



# To the point!

Cross-Asset- and Strategy-Research

## Wanted: women in leadership positions

Women still have a harder time than men on the labor market

March 8, the day before yesterday, was like every year, International Women's Day. I was read the riot act a few weeks ago because this date, March 8, had not triggered any corresponding association in me. Reason enough for me to make amendments through this blog and to take a small inventory: how do women fare in Germany's labor market, also in international comparison? Spoiler alert: Ouch!

### Women work less and earn less

First, the good news: At 72% by 2021, labor market participation among working-age women has increased significantly. In 2005, this ratio was still only 60%. So, more and more women are working in Germany. In countries such as France, Italy, Spain or the U.S., the corresponding shares of women in the labor force are in some cases considerably lower. Even so, women's participation in the labor market in Germany is still significantly lower than that of men (79%).

But if you dig a little deeper, the statistical evidence becomes increasingly discouraging. Yes, more women are now working in Germany. But the proportion of women who participate in the labor market on a part-time basis is very high. Almost one in two women in Germany work part-time (Fig. 1). This directly reduces the potential for income generation compared to men. This is because almost 90% of men are available to the labor market as full-time employees. Men worked an average of 7.6 more paid hours per week than women (2020). This is the "Gender Time Gap".

Nevertheless, women do not actually work less than men. Women are disproportionately invested in unpaid work. These

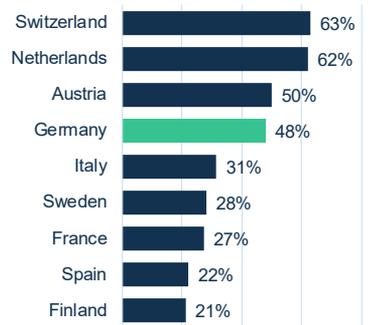


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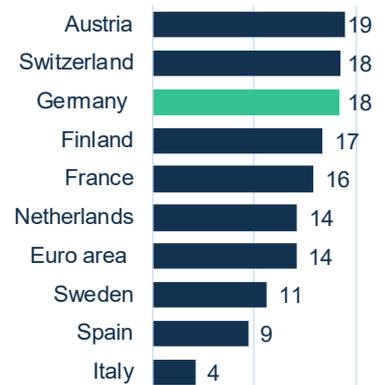
March 10, 2023

Fig. 1: Women in part-time employment, 2021



Source: Eurostat, LBBW Research.

Fig. 2: Gender Pay Gap, in %, 2020



Source: Eurostat, LBBW Research.

include raising children, caring for parents, volunteering, but above all "that little bit of housekeeping." As a result of this "traditional" division of care and domestic labor, women lose earned income and pension rights. The risk of poverty in old age is predominantly one afflicting women.

### Men earn 18% more than women

But women don't just work fewer hours in the paid labor market. On average, they also receive lower pay per hour worked. This is the much-cited "Gender Pay Gap" (Fig. 2). This gap has shrunk by four percentage points in the last decade. Nice. This is going in the right direction. However, at that rate it would take until about 2070 to completely close the Gender Pay Gap.

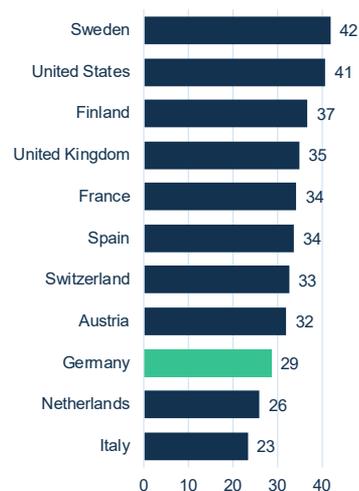
### The "Lifetime Earnings Gap" is 45%

The Gender Pay Gap is not primarily driven by unequal pay for equal work. More importantly, for the most part, women continue to be underrepresented in typically better-paid leadership positions (Fig. 3). In 2019, 28.6% of leadership roles were held by women. Compared with 2011 (27.9%), there was only a negligible catch-up. In almost all other countries, closing the management gap was faster.

When all these factors are added up, a 2020 study by the [Berlmann Foundation](#) concludes that women born in Germany between 1981 and 1985 earn on average only about 55% of men's earned income over their lifetime. Only a little more than half!

Celebrating March 8 once a year is not nearly enough.

**Fig.3: Share of women in middle and senior management, in %, 2019**



Source: ILO, LBBW Research

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