

The current situation of gender equality in Malta – Country Profile

2012



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Foreword

Dear Reader,

We are happy that we have raised your interest in the EU-Initiative "Equality Pays Off". The initiative supports large companies in successfully adapting to upcoming labour market challenges: Due to demographic change as well as a stronger focus on service and knowledge intensive industries, Europe will face a significant shortage of (qualified) skills in the next decades.

To secure qualified labour, it will be of vital importance for large companies to diversify the pool of (potential) employees by gaining better access to the female labour force. The initiative supports companies in Europe to increase female participation, to support employees that involuntarily work part-time due to family obligations, to motivate students to enter atypical fields of education and to reduce horizontal¹ as well as vertical segregation². Consequently, the initiative contributes to a reduction of the gender pay gap in Europe.

The initiative covers all EU-27 countries plus Croatia, Turkey, Former Yugoslav Republic of Macedonia (FYROM), Serbia, Norway, Iceland and Liechtenstein – in total 34 countries. This country report serves as background material for workshops taking place in each country in the context of "EQUALITY PAYS OFF".³ These workshops shall enhance knowledge exchange between business leaders and key decision-makers of participating companies. The quick and country-specific overview of the status quo will serve as a basis to explore starting points for each company to tap the female talent pool in a better way.

The country report is structured into four parts: After the management summary, Part 1 describes the status quo of gender equality in the Maltese labour market. Part 2 describes our recommended strategic approach to gain better access to female talent in the labour market and within a company. Part 3 lists initiatives of the public and private sector in Malta that support companies in their ambition to enhance gender equality.

Further information on the EU-Initiative and its respective activities as well as on involved stakeholders can be found at <http://ec.europa.eu/justice/equality-pays-off>.

¹ Horizontal segregation refers to the under-/overrepresentation of women and men in occupations or sectors

² Vertical segregation refers to the under-/overrepresentation of women and men in hierarchical levels

³ The information on the website has been summarized in this country report. Detailed information can be found on the website: <http://ec.europa.eu/justice/equality-pays-off>

Management Summary

Demographic change as well as a stronger focus on service and knowledge intensive industries will lead to a significant shortage of (qualified) skills in Europe. In order to fill the upcoming gap between labour demand and labour supply companies need to improve their access to the full talent pool by ensuring gender equality.

Currently, Maltese companies do not make full use of the existing female labour force potential. Five groups of indicators show the status quo in 2011:

- The **employment rate** of women in the Maltese labour market (41.0%) is considerably below the EU-27 average (58.5%). However, the share of women actively looking for work in Malta (7.1%) is below the EU-27 average (9.8%), indicating a low overall labour market participation.⁴
- The rate of **female employees working part-time** (25.5%) is lower than the EU-27 average (31.6%), but has increased in the last decade by 6.8 pp. The average female part-time working hours in Malta (21.3 hours) range above the EU-27 average (20.2 hours).⁵
- **Tertiary education attainment of women** in Malta has increased to 14.1% which is still significantly below the EU-27 average of 24.8% and one of the lowest values of all compared countries. The promotion of gender atypical fields of study also remains a main challenge.⁶
- **Horizontal segregation** is less pronounced for sectors , but approximately equally pronounced for occupations compared to the EU-27 average. Thus, gender atypical fields of occupation have to be further promoted.⁷
- **The under-/overrepresentation of women and men in hierarchical levels (vertical segregation)** is significantly more pronounced in both corporate boards and management positions compared to the EU-27 average. The female share equals 3.0% in Maltese boards (EU-27 average 14.0%) and 20.0% in management positions (EU-27 average 33.0%).⁸

In contrast to the EU-trend, the **unadjusted gender pay gap** in Malta has increased to 6.1% in 2010, but still remains below the EU-27 average (16.4%).

⁴ Eurostat Labour Force Survey (LFS) (2011)

⁵ Eurostat Labour Force Survey (LFS) (2011)

⁶ Eurostat Education and Training (2011)

⁷ Eurostat Labour Force Survey (LFS) (2011)

⁸ EC DG Justice; Horizontal and vertical segregation - Meta-analysis of gender and science research (2012)

1. How Maltese companies access the talent pool

In the following, we give a brief overview of the current situation of employment of women and men in Malta in comparison to the overall EU-27 average.

1.1 General participation of women in the labour market⁹

The employment rate of women in Malta in 2011 is at 41.0% and thus significantly lower than the EU-27 average of 58.5%. In comparison to the men's employment rate of 73.6% in 2011, women are significantly less involved in the labour market. This difference of 32.6 pp between genders is one of the highest in the EU. On the positive side, the employment rate of women has seen a significant improvement since 2002 with an increase of 7.1 pp. This favourable development has also decreased the employment rate gap between women and men from 40.8 pp in 2002. The increase in female employment rates is often attributed to the increasing share of women in the age-group of 25-34 years, who have a different attitude towards paid work and their role in the family compared to earlier generations.¹⁰

Additionally, the unemployment rate for women has decreased by 1.2 pp and stays constantly below the EU-27 average. The low unemployment rates for women, however, also indicate a weak overall labour market participation (sum of employment and unemployment rate). One major reason for this situation is the high reliance on women in households and childcare, which prevents them from seeking employment.¹¹ However, the increasing employment rates for women indicate a change in this regard.



Figure 1: Labour market participation of women and men in Malta in comparison to the EU-27

Currently, the Maltese economy is going through a significant restructuring from an industry-based economy towards a service based-economy and is experiencing an increasingly complex work environment. To remain competitive, it is therefore essential to realise the full potential of the workforce and improve the circumstances for women seeking employment.

⁹ Source for statistical data (unless stated otherwise): Eurostat Labour Force Survey (LFS) (2002, 2011)

¹⁰ Eurofound, Gender differences still prevail in Maltese labour market (2008)

¹¹ Eurofound, Gender differences still prevail in Maltese labour market (2008)

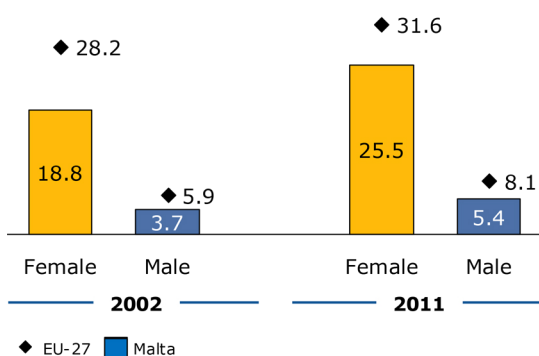
1.2 Part-time segregation¹²

One fourth of Malta's female employees and 5.4% of the male employees in Malta worked part-time in 2011. It is noteworthy that the share of part-time workers has increased since 2002 for both genders, by 6.7 pp for women and 1.7 pp for men, allowing for more flexible work arrangements. Relating this increase to the rising female employment rate, one can conclude that part-time work has paved the way for many women into the Maltese labour market.

In terms of part-time working hours as share of full-time working hours, women in part-time positions work relatively more hours a week than men (54.2% vs. 48.6%). Furthermore, the female rate exceeds the EU-27 average of 50.5% by 3.7 pp in 2011. These relatively long part-time working hours allow women working part-time to more actively take part in the working life and provide a better opportunity for the labour market entrance of Maltese women.

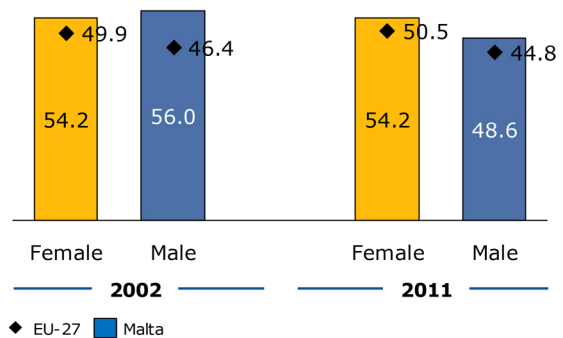
It should also be noted that, while in the public sector, flexible work agreements with part-time options are well established, the private sector only rarely offers this option, limiting the flexibility for women in employment.¹³

Part-Time Rate [%]



Age Groups: 15 - 64 years
Source: Eurostat LFS

Part-time working hours as share of full-time working hours [%]



Age Groups: 15 - 64 years
Source: Eurostat LFS

Figure 2: Part-time segregation in Malta in comparison to the overall EU-27

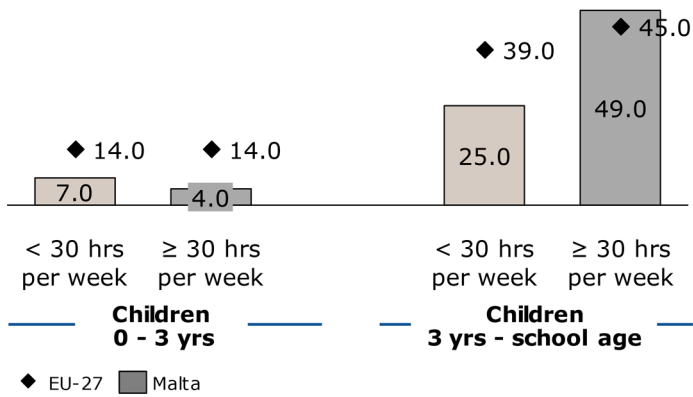
Concerning the supply and use of childcare facilities for children of three years and younger, Malta still has potential to offer more such services. 7.0% of the children in that age group attend childcare with less than 30 hours a week (EU-27 average 14.0%) and 4.0% with more than 30 hours (EU-27 average 14.0%). An increase in these offerings would especially help women with newborn children to enter the job market again after their maternity leave.

For children older than three years up to school age, comparatively more services are offered. 25.0% of children in this age group are enrolled in childcare with less than 30 hours per week (EU-27 average 39.0%) and 49.0% with more than 30 hours per week (EU-27 average 45.0%).

¹² Source for statistical data (unless stated otherwise): Eurostat Labour Force Survey (LFS) (2002, 2010, 2011)

¹³ Eurofound, Gender differences still prevail in Maltese labour market (2008)

Children in childcare [%] 2010



Source: Eurostat

Figure 3: Childcare arrangements in Malta in comparison to the EU-27

Nevertheless, 54.5% of Maltese women indicate that the situation of childcare support is their main reason not to enter the labour market. Additionally, even in the case that childcare services exist, the offers are often incompatible with school opening hours and force women out of full-time employment.¹⁴

¹⁴ Eurofound, Gender differences still prevail in Maltese labour market (2008)

1.3 Qualification level and choice of education¹⁵

Secondary education attainment of Maltese women has risen significantly since 2002 from 19.0% to 31.4% (plus 12.4 pp). However, as the male rate for secondary education has also risen by 12.7 pp to 34.6%, the figures show an increase of the gender gap in secondary education. Despite the considerable increase, female and male secondary education attainment in Malta is still the lowest of all EU-27 countries.

In terms of tertiary education attainment, 14.1% of Maltese women attend a respective institution. This represents an increase of 7.1 pp since 2002. In comparison to Maltese men (14.3%), the values are very similar and indicate a reduction of the gender gap in tertiary education since 2002. Nevertheless, the values remain considerably below the EU-27 average of 24.8% for women in 2011 (10.7 pp).

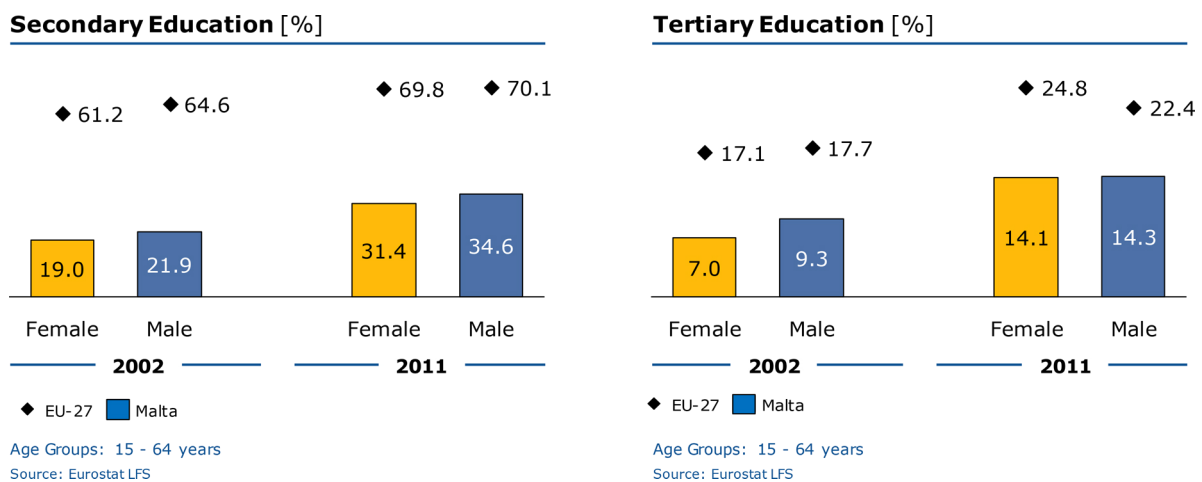


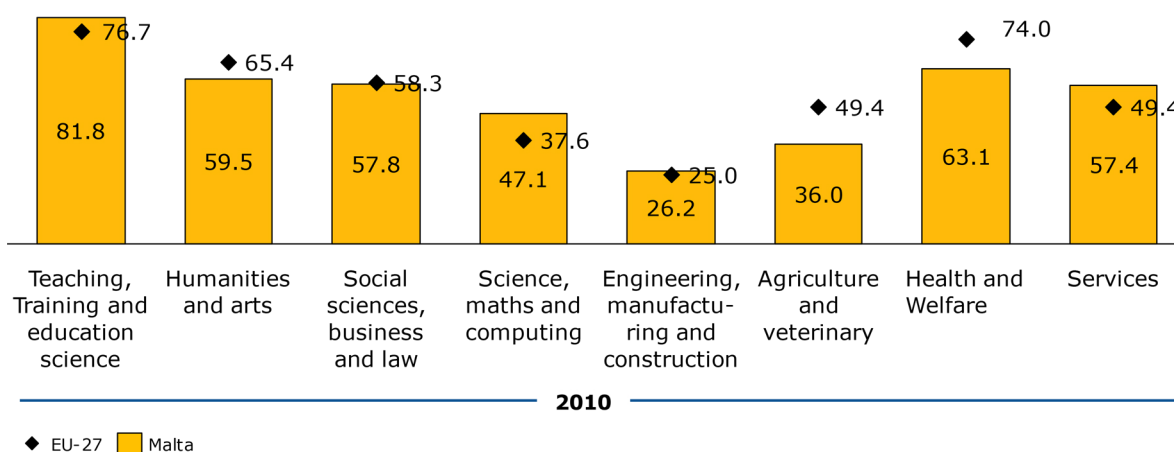
Figure 4: Education attainment in Malta in comparison to the EU-27

The existence of "typical" female fields of study as well as "typical" male fields of study is observable, with women predominantly engaged in fields of education, healthcare and humanities. The positive development of female engagement in the field of "Science, maths and computing" should serve as a role model in order to realize the full workforce potential: Thanks to a sharp increase in 2010¹⁶, the proportion of female students in this field is now 9.5 pp above the EU-27 average.

¹⁵ Source for statistical data (unless stated otherwise): Eurostat Education and Training (2002, 2010, 2011)

¹⁶ Eurostat Labour Force Survey (2010)

Women in... [%]



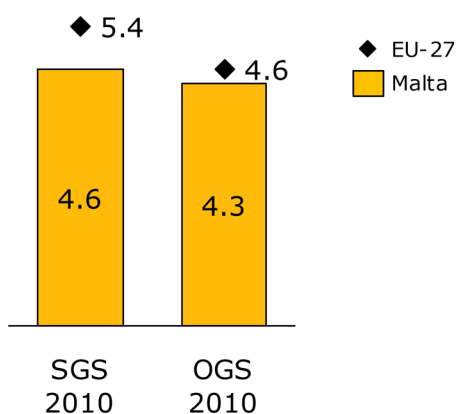
Age Groups: 15 - 64 years
Source: Eurostat

Figure 5: Share of women in different fields of education in Malta in comparison to the EU-27

1.4 Under-/overrepresentation of women and men in occupations or sectors – "Horizontal segregation"¹⁷

In order to compare the extent of horizontal segregation in Malta with the overall EU-27 average, two horizontal segregation indicators are calculated: the (1) Sectoral Gender Segregation Indicator (SGS) and the (2) Occupational Gender Segregation Indicator (OGS).

Horizontal Gender Segregation Indicators [pp]



Source: Eurostat LFS, RB Calculations

Figure 6: Horizontal Gender Segregation Indicators

¹⁷ Source for statistical data (unless stated otherwise): Eurostat Labour Force Survey (2010)

Sectoral segregation

The extent of sectoral gender segregation (SGS) in Malta (4.6 pp) is lower than the overall SGS of the EU-27 (5.4 pp). This indicates that differences in sector choices of women and men are less pronounced than on average in the EU-27.

Three of the five most popular female sectors, namely "Wholesale & retail", "Manufacturing" and "Public administration" are also among the top five male sectors. In total, 42.3% of Maltese women and 42.5% of men work in either of these sectors. It is the two remaining sectors that contribute to the SGS score: The sectors "Health & Social Work" and "Education" show a clear horizontal segregation. Furthermore, the preference of women for the public administration sector can be related to the abovementioned childcare flexibility in this specific sector.

% of women employed in	Malta	EU-27	% of men employed in	Malta	EU-27
Education	16.4	11.7	Manufacturing	17.1	20.5
Wholesale & Retail	14.9	15.3	Wholesale & Retail	16.5	13.1
Health care and social work	14.0	17.8	Construction	10.5	12.9
Manufacturing	11.0	10.3	Public administration	8.9	7.2
Public administration	8.1	7.4	Accommodation and food services	8.1	3.7
Accumulated concentration	64.4	62.5	Accumulated concentration	61.1	57.4

Source: Eurostat LFS (2010), RB Calculations

Figure 7: Distribution of Employment in the main NACE-2 digit sectors (2010)

Occupational segregation

A similar pattern can be observed in the extent of occupational gender segregation (OGS), where Malta ranks with 4.6% only 0.3 pp below the EU-27 average. This indicates that Malta already has a comparably low occupational segregation. However, it is expected that the restructuring of the economy will influence occupational segregation and measures have to be taken to prevent an increase in the gap.

Taking a look at the five most popular occupations only, the distribution of women and men is characterized by gender typical fields of occupation. Women primarily work as general and keyboard clerks or personal service workers, whereas men are engaged in construction and administrative jobs. The relatively low OGS consequently results from an more even distrubition in the remaining occupations.

% of women employed in	Malta	EU-27	% of men employed in	Malta	EU-27
General and keyboard clerks	16.6	12.7	Building and related trades workers	10.0	9.9
Personal service workers	12.6	13.4	Administrative and commercial managers	8.8	5.7
Sales workers	9.3	8.0	Personal service workers	8.3	5.4
Legal, social, cultural professionals	8.2	10.9	Cleaners and helpers	7.5	3.7
Teaching professionals	7.8	6.3	Mining, construction, manufacturing	6.8	3.8
Accumulated concentration	54.5	51.3	Accumulated concentration	41.4	28.5

Source: Eurostat LFS (2010), RB Calculations

Figure 8: Distribution of Employment in the main ISCO 3-digit occupations (2010)

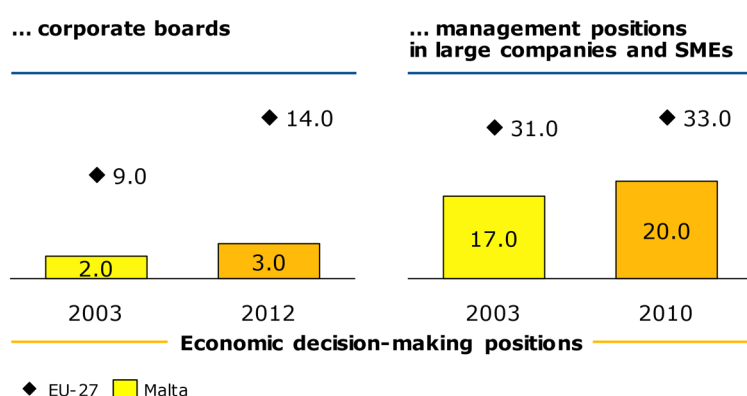
1.5 Under-/overrepresentation of women and men in hierarchical levels – "Vertical segregation" ¹⁸

In terms of vertical segregation, the data shows that women are not equally represented compared to men in economic decision-making positions. The female share in corporate boards increased from 2.0% in 2002 to 3.0% in 2012. Both values remain significantly below the EU-27 averages of 9.0% and 14.0%.

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The share of women in (executive) management positions in large companies and SMEs increased to 20.0% (by 3.0 pp) in 2010, but it still remains substantially below the EU-27 average of 33.0%. Thus, the challenge remains to establish gender equality in Malta's business environment, both in corporate boards and in management positions and to promote more women into economic decision-making positions.

Women in... [%]



Source: EC DG Justice, Gender and Science 2012

Figure 9: Women in economic decision-making positions

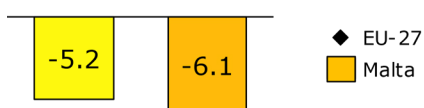
¹⁸ Source for statistical data (unless stated otherwise): EC DG Justice; Horizontal and vertical segregation - Meta-analysis of gender and science research, 2010, 2012

1.6 Gender pay gap¹⁹

In Malta, the average female employee in 2010 earned 6.1% less than the average male employee, which corresponds to an increase of 0.9 pp compared to 2006. That is directly contrary to the positive trend of the EU-27 average, which has shown a constant reduction of the gender pay gap over the past five years. On the positive side, the Maltese gender pay gap is still significantly lower than the EU-27 average of 16.4%.

On the one hand, the relatively low gender gap indicates that the pronounced vertical segregation has a rather small impact on salaries for women. On the other hand, the recent increase in the gender pay gap implies that women benefit less from the current economical development than men.

Unadjusted Gender Pay Gap [%]



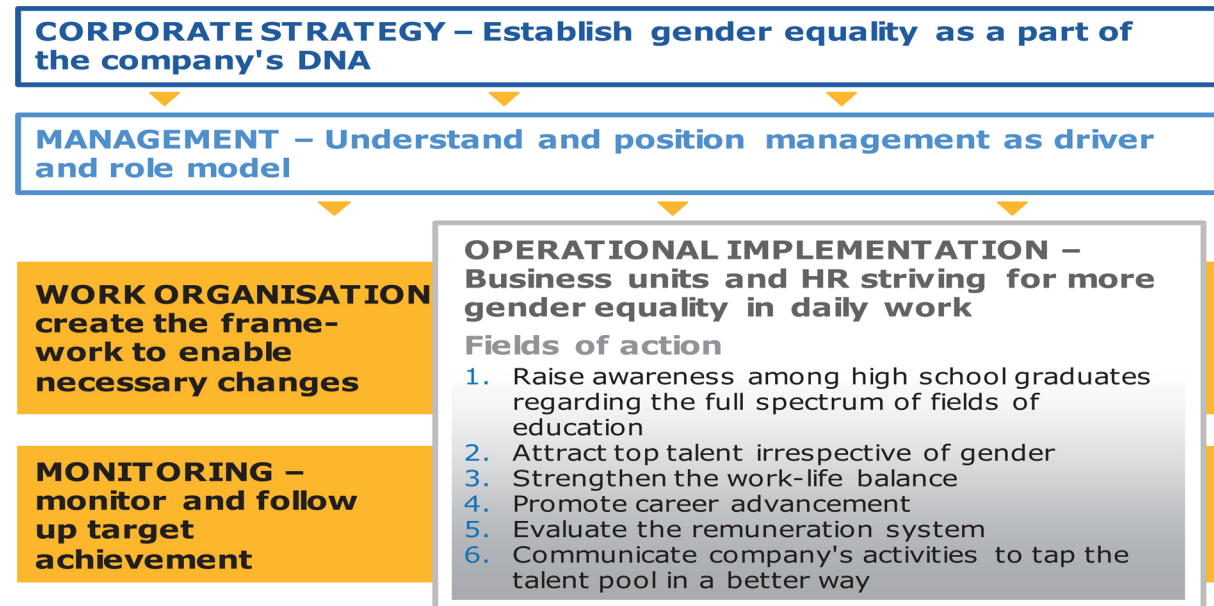
Source: Eurostat SES

Figure 10: Unadjusted gender pay gap

¹⁹ Source for statistical data (unless stated otherwise): Eurostat Structure of Earnings Survey (2009,2010)

2. How to gain better access to the talent pool?

More gender equality within the business sector and a reduction of the gender pay gap can only be sustainably realised if companies follow a comprehensive approach including corporate strategy, management, operational implementation by business units and HR work organisation and monitoring ("strategic pillars"):



Focusing on one pillar will lead to partial improvements only.

Corporate Strategy – Establish gender equality as part of the company's DNA

The corporate strategy sets the framework for doing business and determines the internal work culture. Experience shows that gender equality – in order to be sustainably established – has to be(come) a company rationale: The concept of gender equality has to be an integral part of the overall corporate strategy. This is the foundation for successfully addressing the gender pay gap within a company.

Management – Understand and position management as driver and role model

A management which is convinced of and fully endorses the company's strategy towards gender equality is vital to sustainably establish and live the principles of equality between women and men throughout the company and contribute to a sustainable reduction of the gender pay gap. The management is responsible for the implementation of the corporate strategy. Also, managers act as role models and multipliers within and outside the company.

Operational implementation – Business units and HR striving for more gender equality in daily work

- Business units are responsible for operationalising strategic targets regarding gender equality by actually implementing measures which have been agreed upon in their daily work, e.g. by offering internships. They contribute to a sustainable attraction, retention and development of employees.
- HR – as central point of contact for human resource issues of business units – offers strategic advice on how to address gender equality sustainably and provides instruments and processes to attract, retain and develop top talent, e.g. by designing regular evaluation processes.

There are six main fields of action for operational implementation:

- **Raise awareness among high school graduates regarding the full spectrum of fields of education** - To enlarge the potential talent pool, companies need to sensitise high school graduates regarding the full spectrum of fields of education and hereby motivate them to also consider gender "atypical" fields of specialisation.
- **Attract top talent irrespective of gender** – To attract top talent, companies need to build up a relationship with talented graduate students early on and show them how it is to work in their company. Additionally, they need to tap the dormant work force by mobilising women to start working.
- **Strengthen the work-life balance** – To retain the talent pool, companies need to motivate talents to continue working, to return early from leave and to facilitate the career advancement of employees with family care obligations.
- **Promote career advancement of women** - To promote the most qualified female employees, companies need to establish a culture and promotion process that equally honours male and female talent and institutionalise a systematic succession planning.
- **Evaluate the remuneration system from a gender perspective** - To attract and retain female employees, companies need to evaluate and – if necessary – adapt their remuneration system to eliminate discriminatory practices.
- **Communicate internally and externally company activities aimed at tapping the talent pool in a better way** - To maximise the positive impact of their efforts to champion gender equality, companies need to communicate their actions enhancing corporate gender equality internally and externally.

Work Organisation – Create the framework to enable necessary changes

Often, workflows within the company are organised in a way which does not easily allow for necessary changes towards more gender equality. This especially refers to the flexibility of the working environment. In the context of this project, flexibility comprises working hours, workplace options and work arrangements. It is therefore vital to evaluate the organisation of current business activities and requirements systematically and identify room for change in favour of employees but beneficial for both parties (employers and employees).

Monitoring – Monitor and follow-up target achievements

To ensure that gender equality is taken seriously, companies need to monitor gender equality targets in the same way as financial targets. Monitoring should include indicators that measure company-wide progress regarding corporate efforts to enhance gender equality as well as the success of individual managers in promoting gender equality in their departments/teams. Additionally, it should be part of regular feedback talks with the top management.

3. Where companies find support to gain better access to the talent pool - Examples

In order to foster a sustainable change towards accessing the labour force potential of women in a better way, a series of public and private initiatives – with legislative and non-legislative focus - have been implemented in Malta. In the following we give an overview over sample initiatives:

3.1 Legislative initiatives (examples)

Year	Legislation	Website Link
1967	Constitution of Malta	http://justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=8566
2002	Employment and Industrial Relations Act	http://ec.europa.eu/internal_market/finances/docs/actionplan/transposition/malta/d21.1-ml-mt.pdf
2003	Equality for Men and Women Act	http://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---ilo_aids/documents/legaldocument/wcms_127939.pdf
2004	Equal Treatment in Employment Regulations	http://www.equalrightstrust.org/ertdocumentbank/equal%20treatment%20in%20employment%20-%20malta.pdf
2005	Equal Treatment in Occupational Social Security Schemes Regulations	http://www.justiceservices.gov.mt/DownloadDocument.aspx?app=lom&itemid=9780&l=1

3.2 Public non-legislative initiatives (examples)

Name	Sponsor	Target Group	Target	Website Link
Affirming Gender Mainstreaming at a National Level	National government EU Funds	<ul style="list-style-type: none"> Maltese companies Associations Institutions 	<p>Install the principle of gender mainstreaming in all public and private organisational spheres of activity</p> <p>Promote a culture of equality and non-discrimination at a national level</p> <p>Eliminate the barriers that hinder female employment through discrimination</p>	http://infopack.equality.gov.mt/index_e.aspx
Equality Mark Certificate	European Social Fund (ESF) National government	<ul style="list-style-type: none"> Maltese companies 	Certify companies that make gender equality one of their values and whose management is based on the recognition and promotion of the potential of all employees irrespective of their gender and caring responsibilities	https://secure3.gov.mt/soci alpolicy/SocProt/equal_opp/ equality/equality_mark.aspx
Living Equality	European Community Programme for Employment and Social Solidarity	<ul style="list-style-type: none"> Government officials 	Identify potential for the implementation of gender mainstreaming in all government departments and in the national policy-making programs	https://secure3.gov.mt/soci alpolicy/SocProt/equal_opp/ equality/projects/living.aspx
National Commission for the Promotion of Equality	EU funds	<ul style="list-style-type: none"> General public Legislators Women subject to gender discrimination 	<p>Eliminate discrimination on the grounds of gender and family responsibilities, sexual orientation, age, religion or belief, race/ethnic origin and gender identity by raising awareness</p> <p>Monitor national laws and EU directives</p> <p>Provide assistance to the general public</p>	http://www.equineteurope.org/IMG/pdf/PROFILE_NCP E_MT_REVISED_11-12-12_.pdf
Think Equal	European Community Programme for Employment and Social Solidarity	<ul style="list-style-type: none"> General public Legislators Companies 	Stimulate debate on equality, diversity and multiple discrimination within sections of society that offer a	https://secure3.gov.mt/soci alpolicy/SocProt/equal_opp/ equality/projects/think_equ

			multiplier effect Enhance and promote a shared understanding of equality, non-discrimination, diversity and multiple discrimination	al.aspx
Unlocking the Female Potential	European Social Fund (ESF) National government	<ul style="list-style-type: none"> • Families • Female entrepreneurs • Civil society • Legislators 	Improve access to employment and enhance the participation and progress of women in the labour market	https://secure3.gov.mt/socialpolicy/socprot/equal_opp/equality/projects/unlocking.aspx

3.3 Private initiatives (examples)

Name	Sponsor	Target Group	Target	Website Link
Malta Confederation of Women's Organisations	Membership fees	<ul style="list-style-type: none"> • European Union • policy makers, • NGOs • Individual members working in the field of women's issues 	<p>Represent the concerns, needs and interests of women from all walks of life through dialogue and networking at a national, European and international level</p> <p>Integrate and unify all national women's NGOs and individual members in order to represent Malta at the European Women's Lobby (EWL) in Brussels</p>	http://www.mcwo.net/about-us/
National Council of Women of Malta	Membership fees	<ul style="list-style-type: none"> • General public • Women's organisations • Government • Legislators 	<p>Provide a forum for women of different backgrounds and experiences to come together as individuals and as representatives of affiliated organizations</p> <p>Exchange information and ideas, formulate policy</p> <p>Educate and promote change</p>	http://www.ncwmalta.com/home?l=1