

**China Association for Labour Studies, Ministry of Human
Resources and Social Security (MHRSS)
Women Studies Institute of China, All China Women's Federation (WSIC-ACWF)
International Labour Office (ILO) Bangkok & Beijing**

**POLICY SEMINAR
WORK, INCOME AND GENDER EQUALITY (WIG) IN CHINA**

12-13 May 2008, Beijing

OPENING ADDRESS

by

**Ms. Constance Thomas, Director,
ILO Office for China and Mongolia**

- Ms. HUA Fuzhou, NPC Delegate and Member of Agriculture and Rural Committee, President of China Association for Labour Studies, Former Vice-Minister of Labour and
- Mr. TIAN Xiaobao, President of China Academy of Labour and Social Security, Vice-President of China Association of Labour Studies (CALS)

The representatives of

- The Ministry of Human Resources and Social Security (MHRSS) and the All China Women's Federation (ACWF),
- The Hong Kong Labour Department and Equal Opportunities Commission,
- All-China Federation of Trade Unions, and China Enterprise Confederation
- Gender experts and research institutes from Beijing and Hong Kong
- Our guests from Embassies, as well as colleagues sister UN agencies:

On behalf of the International Labour Office, I would like to welcome you to this Policy Seminar on Work, Income and Gender Equality. We are very pleased to host this workshop together with the China Association for Labour Studies of the Ministry of Human Resources and Social Security (MHRSS) and the Women Studies Institute of China of the All China Women's Federation (WSIC-ACWF). We appreciate our good working relationship with both of these institutions. In fact the last time I was on a panel with Ms. Hua it was to open a seminar on the subject of Wage Policies. The last joint events held with the Women Studies Institutes involved a conference on lessons learned from the interesting and successful project called 3+1 on gender mainstreaming to promote gender equality and a meeting to follow up on the comments by the UN Committee on the Elimination of All Forms of Discrimination against Women.

I also would like to appreciate the presence of international experts and participants from ILO Bangkok, Geneva, the US and Hong Kong. If you recall last year May, many of us were together to provide additional comments on the equality provisions of the employment promotion law, and to launch the ILO Global Report on Non-Discrimination at Work.

This meeting, with its focus on decent work, income and equality between men and women, is a strategic and timely in light of several other important developments, namely:

- The new legislative framework of the Employment Promotion Law and the Labour Contract Law which came into force on 1 January 2008 coupled with

the existing Law on the Promotion of Women Rights and Interests. Each of these laws contains provisions to support or require equal pay between men and women. The combined effect of these provisions deserves further analysis and monitoring of application in practice;

- The current work in development a new wage policy this year in China including preparation of wage guidelines;
- The starting of a new project on non discrimination in employment with MOHRSS funded by Norway which can be used to support follow up to this seminar.

In the next few moments, I would like to underscore the importance of the focus on gender equality and income issues and its relationship to decent work. Pay inequality between men and women is one of the most pervasive forms of gender based inequality and discrimination existing in all countries of the world. This is the reason why the first ILO Convention to promote equality was Convention No 100 on equal remuneration for work of equal value between men and women. This was quickly followed up by adoption of Convention No 111 on non-discrimination in employment and occupation; Both of which China has ratified. With women making up the majority of the world's poor, it is clear that income inequality has a profound impact which goes beyond the individual and the labour market.

In fact research shows that promoting pay equity is good for national development and social harmony. Countries which let investments in girls' education go to waste and condone discrimination at work compromise the competitiveness of their economies. Gender equality is vital for effective labour markets. Families, workplaces and societies are more productive and prosperous when they reap the full potential and talents of all. It makes good business sense to reward workers on their merit rather than their sex or race.

We know that the way pay inequality manifests and the reasons underlying it may be different in each country, and within countries there are most likely differences between urban and rural areas, public and private sector, and among different sectors of the economy. We also know that gender based income inequality is dynamic and changes over time. This is why specific studies including statistical surveys and constant monitoring are important. For example, in Japan the pay gap was very wide; it began to narrow and now has started to widen again which prompted new measures to be taken. Similarly in China which was considered to have a narrow gender pay gap some years ago, some recent reviews show it is now widening. The data also shows that the reason for this is largely unexplained by objective factors so it is thought to be due to increasing discrimination entering into the labour market. In Hong Kong and Singapore recent research shows a small closing of the pay gap.

But we also know that there are many commonalities across countries and sectors. And with each year we are learning more about causes of the gender pay gap and measures which can be taken to more effectively prevent, reduce and ultimately eliminate the gender pay gap. In this regard we know that some of the causes of inequalities in wages and earnings between men and women in the same occupations and in jobs of equal value include:

- Gender-based segregation in occupations with women often regarded as cheap labour, and a flexible reserve of labour to be hired and expelled at will;
- Informalization of employment relationships: from permanent jobs in formal employment to casual and temporary work in the informal economy;
- Pressures on women and men to balance work and family commitments and ensure household welfare and social reproduction;

- Lack of awareness of all involved, often due to insufficient scientific analysis.

With regard to measures to be taken to reduce gender based discrimination in pay, it is clear that measures need to be taken in many areas. In other words a comprehensive approach is required. This includes general legal requirements on gender equality and non-discrimination as well as specific ones on non-discrimination in pay and the promotion of equal pay for work of equal value, enhancing equal labour market access, equal access to jobs and promotional opportunities, ensuring maternity protection, labour inspection, etc. Measures also need to be taken in the field of wage determination and protection such as setting of minimum wages which cover low pay female dominated occupations, promoting equal pay in wage guidelines, including equal pay in collective bargaining, and ensuring equal payment of wages and benefits to women and men etc. At the micro or enterprise level, measures need to be taken such as use of objective job evaluation schemes, pay equity plans, etc.

I am very appreciative to the ILO East Asia Team for supporting work on this topic through national research and experience sharing. The Guide for in Country Research and Action which they have recently produced is indeed a very useful tool. The draft has been translated into Chinese and distributed for review and comment at this meeting. We are fortunate to have both of the authors present with us today. We believe that both mainland China and Hong Kong SAR have much to gain and to share and we look forward to being a part of this East Asian network which also draws on other international experience as well.

Given the fast pace of growth and potential in the East Asian region, including China and Hong Kong, the provision of “decent work for all” is not an elusive, far-away goal, but has become a goal that can be achieved in the foreseeable future if societies in the region want to. In China, a National Decent Work Programme has been adopted, and recently President Hu Jintao publicly endorsed the decent work agenda for China. Decent work is about more than just providing jobs for all, although that is important. It is also concerned with the equality of those jobs i.e. whether the work is performed in conditions of freedom, equity, security and human dignity. Decent work involves the promotion of equality of opportunity and treatment for women and men.

In China, the commitment of the Government to achieving gender equality in employment is clear, as is the goal of reducing income inequalities in general and adopting a good wage policy to supplement the recent commendable legislative framework for the labour market.

Through exchange of national and international experiences, we hope that this Seminar will inspire you in deciding what specific further analysis and action is needed in China to further develop the right policy mix, practical measures and mechanisms for the promotion of equal pay in line with the Chinese national priorities, needs and development goals.

We hope to see practical recommendations for more targeted action to promote equality between men and women in employment emerging from this seminar. This will guide our future cooperation on making decent work a reality for more Chinese men and women.

Ladies and gentlemen, I wish you productive discussions and look forward to a successful outcome of this seminar. Thank you.