly working conditions to enable more women to stay at work after having children.

- Ensure that all workers including seasonal workers and contract workers receive their full quota of paid leave, including paid maternity leave, and that pregnant women are not pressured by line managers to do overtime or leave their jobs.
- Support workers to access affordable and high-quality childcare in partnership with relevant institutions. Employers in Bangladesh and Turkey should ensure compliance with government regulations for the provision of childcare.
- Assess the different causes of absenteeism for women and for men and adopt appropriate policies to reduce absenteeism due to women having greater responsibility for care work (such as paid leave for family emergencies for a limited number of days each year).
- Adopt a policy of flexible working hours for workers with young children or other care-related responsibilities.

10.2 Recommendations for industry associations, trade unions, governments, global retailers and brands, standard organizations and auditing companies, NGOs, international organizations, and others

- Share the findings of this report with employers and other stakeholders to increase understanding of gender pay gaps and other gender issues in garment and agrifood supply chains.
- Support further research to deepen understanding of gender pay gaps in garment and agrifood sectors, such as: studies on gender pay gaps in other countries or other agrifood sectors using ARI's methodology and/or the development of tools for scaling up the measurement of gender pay gaps in global supply chains; research on gender biases in the assessment of workers' productivity; research on gender gaps in skills and the reasons for these gaps; and studies into the links between purchasing practices and gender pay gaps and gender gaps to a living wage.

- Undertake comprehensive and gender-neutral evaluations of all occupations in the garment sector and agrifood sectors, comparing factors such as education, skills, and experience required, level of effort and responsibility involved, and working conditions to address possible misconceptions about women's and men's abilities and ensure that workers in different occupations receive equal pay for work of equal value.
- Work with employers and workers to design and implement actions and programs that enable women to engage in higher-paying work, such as jobs that involve payment by piece rate, jobs that involve operating machinery, and jobs in administration and management. These programs should be designed taking into consideration the full set of causes behind occupational gender segregation, as described in this report, to increase the likelihood of success.
- Organize gender awareness training for workers, supervisors, and managers in all tiers of supply chains to address unconscious gender bias and gender stereotypes and cultural norms that limit women's employment opportunities.
- Support efforts to strengthen worker organization and adequate representation of women and men workers. Ensure workers understand the difference between workers committees and trade unions and facilitate dialogue between employers and trade unions with a view to promoting freedom of association and collective bargaining.
- Ensure auditors are trained to detect discriminatory employment practices and the causes of gender differences in wages, including segregation of women into lower paying occupations and unconscious gender biases in recruitment, training, and promotion.
- Create systems to recognize and reward employers that have gender-equitable employment policies and practices. Rewards should include preferential sourcing from buying companies, tax incentives, and/or other commercial incentives.
- Step up company efforts and collaborative initiatives to promote living wages and ensure that living wage strategies incorporate a gender perspective.
- Ensure global brands and retailers adopt responsible purchasing practices that foster commercial success for all enterprises in their supply chains and enable employers to close gender pay gaps and pay a living wage.
- Include information on the adoption of gender-equitable living wage strategies and progress addressing gender pay gaps in global supply chains as part of corporate public reporting on responsible business practices and human rights due diligence, and related reporting frameworks and benchmarking initiatives.

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ANNEXES

ANNEX 1. Detailed findings on gender differences in wages due to types of work that women and men do and their assigned skill levels and grades

A common cause of gender pay gaps is that women and men do different types of work and the types of work done by women are paid less than the types of work done by men. Women may also be paid less than men when they do the same type of work (unequal pay for equal work), due to gender-based discrimination or for other reasons such as differences in the skills and experience of women and men. In this annex, we first explore the proportion of women and men in different occupational groups at the study workplaces to see whether there is occupational gender segregation. We then examine wages for women and men in each occupational group to determine whether this is a cause of gender pay gaps.

1. Proportion of women and men in each occupational group

For the garment factories, some occupations are almost always dominated by men in all three countries: knitting, dyeing, printing (uncut fabric), ironing, warehouse and loading onto trucks, drivers, maintenance, and security (Table 17). There are also some occupations that are usually dominated by women: sewing, finishing, packing, quality control (excluding Bangladesh), and cleaning and other utilities. For the remaining occupations, there are differences between countries: in Bangladesh, most other occupations are dominated by men, in Thailand, most other occupations are dominated by women, and in Turkey, some other occupations are dominated by men and others have more of a balance between women and men. For Bangladesh and, to a lesser extent, Turkey, women tend to be concentrated in a small number of occupations, while men are more evenly distributed across the whole range of occupations. In Thailand, the presence of women and men in each occupational group largely reflects the overall proportions of women and men in the workforce.

Table 17. Proportion of women and men in major occupational groups at the study garment factories in Turkey, Bangladesh, and Thailand (end of study period for each workplace)

Occupational group	Turkey garment factories	Bangladesh garment factories	Thailand garment factories
	Proportion of women in workforce: 50% to 70%	Proportion of women in workforce: 30% to 60%	Proportion of women in workforce: 60% to 80%
Knitting	NA	All men	NA
Dyeing	NA	All men / Almost all men	NA
Printing (uncut fabric)	NA	All men	NA
Printing (cut fabric)	NA	Mixed	Mostly women
Cutting	All men / Mixed	Mostly men	Mixed
Sewing	Mostly women / Mixed	Mostly women / Mixed	Mostly women
Ironing	All men	All men / Almost all men	All men
Finishing and packing	Mostly women	Mostly women / Mixed	Mostly women
Quality control	All women / Almost all women / Mostly women	Mostly men / Mixed	Mostly women
Warehouse and loading	All men	All men	Mostly men / Mixed
Supervisors and managers	Almost all men / Mostly men / Mixed	Almost all men	Mostly women
Product development/ Samples	Mostly men / Mixed	Almost all men	Mostly women
Drivers	All men	All men	All men
Maintenance	All men	All men	Almost all men
Security	All men	All men	All men
Cleaners/Other utilities	Mixed	Mixed / Almost all women	All women / Mostly women
Administration including logistics and marketing	Mostly men / Mixed	All men / Almost all men	Almost all women / Mostly women

Notes: (i) 'Almost all' is at least 90% of one gender. 'Mostly' is from 70% up to 90% of one gender. 'Mixed' is from 30% up to 70% of each gender. (ii) NA means that occupational group does not exist at that workplace. (iii) 'Loading' in this table relates to loading finished products onto trucks. At one of the factories in Thailand, 'loaders' are workers who move finished or partly-finished products from one area to another – this type of work has been reclassified for the purposes of using the same occupational groups across all study workplaces.

Source: Payroll data. Calculations by the authors.

Occupational gender segregation is also evident for the agrifood farms and packhouses (Table 18). In Colombia, all work to cultivate and harvest bananas is done by men, while

women are mostly only involved in cleaning, sorting, and packing bananas into boxes (alongside men). There are also some women who are cleaners and at one farm there is a relatively high proportion of women among skilled and administrative workers. Other occupations are dominated by men. In Morocco, almost all cultivation of fresh produce is done by men, and all packing is done by women. Women are involved in harvesting, but not in as large numbers as men. Other occupational groups are dominated by men.

Table 18. Proportion of women and men in each occupational group at the study agrifood farms and packhouses in Colombia and Morocco (end of study period for each workplace)

	Colombia banana farms (with integrated packhouses)	Morocco fresh produce farm and packhouse
	Proportion of women in workforce: 10% to 20%	Proportion of women in workforce: Farm: 10% to 20% Packhouse: 70% to 80%
Field, warehouse, and/or nursery	All men	Almost all men
Harvesting	All men	Mostly men
Packing	Mostly men / Mixed	All women
Supervisors and managers	Almost all men / Mostly men	All men / Almost all men
Drivers, Mechanics, Maintenance, and/or security	All men	All men
Cleaners/Other utilities	Mostly men / Mixed	NA
Technicians and other skilled and administrative workers	All men / Mixed	Mostly men

Notes: (i) 'Almost all' is at least 90% of one gender. 'Mostly' is from 70% up to 90% of one gender. 'Mixed' is from 30% up to 70% of each gender. (ii) NA means that occupational group does not exist at that workplace. (iii) In Colombia, one of the farms had a significant number of administrative workers present at the farm, while for the other farm, most administrative workers were located at headquarters of the company and so not included in payroll data. This affected the proportion of women in this occupational group for each farm.

Source: Payroll data. Calculations by the authors.

2. Proportion of supervisory and management positions held by women

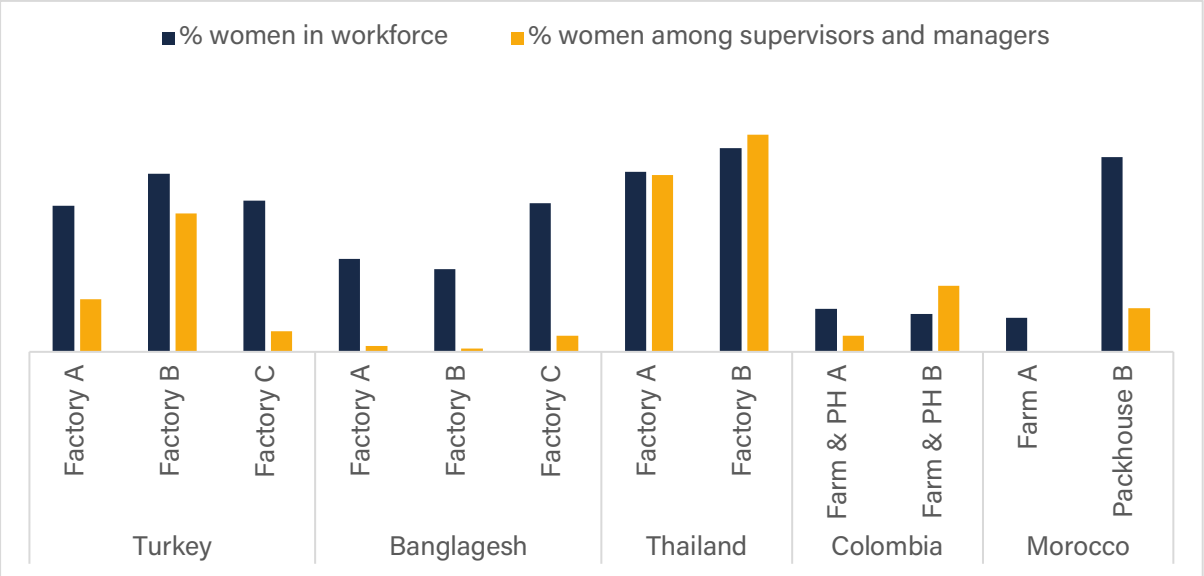
Around the world, women are often under-represented among supervisory and management positions, and this can be an important overall driver of gender pay gaps. Not only do these jobs typically offer higher-than-average pay, but people in these positions also often influence the workplace culture and employment practices such as recruitment, training, promotion, and dismissal. When men dominate this work, it can serve to reinforce gender biases that lead to women earning less than men.

Figure 23 compares the proportion of women among supervisors and managers with the proportion of women in the workforce for each study workplace. Women are under-

represented in supervisory and management positions at most workplaces, and substantially so at two of the factories in Turkey, all factories in Bangladesh, and the farm and packhouse in Morocco.

Thailand is the only country where the proportion of women in supervisory and management positions reflects the overall proportion of women in the workforce. Also, at one farm in Colombia, the proportion of women supervisors and managers is higher than the proportion of women in the workforce, but as there are only three men and one woman who are supervisors and managers, this result could be somewhat misleading.

Figure 23. Proportion of women in the workforce and proportion of women among supervisors and managers at each study workplace (%, end of study period for each workplace)



Source: Payroll data. Calculations by the authors.

3. Distribution of women and men across different skill levels and grades

In Bangladesh and Morocco, workers' occupations are graded according to the type of work and the level of skills and responsibility involved. Analysis of the distribution of women and men across the different grades shows that women are more likely than men to be on the lowest grades.

Table 19 shows the distribution of women and men by grade for the three garment factories in Bangladesh. Women are mostly concentrated in the lowest grades 6 and 7, while men are more often in higher grades 3, 4 and 5 or are ungraded monthly rate workers. This is linked to the fact that women have a smaller range of job opportunities available to them than men and many higher-graded jobs, such as knitting, dyeing, ironing, and cutting, are held by men. We discuss the reasons for this later in this report.

Table 19. Distribution of women and men workers by grade at the study garment factories in Bangladesh (%, October 2021)

Grade	Factory A		Factory B		Factory C	
(1 is highest grade)	% of women with grade	% of men with grade	% of women with grade	% of men with grade	% of women with grade	% of men with grade
Monthly rate workers (ungraded)	1%	27%	0.2%	12%	2%	31%
Grade 1	NA	NA	0%	0.1%	NA	NA
Grade 2	0.2%	0.3%	0%	1%	NA	NA
Grade 3	0.3%	4%	10%	20%	10%	17%
Grade 4	15%	31%	13%	25%	29%	27%
Grade 5	17%	11%	3%	16%	19%	10%
Grade 6	12%	16%	26%	11%	11%	6%
Grade 7	54%	10%	49%	15%	30%	8%

Notes: (i) NA indicates not applicable because there are no workers on that grade for the factory. (ii) All daily rate, piece rate, and contract workers have a grade and all of these workers are included in the figures, as are the small number of monthly rate workers at each factory that have a grade. Ungraded monthly rate workers include workers with a broad range of skill levels up to the highest level of management.

Source: Payroll data. Calculations by the authors.

In Morocco, at the farm there is little difference in the proportion of women and men at each level of the grading system and 95% of all women and all men are on the lowest grade. However, all the highest skilled positions (grades 14 to 17) are occupied by men. At the packhouse, 98% of women are on the lowest grade compared to only 52% of men, and other men are distributed across a range of grades.

Table 20. Distribution of women and men workers by grade at the study farm and packhouse in Morocco (%, February 2022)

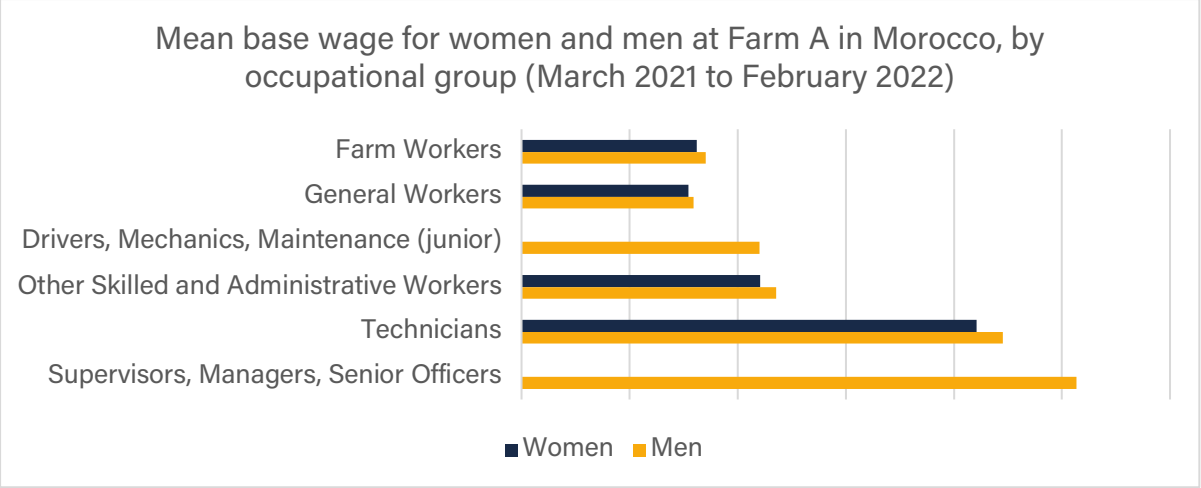
Grade	Farm A		Packhouse B	
(17 is highest grade)	% of women with grade	% of men with grade	% of women with grade	% of men with grade
Grade 14-17	0%	2%	0.4%	3%
Grade 12-13	2%	0.4%	0.4%	18%
Grade 10	2%	1%	1%	11%
Grade 9	0%	1%	0.4%	3%
Grade 8	0%	1%	0%	12%
Grade 7	95%	95%	98%	52%

Source: Payroll data. Calculations by the authors.

4. Gender differences in wages for women and men in the same occupational group

For each study workplace, we compared average base wages for women and men by occupational group to assess whether there is equal pay for equal work. Examples of the results for one garment factory in Bangladesh and the fresh produce farm in Morocco are shown in Figure 24. For these two workplaces, the average base wage for women is consistently less than the average base wage for men in the same occupational group. In addition, several of the higher-paying occupational groups have no women in them. The results are the same or similar for the other two factories in Bangladesh, and for both farms in Colombia. For the packhouse in Morocco and the factories in Turkey and Thailand, the average base wage for women is only lower than that of men for some of the occupational groups; for other groups, the average for women is sometimes higher than the average for men. We discuss the different results for each country, and the reasons behind them, below.

Figure 24. Examples from workplaces in Bangladesh and Morocco of mean base wages for women and men in each occupational group



Source: Payroll data. Calculations by the authors.

For Bangladesh, the gender differences in average base wages within occupational groups are largely due to each group containing occupations with different skills levels (such as assistant, junior, and senior sewing machine operators)[67] and women being disproportionately likely to be in the lower skilled occupations. However, when we analyzed wages for women and men by grade, we found that between 78% and 87% of women earn the statutory minimum wage for their grade (taking into account mandated increments for each year of service) compared to between 72% and 73% of men (Table 21). For grade 7, almost all women workers earn the minimum wage, compared to 94-95% of men. For other grades, the proportion of women and men earning the minimum wage varies depending on the factory, but for most grades women are more likely than men to earn the minimum wage. From interviews with workers and managers, it appears that men may be more able to achieve a base wage that is above the minimum for their grade through negotiation and are more likely than women to switch factories for a higher wage. The latter correlates with higher turnover rates for men than for women.

[67] This was done to make the payroll analysis manageable, as there were over 300 separate occupations at the factories in Bangladesh.

Table 21. Proportion of women and men workers in Bangladesh with a base wage that is the same as the minimum wage for their grade (%, October 2021)

Grade	Supplier A		Supplier B		Supplier C	
	Women	Men	Women	Men	Women	Men
All grades	87%	73%	78%	72%	78%	73%
1	NA	NA	NA	67%	NA	NA
2	100%	78%	NA	63%	NA	NA
3	100%	46%	99%	60%	77%	69%
4	34%	53%	99%	76%	70%	79%
5	97%	94%	86%	92%	59%	55%
6	98%	99%	10%	23%	73%	50%
7	98%	95%	100%	95%	100%	94%

Notes: (i) This analysis takes into account the 5% increment in base wage that workers are entitled to for each year of service. (ii) NA indicates not applicable because there are no women or men workers on the grade for the factory.

Source: Payroll data. Calculations by the authors.

For the farm in Morocco, 95% of workers are either general workers or farm workers on the lowest grade. A small gender difference in average base wages seems to arise for these two occupational groups because some workers do more skilled work that is slightly better paid and these workers are mostly men.[68] For other occupational groups, gender differences are explained by the inclusion of somewhat different occupations in the same group[69] rather than workers being paid differently for the same work. However, we do not have sufficient information to determine whether the jobs done by women are sufficiently less skilled or otherwise of less value than the jobs done by men to merit the differences in pay.

At the two study farms in Colombia, production workers have a main occupation but are trained to be polyfunctional so that they can do other tasks, as and when required. Women do a smaller range of tasks than men because they do not do cultivation and harvesting work. This results in the average base wage per month for women packers and cleaners being lower than the average base wage per month for men packers and cleaners because men sometimes do field tasks in addition to packing and cleaning, and these tasks are generally better paid.

[68] These workers are not categorized as having different occupations in the payroll data and therefore it was not possible for us to separate out these workers from other general workers and farm workers.
[69] As there were relatively few workers at the farm who were not general workers or farm workers, it was necessary to group workers together to have a sufficient number of workers in each occupational group for the payroll analysis.

In Turkey, the average base wage for supervisors and managers is higher for men than for women at all three factories, and for two factories, this is also true for 'miscellaneous higher-paid occupations'[70]. All other occupational groups have only small gender differences in base wages, if any. As for Bangladesh and Morocco, these differences within occupational groups are largely explained by there being a mix of occupations in the same group. However, an important finding in Turkey is that for Factory A, workers doing cutting and ironing have higher pay than sewing machine operators, whereas at the other two factories in Turkey, these occupations are paid the same or sewing machine operators are paid slightly more than cutters and ironers. Cutting and ironing are done exclusively by men at Factory A, whereas 63% of sewing machine operators are women. This suggests that there may be unequal pay for work of equal value at Factory A.

At the two factories in Thailand, there are some occupational groups that have a higher average base wage for men and others that have a higher average base wage for women, and women are just as likely as men to be in the higher-paid positions.

5. Gender differences in wages due to occupational gender segregation

To further explore whether there is a tendency for women to be concentrated in lower-paying occupations, we compared the average base wage for occupational groups dominated by men (i.e., at least 70% of workers in the group are men) with the average base wage for occupational groups dominated by women (i.e., at least 70% of workers in the group are women) and for occupational groups that are gender-integrated (between 30% and 70% of each gender).

Garment factories

For the garment factories in Turkey and Bangladesh, average base wages for men-dominated occupational groups are consistently higher than average base wages for women-dominated groups (Table 22). In Turkey, the percentage difference between wages for the two groups is relatively small at the factories with small gender pay gaps (Factories B and C), but at the factory with the large gender pay gap (Factory A), the difference is nearly 30%. In Bangladesh, the percentage difference is between 23% and 36%, which is similar to the gender pay gap for base wages at each factory.

In Thailand, there is no difference in the average base wage for women-dominated groups and men-dominated groups at Factory A, but at Factory B, the percentage difference is 19%, which is initially surprising as there is a small gender pay gap in favor of women at this

[70] For the factories in Turkey, we grouped miscellaneous occupations with between 1 and 6 workers into categories based on their base salary: (i) workers earning the national minimum wage, or close to it, were classified as 'miscellaneous lower pay'; (ii) workers earning more than the minimum wage up to 20% above the minimum wage were classified as 'miscellaneous medium pay'; and (iii) workers earning more than 20% above the minimum wage were classified as 'miscellaneous higher pay'.

factory. However, this is due to there being only 3 small men-dominated occupations at Factory A (Drivers, Maintenance, and Security) which account for just 1% of the total workforce and so a higher average wage for these occupations does not result in higher wages for men than women overall. Also, workers with these 3 occupations do not receive productivity-based incentive pay on top of their base wage, unlike production workers. This means that when the average gross cash wage (including overtime pay and cash allowances and bonuses) for men-dominated occupations is compared with the average gross cash wage for women-dominated occupations, the average is highest for women-dominated occupations.

Table 22. Percentage difference between mean base wage for men-dominated occupational groups and mean base wage for women-dominated occupational groups and gender pay gap for base wages at study garment factories (mean for study period for each workplace)

	Factory A		Factory B		Factory C	
	% diff. in mean base wage for men-dominated groups vs. women-dominated groups	Gender pay gap for base wages	% diff. in mean base wage for men-dominated groups vs. women-dominated groups	Gender pay gap for base wages	% diff. in mean base wage for men-dominated groups vs. women-dominated groups	Gender pay gap for base wages
Turkey	29.8%	17.1%	3.4%	3.8%	8.9%	4.9%
Bangladesh	23.3%	22.4%	24.0%	23.9%	36.4%	29.5%
Thailand	-0.5%	-1.5%	18.6%	-0.5%		

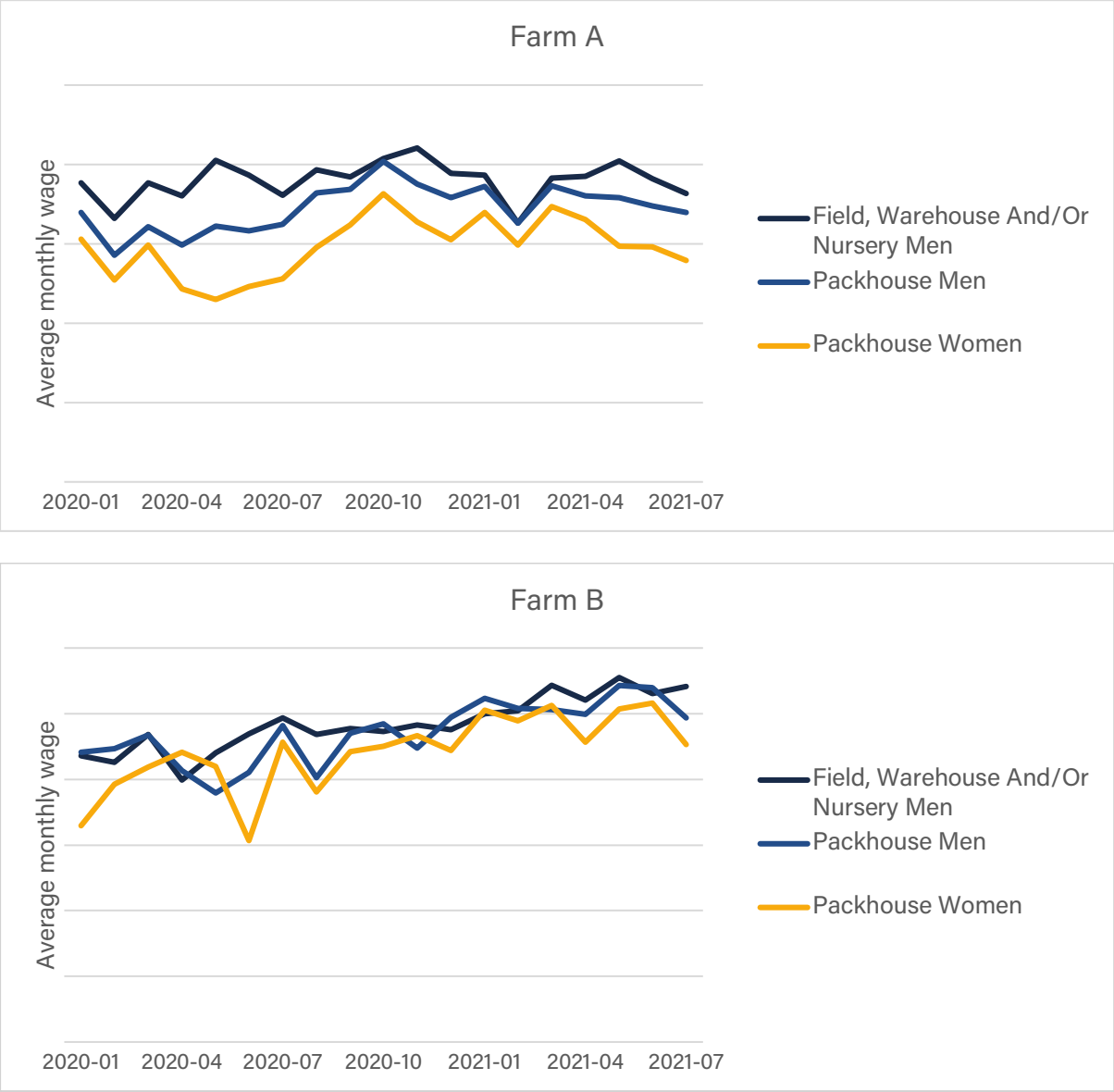
Notes: (i) Men-dominated occupational groups are at least 70% men, and women-dominated occupational groups are at least 70% women. (ii) The percentage difference is the mean base wage for occupational groups dominated by men minus the mean base wage for occupational groups dominated by women, expressed as a percentage of the mean base wage for occupational groups dominated by men.

Source: Payroll data. Calculations by the authors.

Agrifood farms and packhouse

There are fewer occupational groups for the farms and packhouse in Colombia and Morocco than for the garment factories, and for the farms, there are no occupational groups dominated by women because there are relatively few women overall. We therefore approached the analysis in a slightly different way. For Colombia, we compared wages for field-related occupations (all men) with wages for packhouse workers (mix of men and women) as these two groups account for 83% to 85% of all men and 63% to 88% of all women. We found that field-related workers consistently earn more than packhouse workers (Figure 25). Men packhouse workers also earn more than women packhouse workers, for the reason given earlier.

Figure 25. Mean base wage for field-related workers and packhouse workers at study farms in Colombia, by gender (10% trimmed mean, January 2020 to July 2021)



Source: Payroll data. Calculations by the authors.

For the farm and packhouse in Morocco, we compared average base wages for each occupational group with the distribution of women and men across groups (Table 23). For the farm, the lowest average wage is for General Workers, which accounts for over 90% of all women but only 73% of men. The average wage for Farm Workers is 8% higher than the average wage for General Workers, and only 5% of women are in this group compared to 22% of men. The remaining 5% of women and 5% of men are spread across the other, higher-paying, occupational groups, but there are no women in the group with the highest pay (Supervisors, Managers, Senior Officers).

For the packhouse in Morocco, the average base wage for General Workers, a men-dominated group, is almost identical to the average base wage for Packers, a women-

dominated group. These two groups account for 98% of all women at the packhouse but only 56% of all men. The other 2% of women are mostly Other Skilled and Administrative Workers, and there are no or very few women in the two highest-paying occupational groups, Technicians, and Supervisors, Managers, Senior Officers, while the remaining men are distributed across the higher-paying occupational groups. These results help to explain why there is a larger gender pay gap for base wages at the packhouse than for the farm (15.3% compared to 4.7%).

Table 23. Mean base wage per day by occupational group as a percentage difference from the lowest mean base wage, and proportion of all women workers and all men workers that each group represents, for study workplaces in Morocco (March 2022 to February 2023)

Packhouse	Mean base wage for occupational group as % difference from lowest mean base wage	% of all women the group represents	% of all men the group represents
Farm A			
General Workers	Lowest mean base wage	90.7%	72.8%
Farm Workers	+8%	4.7%	22.0%
Drivers, Mechanics, Maintenance (junior)	+39%	0.0%	1.4%
Other Skilled and Administrative Workers	+47%	2.3%	1.7%
Technicians	+176%	2.3%	0.7%
Supervisors, Managers, Senior Officers	+224%	0.0%	1.4%
Packhouse B			
General Workers	Lowest mean base wage	0.4%	55.8%
Packers	+0.1%	97.6%	0.0%
Team Leaders	+13%	0.0%	8.1%
Drivers, Mechanics, Maintenance (junior)	+18%	0.0%	12.8%
Other Skilled and Administrative Workers	+27%	1.6%	5.8%
Technicians	+43%	0.0%	11.6%
Supervisors, Managers, Senior Officers	+239%	0.4%	5.8%

Source: Payroll data. Calculations by the authors.

6. Conclusion

Based on the results presented in this annex, we conclude that occupational gender segregation is an important determinant of gender pay gaps in all countries except Thailand, because women are disproportionately likely to be in lower-paying occupations and higher-paying occupations are almost always dominated by men. Although in

Thailand women and men often do different types of work, the occupations typically done by men are no better paid than the occupations typically done by women.

ANNEX 2. Detailed findings on gender differences in wages due to types of employment relationships and contracts for women and men

Gender differences in wages can arise if women and men have different types of employment relationships and contracts with employers. In the majority of low- and middle-income countries, women are more likely than men to be in informal employment and lacking job security and social protection.[71] Women are also often concentrated in part-time or fixed-term employment that comes with fewer rights and benefits than full-time employment. In this annex, we explore employment relationships and contracts for women and men at each study workplace and how this affects wages and the size of gender pay gaps.

1. Types of employment relationships and contracts for women and men at study workplaces

All workers at the 12 study workplaces are formally employed and registered for social security. As noted earlier, at many of the study workplaces, employment has become more formalized over time, largely due to pressure from buying companies and standards organizations to comply with labor laws. This is an important change, as it provides workers with job security and legal entitlements such as paid leave, health insurance, severance pay, and pensions (depending on the country). According to information gathered from published materials and key informants in each country, this is often not the case for garment workers in Turkey and Thailand[72], and seasonal agricultural workers in Morocco, indicating that some study workplaces may better than is typical in this regard.

Most workers at the 12 workplaces have permanent contracts for work throughout the year, with following exceptions:

- **Bangladesh:** At Factory B, production workers in cutting, sewing, and ironing divisions are often contract workers who are employed and managed by service agents. All service agents are registered with the Ministry of Labor and Employment and have formal agreements to provide labor services to the factory that outline the agents' responsibility for compliance with all relevant labor laws, including paying at least the statutory minimum wage and providing paid leave in accordance with the law. Service agents negotiate piece rates for each operation that workers perform and deduct their margin from these rates before paying workers. In addition, contract workers at Factory B do not receive several types of

[71] Bonnet et al. (2019)

[72] For Thailand, this relates to migrant workers, specifically.

pay that permanent workers receive (premiums for overtime pay, attendance bonus, Eid bonus, and paid maternity leave).

- **Colombia:** At both study farms, some workers are employed on special shift (part-time) contracts because harvesting and packing does not take place every day. The collective bargaining agreement that covers Farm A stipulates that special shift workers are guaranteed at least 3 days work per week, but at Farm B, special shift workers do not have a minimum number of days guaranteed. At Farm B, some workers are employed on fixed term contracts of 4 months or more which are renewed for up to 2 years, after which they are made permanent. Special shift workers have the same rights and benefits as full-time permanent workers, as do fixed term workers other than in relation to job security and severance pay.[73]

- **Morocco:** At the farm and the packhouse, most workers are employed on open-ended seasonal contracts. Each season, seasonal workers are called back to work and there are high rates of return.[74] At the farm, there are also some workers on fixed term contracts of 3 to 6 months that can be renewed for up to 2 years, by law. Seasonal and fixed term workers are registered with the national social security fund (CNSS) and accumulate credits from year to year that entitle them to various benefits (e.g., sick pay, maternity pay, pension, etc.). Seasonal and fixed term workers also participate in the company's private health insurance scheme that covers workers and their family members. At the packhouse, permanent workers and seasonal workers can both access health insurance benefits throughout the year, but at the farm, only permanent workers have access throughout the year, while seasonal workers and fixed term workers only have access during the periods when they are working at the farm. Seasonal and fixed term workers at the farm also have less access to other non-statutory benefits, such as Eid Bonus, annual bonus, and transport allowance.

As noted in section 4.2, women and men are not distributed equally across the different types of contracts at these workplaces. At Factory B in Bangladesh, less than 10% of contract workers are women, compared to between 40% and 50% of daily rate production workers. In Colombia, 10% to 20% of full-time workers at Farm A are women but 40% to 50% of workers on special shift contracts are women, because women are mostly hired to work in

[73] By law, a fixed-term contract may be renewed for one year indefinitely without this automatically converting it into a permanent contract. This has implications for worker dismissals. In fixed-term contracts, compensation is paid based on how long is remaining until the end of the contract period. In permanent contracts, compensation is paid based on the number of years the contract has run for.

[74] By law, when employers recruit seasonal workers, they are required to give preference to workers already on their books each season. However, this is not enforced and so in practice, employers can choose which workers to invite back each season.

packhouses.[75] For Farm B in Colombia, the proportion of women falls between 10% and 20% for both fixed term and permanent contracts, but women are somewhat more likely than men to be on a fixed term contract. In Morocco, women are under-represented among permanent workers and fixed term workers, especially at the packhouse where women account for 80% to 90% of seasonal workers but only 10% to 20% of permanent workers.

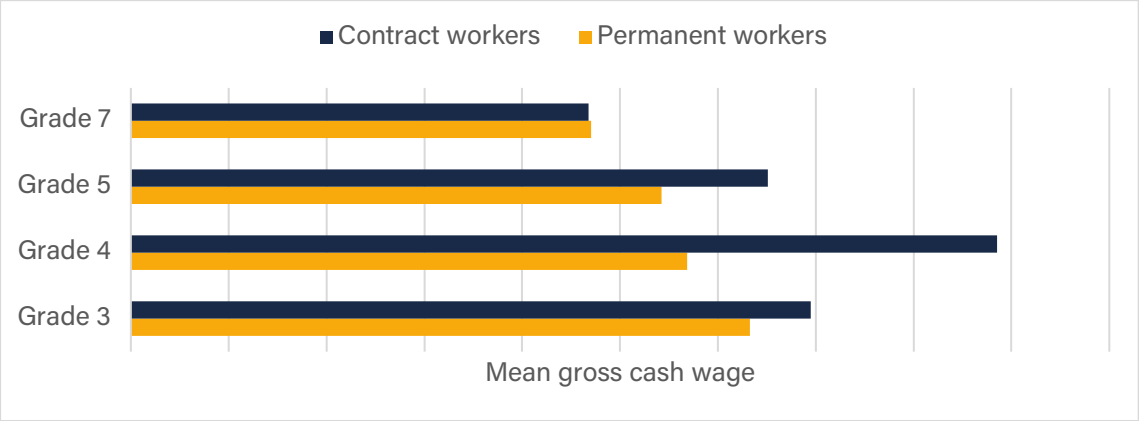
Below, we explore wages for workers with different types of contracts in Bangladesh, Colombia, and Morocco to see whether this contributes to gender pay gaps. Note that gender differences in wages due to unequal access to additional payments and benefits, such as overtime pay and performance-related bonuses, are investigated in more detail in 7.3, including looking at differences in wages for daily rate permanent workers compared to monthly rate permanent workers.

2. Average wages for women and men by contract type in Bangladesh

At Factory B in Bangladesh, all production workers have a base wage based on the minimum wage for their grade, whether they are permanent daily rate workers or contract workers. As such, the average base wage for the two groups is similar, when workers are disaggregated by grade. However, contract workers are paid by the piece whereas daily rate workers are paid by the day, and the average gross cash wage for contract workers is considerably higher than the average gross cash wage for permanent workers for all grades except grade 7 (Figure 26). Since fewer than 10% of contract workers are women compared to 40% to 50% of daily rate workers, gender differences in wages due to type of contract is a direct determinant of the gender pay gap at Factory B. Note, however, that higher pay for contract workers is mostly related to the way these workers are paid rather than the type of contract overall, given contract workers have less access to wage-related benefits than permanent workers.

[75] For Farm B, special shift workers were not differentiated from full-time workers and so we could not do this calculation.

Figure 26. Mean gross cash wage per month by type of contract and grade at Factory B, Bangladesh (January 2020 to October 2021)



Note: For contract workers, the mean gross cash wage is the amount received by workers after service agents have deducted their commission.

Source: Payroll data. Calculations by the authors.

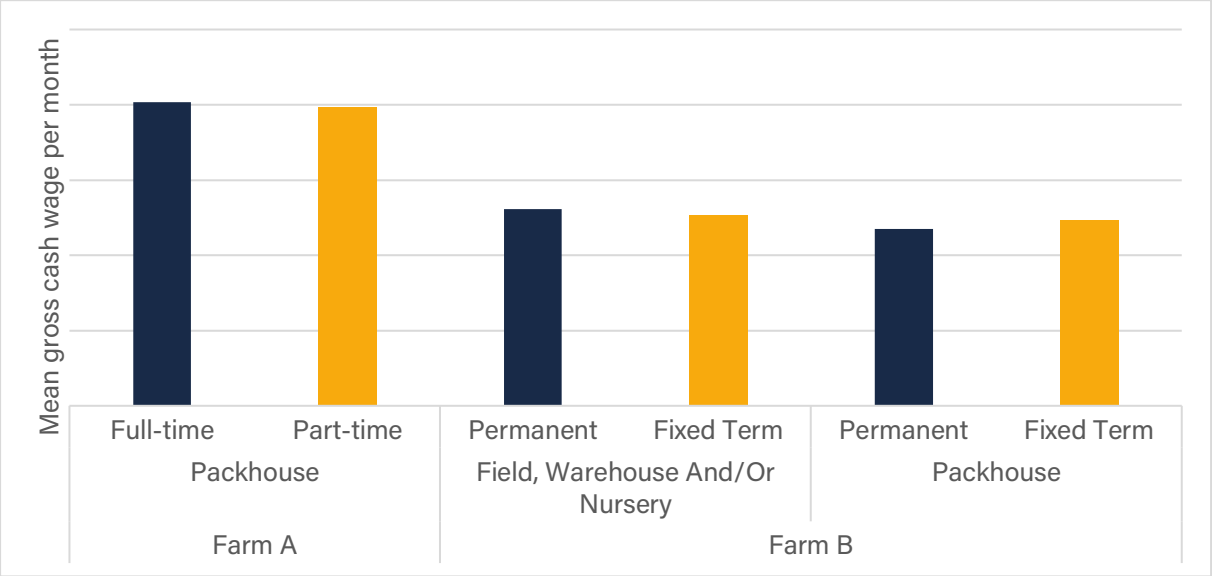
3. Average wages for women and men by contract type in Colombia

For Farm A in Colombia, we compared gross cash wages for full-time workers with gross cash wages for special shift workers for the only occupational group that has a substantive number of both types of workers ('Packhouse') and found almost no difference in their wages (Figure 27). This is surprising, given that special shift workers are only guaranteed 3 days of work per week. However, when we looked at the number of days worked per month by different types of workers, we found that special shift workers worked almost as many days per month as full-time workers during the study period. We do not know whether this is also the case for special shift workers at Farm B.

At Farm B, there are also only very small differences between average gross cash wages for permanent workers and fixed term workers in the same occupational groups, and for one of the occupational groups ('Packhouse') the average for fixed term workers is highest, while for the other occupational group ('Field, Warehouse, and/or Nursery') the average for permanent workers is highest.

As far we can tell, then, gender differences in type of contract is not a major determinant of gender pay gaps at either of the study workplaces in Colombia.

Figure 27. Mean gross cash wage per month by type of contract and occupational group at Farm A and Farm B, Colombia (10% trimmed mean, January 2021 to July/September 2021)

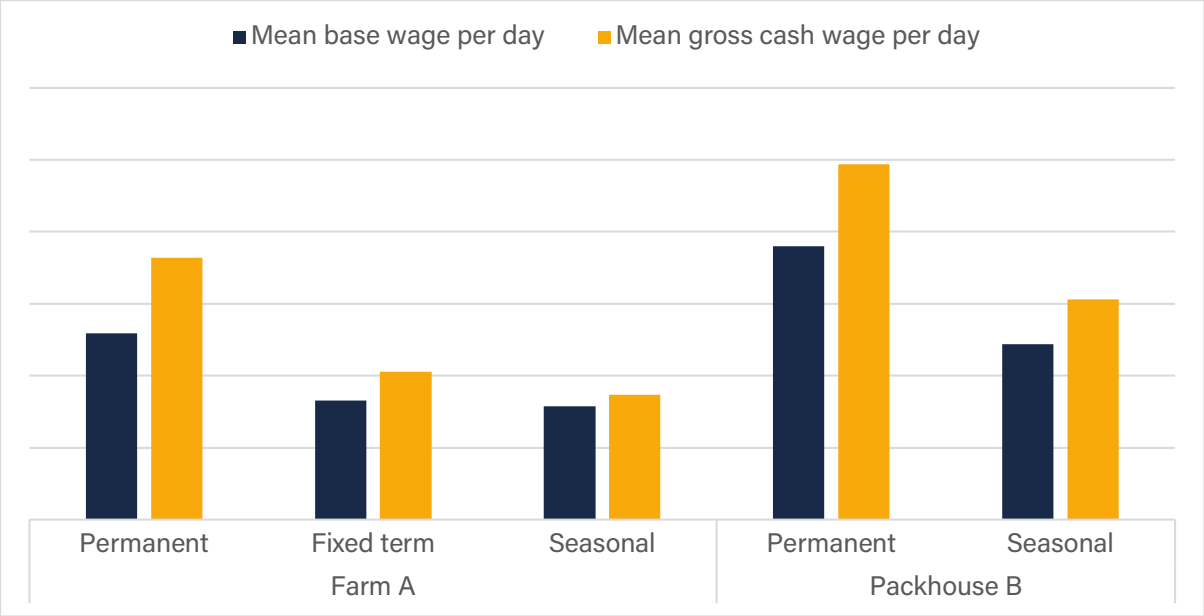


Source: Payroll data. Calculations by the authors.

4. Average wages for women and men by contract type in Morocco

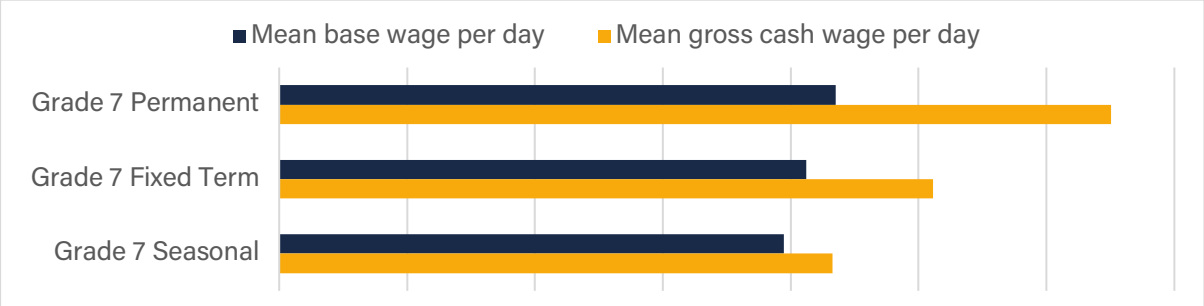
For the farm and packhouse in Morocco, the mean base wage per day and the mean gross cash wage per day for permanent workers is substantially higher than the means for fixed term and seasonal workers (Figure 28). This is mostly due to permanent workers having a wider range of occupations and skill levels than fixed term workers and seasonal workers: permanent workers are spread across grades 7 to 17, fixed term workers are on grades 7 to 9, and seasonal workers are all on grade 7. If we compare wages for grade 7 workers with different types of contracts at the farm, there is not much difference between the mean base wage for each type of contract, but for gross cash wages, the mean for permanent workers is considerably higher than the mean for fixed term workers, which is in turn higher than the mean for seasonal workers (Figure 29).

Figure 28. Mean base wage per day and mean gross cash wage per day by type of contract at Farm A and Packhouse B, Morocco (March 2022 to February 2023)



Source: Payroll data. Calculations by the authors.

Figure 29. Mean base wage per day and mean gross cash wage per day by type of contract for grade 7 workers at Farm A, Morocco (March 2022 to February 2023)



Source: Payroll data. Calculations by the authors.

Given that most women at the farm and packhouse are seasonal workers, whereas men are more spread across seasonal workers, fixed term workers, and permanent workers, the type of contract therefore has an important influence on average wages for women and men at both workplaces in Morocco. For the farm, where 95% of all workers are on a seasonal contract or a fixed term contract, these findings also help to explain why the gender pay gap in base wages is only 4.7% but increases to 15.6% for gross cash wages. For the packhouse, the larger gender pay gaps for both base wages (15.3%) and gross cash wages (18.5%) can mostly be explained by the low number of women among permanent workers.

5. Conclusion

In this section, we looked at gender differences in pay due to differences in type of contract. This was only done for study workplaces in Bangladesh, Colombia and Morocco only, because almost all workers in study workplaces in Thailand and Turkey have permanent contracts.

To summarize our findings across the study workplaces related to types of contracts, we conclude that the tendency for women and men to have different types of contracts contributes to gender pay gaps at one factory in Bangladesh and at the farm and packhouse in Morocco. This is because contract type is associated with the type of work a worker does, how they are paid, and/or how much they receive in cash allowances and bonuses. Gender differences in contract type is not a driver of gender pay gaps at Farm A in Colombia because special shift workers work around the same number of days per month as permanent workers. We are unable to determine whether this is also the case at Farm B.

ANNEX 3. Detailed findings on gender differences in wages due to forms of pay and access to additional wage payments for women and men

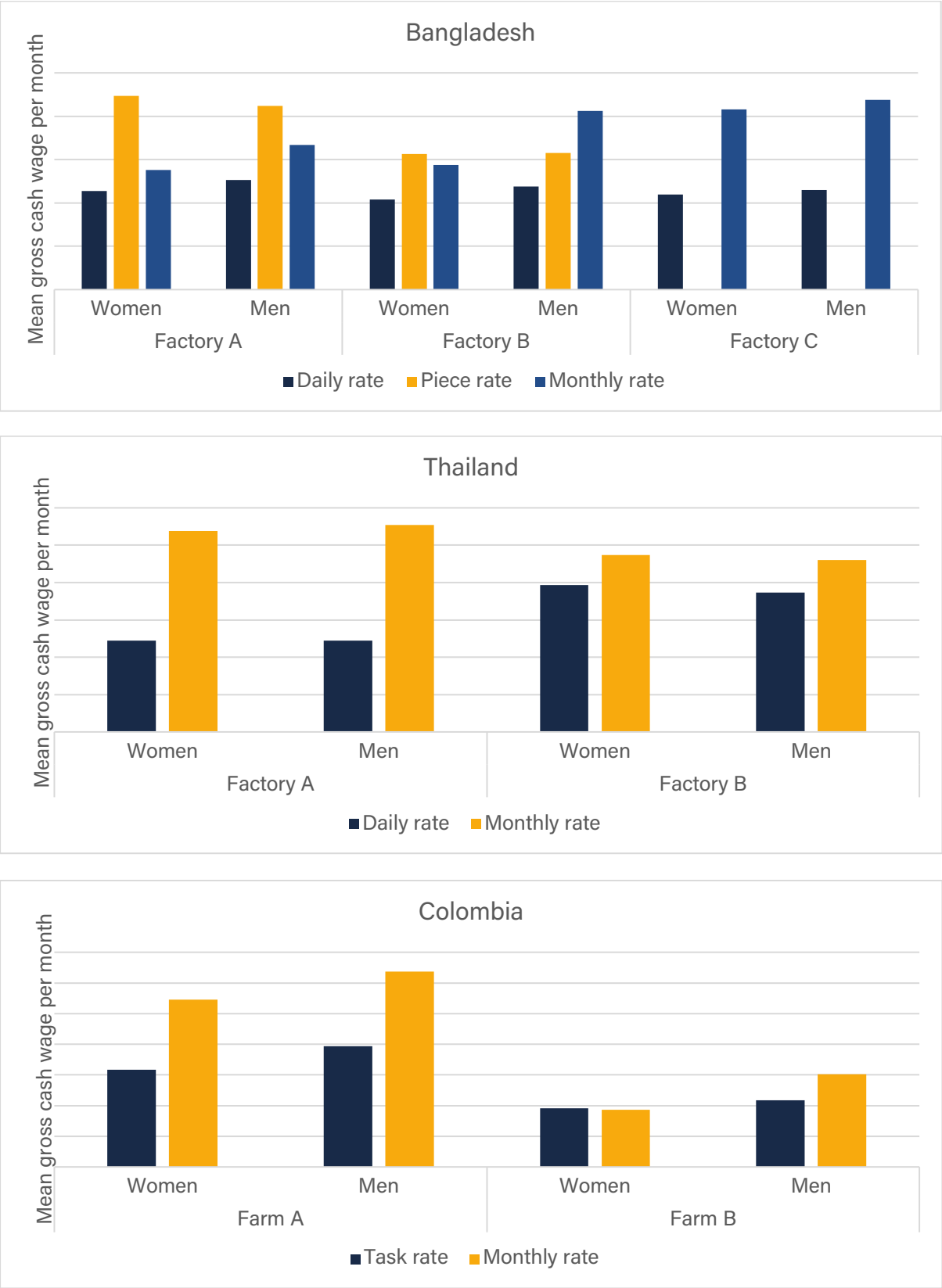
If women and men are paid differently, such as being paid by the day or by the piece rather than being paid by the month, and these different forms of pay are associated with higher or lower wages, then this can contribute to gender pay gaps. Gender pay gaps can also be caused by women and men having different entitlements to additional payments on top of their base wage, such as overtime pay, performance-related bonuses, attendance bonuses, and transport allowances. In this annex, we investigate these two potential drivers of gender pay gaps at the study workplaces.

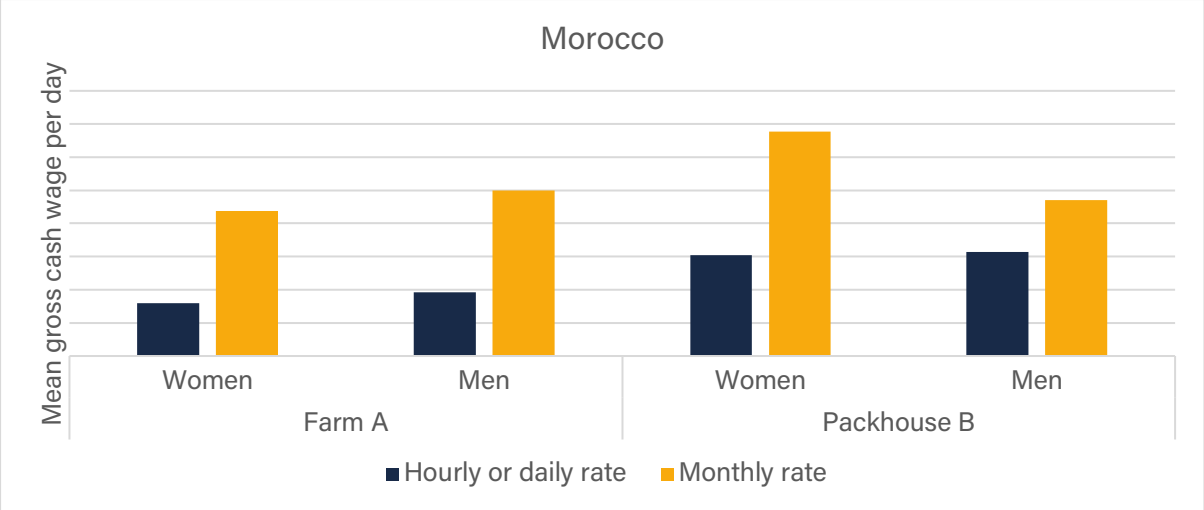
1. Variation in wages for women and men depending on how they are paid

To explore how the form of pay affects wages and gender pay gaps, we calculated average gross cash wages for women and men workers with different forms of pay in each country (excluding Turkey, where almost all workers are paid the same way[76]) (Figure 30). For Bangladesh, Thailand, and Morocco, the average wage for monthly rate workers is consistently higher than the average wage for daily rate or hourly rate workers, irrespective of the gender of workers. However, in Bangladesh, piece rate workers usually have higher wages than monthly rate workers, except for men monthly rate workers at Factory B. In Colombia, the average wage for monthly rate workers is usually higher than for task rate workers, but at Farm B, women monthly rate workers have an average wage that is slightly lower than that of women and men task rate workers.

[76] Exceptions being more senior workers who are not entitled to overtime pay because this is considered included in their salaries.

Figure 30. Mean gross cash wage by gender and form of pay at study workplaces in Bangladesh, Thailand, Colombia, and Morocco (mean for study period in Bangladesh, Thailand, and Morocco, and 10% trimmed mean for 2020 in Colombia)





Source: Payroll data. Calculations by the authors.

The way a worker is paid is often associated with the type of work he or she does, and so these differences in wages based on form of pay can partly be explained by differences in the occupations that are associated with each form of pay. For example, monthly rate workers are often more skilled and/or have more responsibilities than daily rate workers or task rate workers. However, our analysis of wages for contract workers and permanent workers at Factory B in Bangladesh indicates that workers who are on the same grade but paid differently (by the day or by the piece) may earn quite different wages. We get the same result when we compare wages for piece rate workers and daily rate workers at Factory A in Bangladesh (i.e., higher gross cash wages for piece rate workers than for daily rate workers on the same grade). Similarly, the results for Farm B in Colombia indicate that workers paid by the task sometimes earn more than workers paid by the month, even though the occupations done by monthly rate workers in Colombia are usually more skilled than those done by task rate workers.

This suggests that the form of pay might contribute to gender pay gaps if women and men are paid differently. This would only be the case if the distribution of women and men across the different forms of pay is not in line with the overall distribution of women and men in the workforce. For our study workplaces, this is true for the following workplaces:

- All factories in Bangladesh, where 30% to 60% of all workers are women but under 10% of piece rate and monthly rate workers are men, while 40% to 70% of daily rate workers are women;
- All factories in Thailand, where 70% to 80% of all workers are women but 80% to 90% of monthly rate workers are women;
- Farm A in Colombia, where 10% to 20% of all workers are women but 30% to 40% of monthly rate workers are women;

- Farm A in Morocco, where 10% to 20% of all workers are women but 0% to 10% of monthly rate workers are women;
- Packhouse B in Morocco, where 70% to 80% of all workers are women but 10% to 20% of monthly rate workers and 80% to 90% of hourly rate workers are women.

This means that, for the workplaces in Bangladesh and Morocco, gender differences in the form of pay are likely to widen gender pay gaps, whereas in Thailand and at Farm A in Colombia, they are likely to narrow gender pay gaps.

2. Access to additional payments and benefits for women and men

Table 24 shows the additional payments and benefits that workers receive on top of their base wages. There is a lot of variation between countries and sometimes also between workplaces within the same country. For workplaces with many types of additional payments, these payments can make a substantial difference to gross cash wages. It is therefore important to understand whether there are gender differences in access to these payments.

Table 24. Overview of additional cash payments and benefits received on top of base wages by workers at study workplaces

	Overtime (OT) pay	Performance-related pay	Other cash allowances and bonuses and in-kind benefits
GARMENTS			
Turkey	OT at premium rates for all workers except highest paid workers	None	**Eid Bonus** for all workers (Factory B) **Free transport or Transport Allowance** for all workers **Free lunch and dinner** (if do OT) for all workers
Bangladesh	OT at premium rates for daily rate and piece rate workers at Factory A. Contract workers paid by piece during OT hours. OT allowance or no OT pay for monthly rate workers[77]	**Attendance Bonus** for daily rate workers, also piece rate and monthly workers at Factory A	**Eid Bonus** for all workers except contract workers
Thailand	OT at premium rates for daily rate workers and some monthly rate workers	**Production/ Performance Bonuses** (various) for most workers **Attendance Bonus** for daily rate workers	**Housing, Travel, and Meal Allowances** for all workers (Factory B) **Skill/Position Allowance** for workers with specific skills/positions **Participation Allowance** for committee members (Factory A) **Sunday Bonus** if work on Sunday (Factory B)
AGRIFOOD			
Colombia (bananas)	OT at premium rates for all workers	**Production Bonus** for most workers	**Service Premium** (13th month) for all workers (legal entitlement) **Severance Fund Interest** for all workers (legal entitlement) **Free transport or Transport Allowance** for all workers **Holiday Allowance and Christmas Bonus** for all workers **Conditional allowances** for marriage, maternity, bereavement, seniority, housing, students, sports, food, and/or glasses[78]
Morocco (fresh produce)	OT at premium rates for all workers, but rarely received because of annualized working hours	**Monthly Performance Bonus** for some workers at farm **Annual Performance Bonus** for all workers except seasonal workers at farm	**Seniority Allowance** based on years of service for all workers (legal entitlement) **Eid Bonus** for all workers except seasonal workers at farm **Free transport or Transport Allowance** for some permanent workers at farm and all workers at packhouse **Other allowances** for specific positions (irrigation, security, senior officers)

Source: Payroll data and other information provided by employers.

To assess the influence of access to additional payments on gender pay gaps, we compared the gender pay gap for base wage – which does not include these additional

[77] At Factory A, monthly rate workers in production receive a cash allowance when they work more than 48 hours a week, but this is not equivalent to overtime pay at premium rates.

[78] These conditional allowances were not included in the analysis of wages to enable a better comparison between workers.

payments – with the gender pay gap for gross cash wage including overtime pay and cash allowances and bonuses (Figure 31). For 7 of the case study workplaces, the gender pay gap for gross cash wages is larger than the gender pay gap for base wages, for 3 workplaces it is smaller, and for 2 workplaces it is around the same. On closer examination of the payroll data for each workplace, including looking at the proportions of women and men receiving each type of additional payment, we found different explanations for this:

- **In Turkey**, the gender pay gap for gross cash wages is around 2% larger than for base wages for Factories A and B mostly because women work slightly fewer days than men per month, on average (around 0.5 days less, on average, but with a larger difference during the peak of the COVID-19 pandemic). The effect of this is mitigated by women earning more in overtime pay than men, partly because men are more likely to be in a job that does not pay overtime. At the other factory, there is no substantive difference in the two measures of gender pay gaps. There are no gender differences in access to the Eid bonus or in-kind benefits (meals and transport) at any of the factories.

- **In Bangladesh**, the gender pay for gross cash wages is 1.4% and 3.5% larger than for base wages for Factories A and B, respectively. This is because piece rate workers at these factories have gross cash wages that are much higher than their base wages, and piece rate workers are mostly men. However, women at all 3 factories in Bangladesh are more likely than men to receive overtime pay and bonuses for attendance and Eid, as these additional payments are often not paid to monthly rate workers and contract workers (who are mostly men). This reduces the gender pay gap in gross cash wages Factories A and B and explains why the gender pay gap for Factory C (which does not have piece rate workers) is smaller for gross cash wages than for base wages.

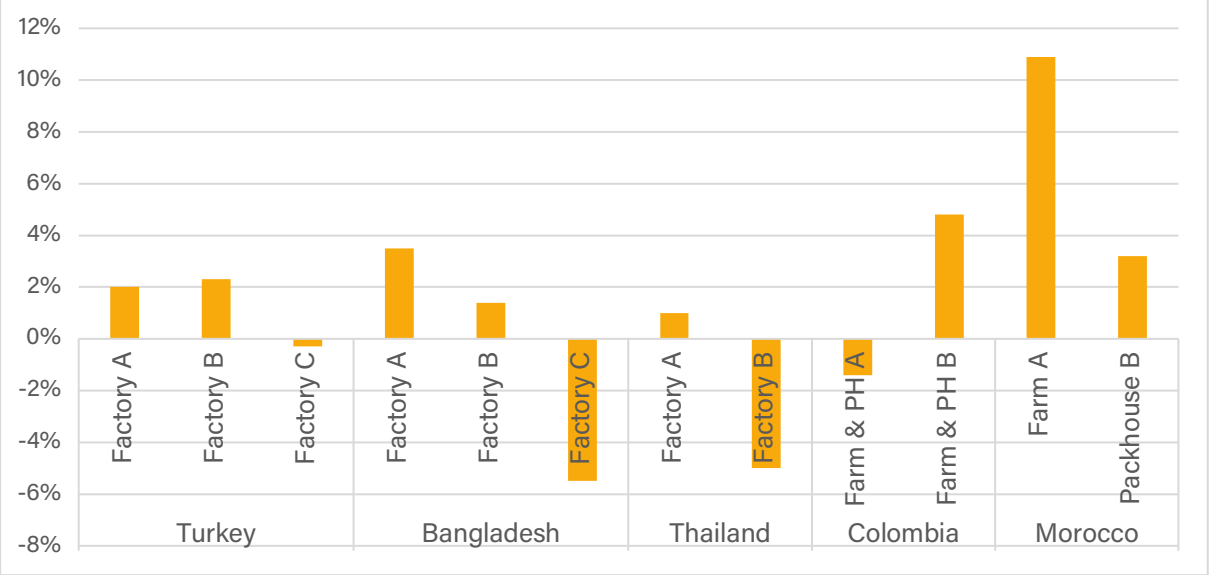
- **In Thailand**, the gender pay gap for Factory A is around the same for both wage measures, but for Factory B, there is a 5% larger gap in favor of women for gross cash wages than for base wages. This is mostly because women are more likely than men to receive several of the cash bonuses paid by this factory (particularly performance-related bonuses and the attendance bonus). The effect of this is somewhat mitigated by men earning more in overtime pay than women.

- **In Colombia**, at Farm A the gender pay gap for gross cash wages is 1.4% smaller than for base wages, but at Farm B, it is 4.8% larger. At Farm A, this is mostly due to women task rate workers earning slightly more than men task rate workers in cash allowances and bonuses (although this is not the case for monthly rate workers),

while at Farm B, both types of men workers earn more than women workers in cash allowances and bonuses as well as overtime pay.[79]

- **In Morocco**, the gender pay gap for gross cash wages is 10.9% higher than for base wages at the farm and 3.2% higher at the packhouse. This is mostly because men earn substantially more in cash allowances and bonuses than women – around 3 times more at the farm and around 4 times more at the packhouse, on average. This is mostly associated with men being more likely than women to be permanent workers, as most additional payments are either only paid to permanent workers (especially at the farm), or they are higher for permanent workers than for fixed term and seasonal workers.[80] It is also worth mentioning that women at the farm also receive less benefit from the company's private medical insurance scheme because they are disproportionately likely to be seasonal workers and therefore only covered by this scheme for a few months each year.

Figure 31. Percentage difference from gender pay gap for mean base wage to gender pay gap for mean gross cash wage at case study workplaces (% for study period for each workplace)



Source: Payroll data. Calculations by the authors.

3. Conclusion

[79] Transport allowances are excluded from this analysis because some workers receive a transport allowance in cash and other workers receive free company transport.

[80] Annual bonuses are excluded from this analysis because they were not included in the payroll data. It is likely that these bonuses would further increase the gender pay gap in gross cash wages because the amounts received by permanent workers are higher than the amounts received by other types of workers.

Overall, we found that gender differences in access to additional wage payments contributes to gender pay gaps in gross cash wages at all workplaces in all five countries, but in inconsistent ways. In some cases, women have greater access than men to these payments and this reduces the size of gender pay gaps, while for other workplaces, it is the opposite. Women's and men's access to additional payments can also vary depending on the type of payment, which can have counterbalancing effects on the size of the gender pay gap at each workplace.

Access to additional wage payments is affected by the types of work women and men do, the types of contracts and forms of pay they have, and the amount of time they work. We do not have sufficient information to determine whether there are also other factors involved, such as gender biases in the allocation of performance-related bonuses. It is also important to note that the amounts received as additional payments often vary considerably from one month to the next, particularly for overtime pay and bonuses linked to productivity. This means that gender pay gaps can vary over time and are partly dependent on market demand and buyers' purchasing practices.

ANNEX 4. Detailed findings on gender differences in wages due to amount of time worked by women and men

Gender differences in the amount of time worked by women and men is a common cause of gender pay gaps at the country level. This is usually associated with women having less time available for paid work because of the time they spend on unpaid care work, but it can also be because women are discriminated against during employment and allocation of work hours. To explore this, we first investigated the number of days worked per month or per year by women and men and/or the amount of paid and unpaid leave women and men take, and then we explored gender differences in the amount of overtime worked.

1. Gender differences in the number of days worked per month for workplaces in Turkey, Bangladesh, Thailand, and Colombia

Table 25 summarizes our findings on the average number of days workers were paid each month or the number of days of paid and unpaid leave taken for all countries except Morocco, which is discussed separately below. The analysis was not done the same way for all workplaces because of differences in the wage systems and payroll data variables. For most workplaces, there are only small differences in the number of days worked per month by women and men. In some countries (Bangladesh, Thailand) women tend to work somewhat more days per month and take less paid and unpaid leave than men, while in others (Turkey, Colombia), men usually work slightly more days and take less leave than women, although it sometimes depends on the type of contract a worker has and, for Thailand, the nationality of workers. These differences either increase or reduce the gender pay gap in gross cash wages for each workplace but are in some cases counterbalanced by opposing gender differences in the amount of overtime worked.

Table 25. Number of paid days or days of paid and unpaid leave taken by women and men at case study workplaces in Turkey, Bangladesh, Thailand, and Colombia (mean for relevant study period81)

	Mean number of days for women	Mean number of days for men
Turkey (All workers)	24.9 to 27.6 paid days per month [a]	25.6 to 27.7 paid days per month [a]
Bangladesh (All workers)	0.12 to 0.21 paid leave days per month 0.75 to 0.99 unpaid leave days per month	0.27 to 0.38 paid leave days per month 0.74 to 1.10 unpaid leave days per month
Thailand (Daily rate workers only)	Factory A: 0.49/0.60 paid leave days per month for Burmese/Thai workers Factory A: 0.14/0.19 unpaid leave days per month for Burmese/Thai workers Factory B: 24.1/23.9 worked days per month for Burmese/Thai workers	Factory A: 0.59/0.81 paid leave days per month for Burmese/Thai workers Factory A: 0.27/0.50 unpaid leave days per month for Burmese/Thai workers Factory B: 24.1/22.8 worked days per month for Burmese/Thai workers
Colombia (Task rate workers only)	Farm A: 25.2/24.2 paid days per month for permanent/special shift workers [a] Farm B: 21.6/24.4 paid days per month for permanent/fixed term workers [a]	Farm A: 25.3/25.1 paid days per month for permanent/special shift workers [a] Farm B: 24.1/24.0 paid days per month for permanent/fixed term workers [a]

Notes: [a] The number of paid days per month includes pay for days worked, public holidays, and paid leave days. [b] Morocco is not included in this table because we did not have data for the number of paid days or paid and unpaid leave days per month in Morocco.

Source: Payroll data. Calculations by the authors.

2. Gender differences in the number of days worked per year for workplaces in Morocco

For Morocco, the payroll data are annualized and do not include information on the amount of time each woman and man worked each month. Taking the whole year, there is a large difference in the average number of days worked by women and men as well as differences in the number of days of paid public holidays and paid leave days (Table 26). This is expected because women are over-represented among seasonal workers and under-represented among fixed term and permanent workers. When we disaggregate workers by type of contract, for permanent workers and fixed term workers, the average number of paid days for women is somewhat higher than the average for men on the same type of contract. However, for seasonal workers, the average number of paid days is lower for women than for men – in the case of the farm, the average for women is less than half the average for men, whereas at the packhouse, there is much smaller difference of 10 days for the year.

[81] For Colombia, we used 10% trimmed means due to the small number of women workers.

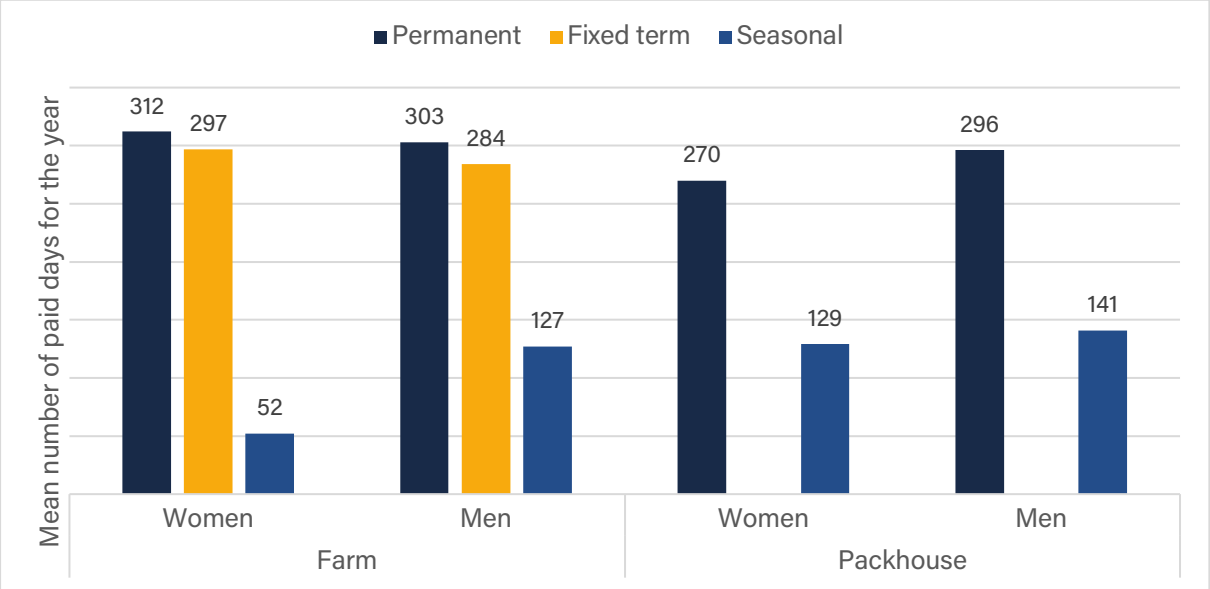
Table 26. Mean number of paid days for the year by type of paid day and gender at Farm A and Packhouse B, Morocco (March 2022 to February 2023)

	Farm A		Packhouse B	
	Women	**Men**	**Women**	**Men**
Days worked	97	175	123	192
Public holidays	1	3	2	1
Paid leave	12	16	11	18
Total paid days	110	194	136	211

Notes: (i) Paid leave includes leave that is taken as time off and leave that is paid out in cash at the end of the season. (ii) Workers that started or left the farm or the packhouse during the year were excluded from this analysis, as the number of paid days for the year for these workers is not comparable with workers who were on the payroll for the entire study period.

Source: Payroll data. Calculations by the authors.

Figure 32. Mean number of paid days for the year at the case study farm and packhouse in Morocco, by type of contract and gender (March 2022 to February 2023)



Source: Payroll data. Calculations by the authors.

Given that most women at the farm and the packhouse are seasonal workers, these gender differences in the amount of time worked by seasonal workers are important. However, as we do not know how many days women and men work each month, we cannot say whether this is a driver of gender pay gaps in average wages per month.

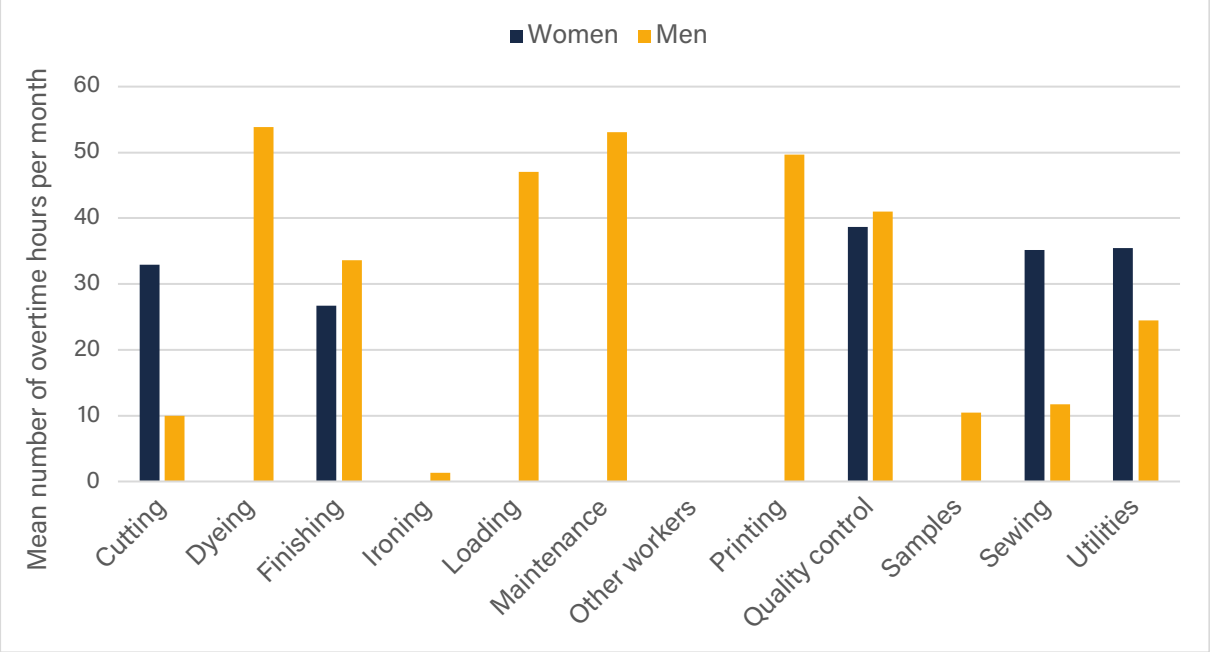
3. Gender differences in the amount of overtime worked

When we examined the amount of overtime worked, there was often a difference in the averages for all women and all men, although sometimes these differences were small. For the 3 factories in Turkey and 1 factory in Thailand, women do more overtime than men, on average, while for the 3 factories in Bangladesh, 1 factory in Thailand, and both farms in

Colombia, men do more overtime than women. We were unable to assess gender differences in overtime hours for Morocco because the payroll data do not include information on hours worked for all types of workers.

When we disaggregated workers by occupational group, we found that the amount of overtime worked depends more on the type of work performed than on the gender of the worker. This is because some occupations involve more overtime than others, and if that occupation is typically done mostly or exclusively by women or by men, this will increase the average overtime hours for all women or all men. Figure 33 provides an example of this from Factory B in Bangladesh. In this example, the average number of overtime hours for women is sometimes higher and sometimes lower than the average for men in the same occupational group. However, there are several occupational groups with high overtime hours that are exclusively done by men, which makes the overall average for men higher than that for women. We had similar findings for the other case study workplaces. This suggests that the average amount of overtime worked by women and men may be less affected by women's or men's availability for overtime than by their occupation. Although workers and managers at all workplaces said that overtime is voluntary, for most workplaces, overtime hours are a normal part of the working week and workers often want to do overtime in order to earn extra money.

Figure 33. Mean number of overtime hours per month, by occupational group and gender at Factory B, Bangladesh (January 2020 to October 2021)



Source: Payroll data. Calculations by the authors.

4. Conclusion

To summarize, gender differences in time worked contribute to gender pay gaps in favor of men at the workplaces for the agrifood sector studies in Colombia and Morocco, but for the study countries for the garment sector, there are usually mixed effects as sometimes women work more days than men, but men work more overtime than women – or vice versa. However, the differences in the average amount of time worked by women and men are generally small and appear to be mostly linked to gender differences in the types of contracts women and men have and the types of work they do rather than limitations on the number of hours that women and men are available for paid work.

ANNEX 5. Detailed findings on gender differences in wages due to age and experience, education, and migrant status of women and men

Workers' personal characteristics often affect how much they are paid as wages tend to increase with education and skills and with the amount of experience a worker has in a particular job. However, women's wages often stagnate or fall after having children while men's wages continue to increase, and this 'motherhood penalty' can be a key driver of gender pay gaps. Gender pay gaps can also result from women having less education than men and therefore being marginalized from higher-skilled, higher-paying jobs. In addition, workers who are migrants may be paid differently from non-migrants and this can increase gender pay gaps if most migrant workers are women (or it can reduce gender pay gaps if most migrant workers are men).

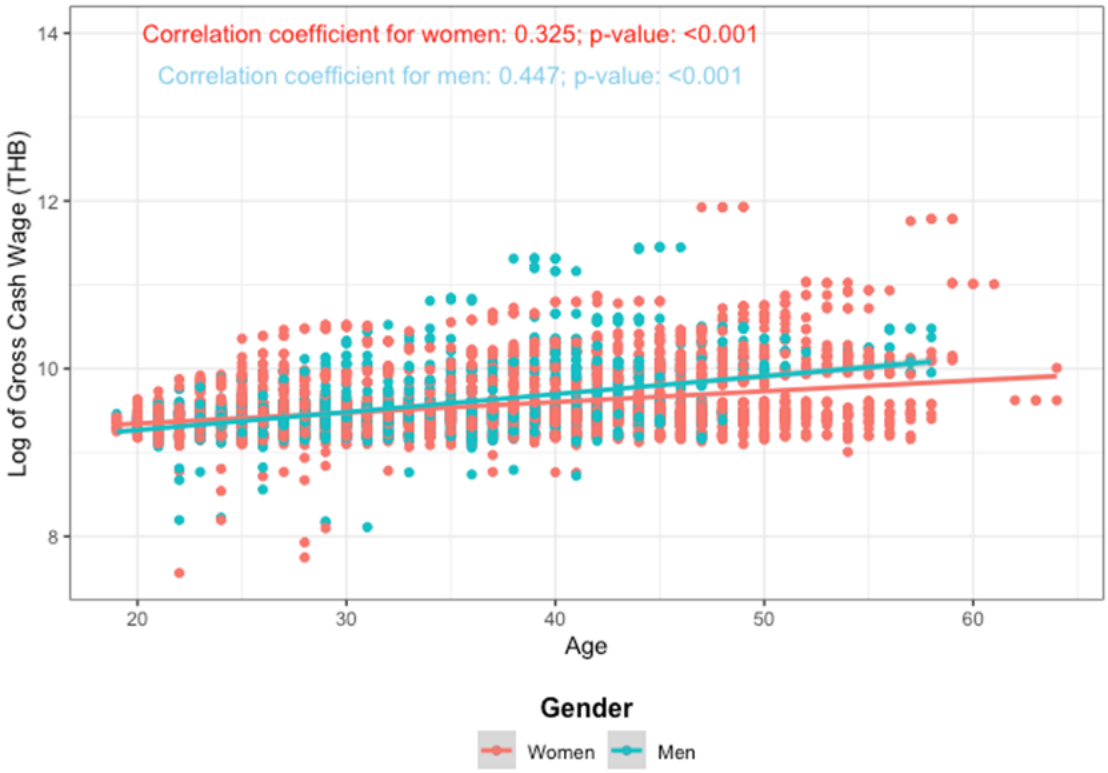
In this annex, we examine how workers' personal characteristics affect wages for women and men at the case study workplaces. We first do this for age and experience, then for educational attainment, and finally, for migrant status.

1. Relationship between age, experience, and wages for women and men

The 'motherhood penalty' is mostly caused by the tendency for women with children to be located in more flexible jobs and doing fewer hours of paid work because they need to combine paid work with unpaid care work. It can also be due to married women and women with family responsibilities being discriminated against in recruitment, training, promotion, and dismissal, if employers seek to avoid additional costs associated with maternity rights and benefits or the risk of absenteeism due to family emergencies.

Payroll data for case study workplaces do not include information on workers' years of experience, and although we had start dates for each worker, these do not always accurately predict total years of experience as workers have often previously worked in other factories, farms, or packhouses. Instead, we used age as a proxy for years of experience and assessed the degree to which wages increase with age for women and for men. As an example, Figure 34 shows the results of this analysis for one of the factories in Thailand. Note that we were only able to do this analysis for 9 workplaces as for the other 3 workplaces we did not have individualized information on workers' ages.

Figure 34. Distribution of gross cash wage by age and gender at Factory A in Thailand (January 2022)



Source: Payroll data. Calculations by the authors.

For most workplaces, we found either no correlation or only a weak correlation between age and wages for both women and men:

- For 2 farms in Colombia, there is no relationship between age and wages for women or men.
- For 2 factories in Turkey, 1 factory in Bangladesh, and the farm and packhouse in Morocco, there is a weak relationship between age and wages for men but no relationship for women. However, for several of these workplaces, there are not enough women in higher-paying occupations to draw firm conclusions.
- For 2 factories in Thailand, the relationship between age and wage is slightly stronger than at the other workplaces, but there is very little difference in the strength of the relationship for women compared to men.

Overall, we do not have evidence that gender differences in the relationship between age (as a proxy for experience) and wages contributes to gender pay gaps at the case study workplaces. In part, this may be because there are no opportunities for regular part-time working hours or flexible working hours at the case study workplaces and so women who continue working after having children do not change their working hours (which is one of the main causes of the motherhood penalty). It should be noted that in Turkey, Bangladesh, and Morocco, workers and managers said that women often leave work after getting

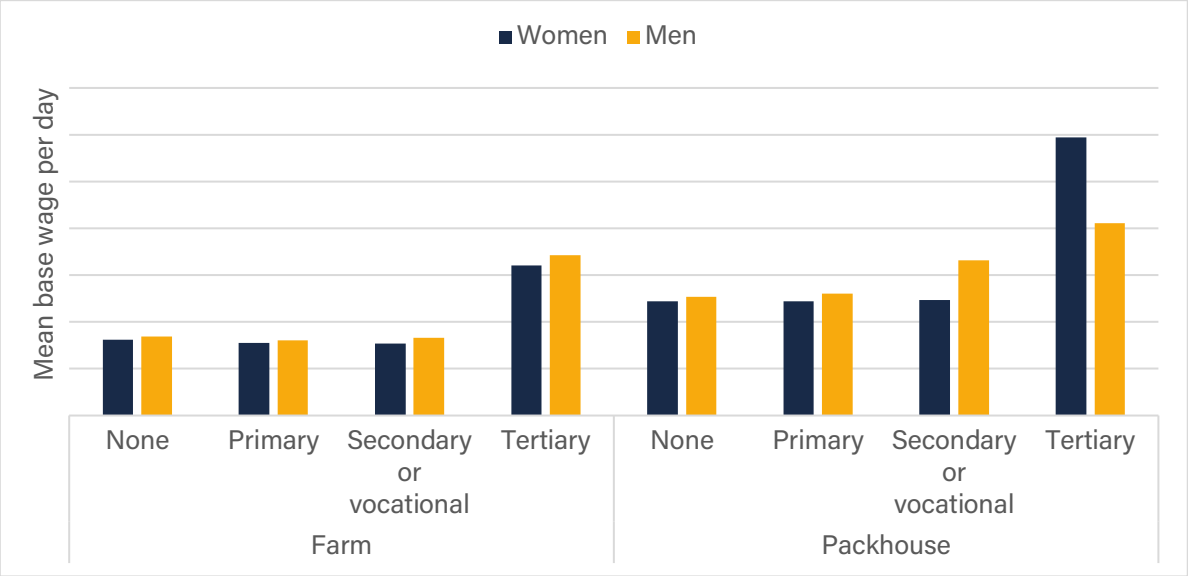
married or having children – either from personal choice or because their husbands or families do not consider it appropriate for them to continue working. This implies that women in the workforce may not be typical of the wider population of women in the study location, which helps to explain why the motherhood penalty may not apply for the case study workplaces.

2. Relationship between educational attainment and wages for women and men

We only obtained data on workers' educational attainment levels for one country – Morocco. For the farm and packhouse in Morocco, we compared mean base wages per day for women and men at each educational level (Figure 35) and the proportion of women and men at each level (Table 27). For the farm, the average base wage for women is lower than the average base wage for men for all educational levels, but the difference is small. More strikingly, the average base wage per day is similar for workers with no education, primary education, and secondary or vocational education, and only increases for workers with tertiary level education. As such, for all levels of education except tertiary level, a worker's educational attainment has little or no influence on their base wage. Given that the proportion of women with tertiary education is similar to the proportion of men with tertiary education, higher wages for workers with tertiary education do not explain the gender pay gap in base wage at the farm.

At the packhouse, average base wages for women are lower than average base wages for men at all levels except tertiary level and the difference grows with each step up in educational attainment. At tertiary level, women have a higher average base wage than men, but this is because there are only a few women in this group and one of them is a highly-educated woman in a very senior role, which skews the average for women upwards. Since around 12% of men at the packhouse have secondary or vocational education compared to 6% of women, and around 19% of men have tertiary education compared to around 2% of women, gender differences in education and higher wages for workers with more education could help to explain the gender pay gap in base wage at the packhouse. However, the fact that base wages increase more consistently with education for men than for women indicates that other factors such as gender differences in wages based on type of contract and occupation play a more important role.

Figure 35. Mean base wage per day, by educational attainment level and gender at the farm and packhouse in Morocco (March 2022 to February 2023)



Source: Payroll data. Calculations by the authors.

Table 27. Proportion of women and proportion of men by educational attainment level at the farm and packhouse in Morocco (March 2022 to February 2023)

Educational level	Farm		Packhouse	
	Women	Men	Women	Men
None	2.3%	9.4%	53.1%	19.8%
Primary	88.4%	62.0%	39.2%	50.0%
Secondary or vocational	4.7%	23.7%	6.1%	11.6%
Tertiary	4.7%	4.2%	1.6%	18.6%
Not known	0.0%	0.7%	0.0%	0.0%

Source: Payroll data. Calculations by the authors.

For the other countries, national statistics suggest relatively equal educational attainment for adult women and men in Thailand and Colombia, but in Turkey and, to a lesser extent Bangladesh, men typically have more years of education than women and are more likely to have at least completed lower secondary education (Table 28). Gender differences in education levels may therefore influence the proportion of women and men in occupations requiring more education in these countries. However, we are unable to determine whether this contributes to gender pay gaps in the case study workplaces.

Table 28. National indicators for educational attainment among the population aged 25 plus in Turkey, Bangladesh, Thailand, and Colombia

	Turkey	Bangladesh	Thailand	Colombia
Ratio of female-to-male mean years of education received for population aged 25+	83.62	84.22	96.92	103.67
Percentage of male population aged 25+ that at least completed lower secondary education	75.9%	48.4%	51.7%	57.1%
Percentage of female population aged 25+ that at least completed lower secondary education	56.3%	41.1%	47.6%	59.7%

Note: Ratio of female-to-male mean years of education received is the mean years of education received by women aged 25 and older divided by the mean years of education received by men aged 25 and older.

Source: World Development Indicators.

3. Relationship between migrant status and wages for women and men

Migrant workers may earn lower wages than non-migrant workers due to discriminatory national laws and regulations, employer biases, lower skills levels, language issues, and other factors. This sometimes affects women migrants more than men migrants due to intersecting forms of discrimination. This happens when gender-based discrimination compounds the disadvantages faced by migrant workers. However, if most migrant workers are men rather than women, this may reduce gender pay gaps.

At many of the case study workplaces, especially those in Bangladesh and Thailand, it is common for many workers to originate from another part of the country and to have migrated for work. These domestic migrants are not treated differently from workers who have not migrated and are not differentiated in payroll data. Thailand is the only country where the case study workforces include a significant number of migrant workers from another country (Myanmar). For these workplaces, we investigated whether there is any difference in wages for migrant and non-migrant workers.

A Memorandum of Understanding (MOU) between the governments of Thailand and Myanmar enables Burmese workers to obtain a two-year temporary work visa for work in specific sectors, including the garment industry. The visa can be renewed once and then workers are required to leave the country, but this only means crossing the border before they can acquire a new two-year visa.[82] Almost all Burmese workers at the case study factories are daily rate workers, in part due to government regulations that aim to ensure that most regular employment is restricted to Thai nationals.[83] Language can also be a

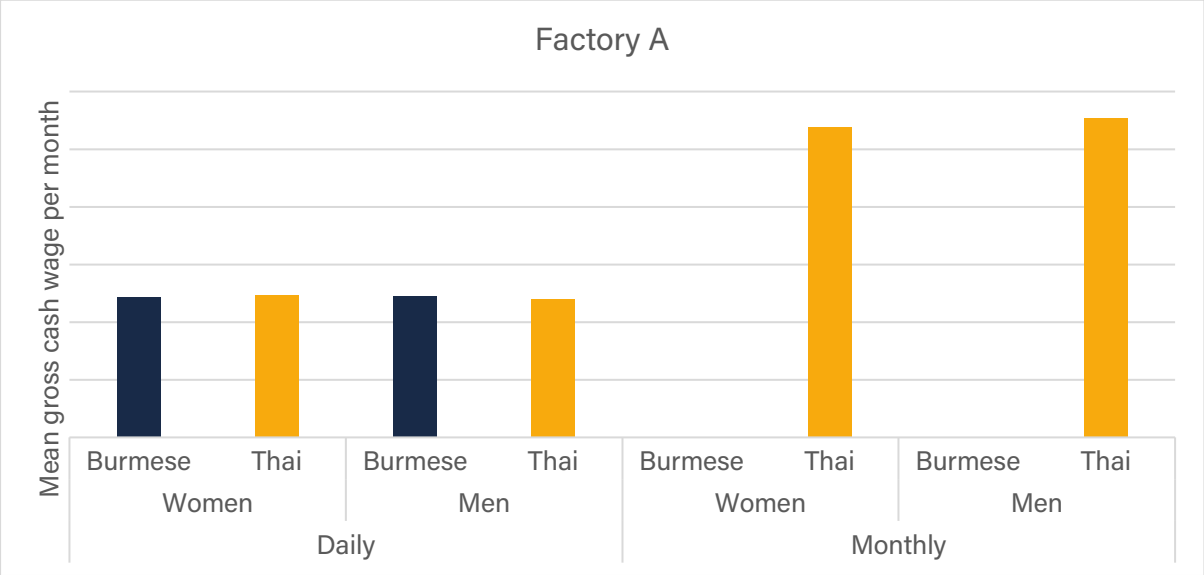
[82] At the time of the study, the requirement to leave after four years had temporarily been lifted due to the COVID-19 pandemic.

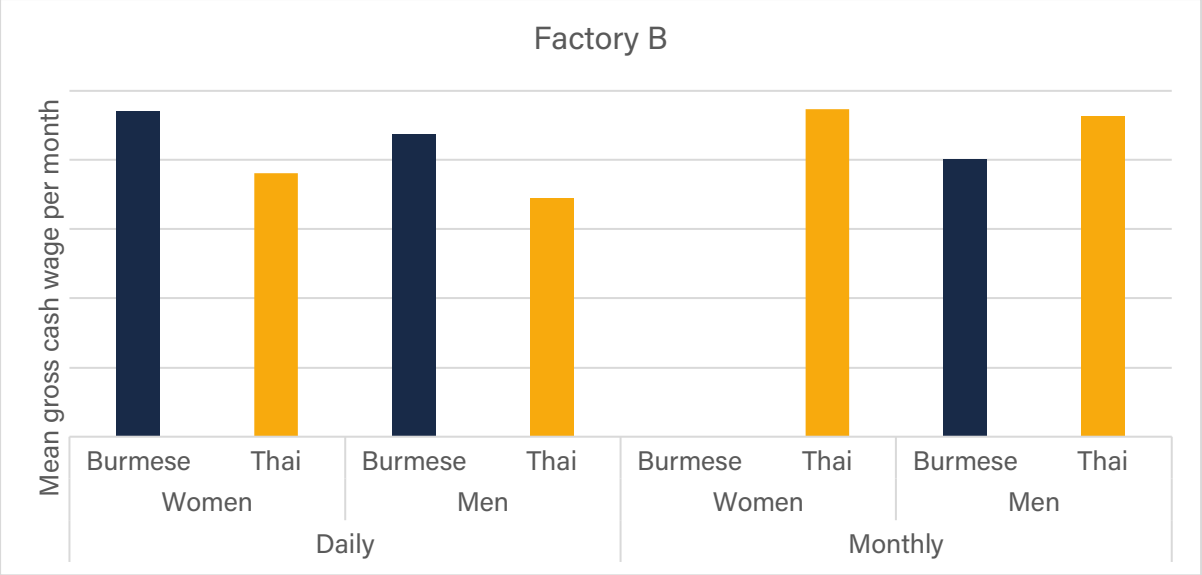
[83] These regulations require employers to meet certain conditions in order to obtain work permits for foreign workers, including paying a wage over a certain threshold to these workers. For Burmese workers, the minimum monthly wage for regular employment (i.e., employment outside the MOU described above) is THB 25,000 per month. This is higher than the wage of many monthly rate workers at the two factories.

barrier because monthly rate workers typically need to speak and write Thai (although Burmese workers often do speak and read at least some Thai).

When we disaggregated workers by nationality and gender, we found negligible differences between the gross cash wages of migrants and non-migrants for daily rate workers at Factory A (Figure 36). There are no Burmese monthly rate workers at Factory A. At Factory B, the average gross cash wage for Burmese daily rate workers is higher than the average gross cash wage for Thai daily rate workers, and for both nationalities, women earn more than men. This is mostly because Burmese workers earn more in performance-based cash allowances and bonuses and take slightly less unpaid leave than Thai workers (especially Thai men, who have the lowest average gross cash wage at both factories). For monthly rate workers, average base wages and average gross cash wages are significantly lower for Burmese workers than for Thai workers because there are very few Burmese monthly rate workers and they are all in junior roles.

Figure 36. Mean gross cash wage per month by nationality and gender at case study factories in Thailand (January 2020 to January 2022)





Source: Payroll data. Calculations by the authors.

4. Conclusion

Overall, the findings indicate that (international) migrant status limits access to higher paying jobs at the case study workplaces in Thailand, but among daily rate workers, Burmese workers sometimes have higher gross cash wages than Thai workers due to differences in access to additional wage payments and amount of time worked. However, there is no marked gender dimension to this and so this is not a determinant of gender pay gaps.