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Rekindling progress on gender equality

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Although female labour market participation is above average in Slovenia, a gender wage gap persists, reflecting sectoral differences in gender outcomes. Adjustments in the tax and benefit system are needed to reduce disincentives to enter employment, notably for second earners and single parents, who are often women. Policies reducing gender differences in sectoral activity would encourage better sharing of household and caring responsibilities. At the same time, systematic reporting on pay transparency could help reduce the gender wage gap and should be swiftly transposed into domestic law. Policies reducing the gender pension gap can help reduce the risk of old-age poverty that mainly affects women.

Female labour market participation is high but other gender gaps persist

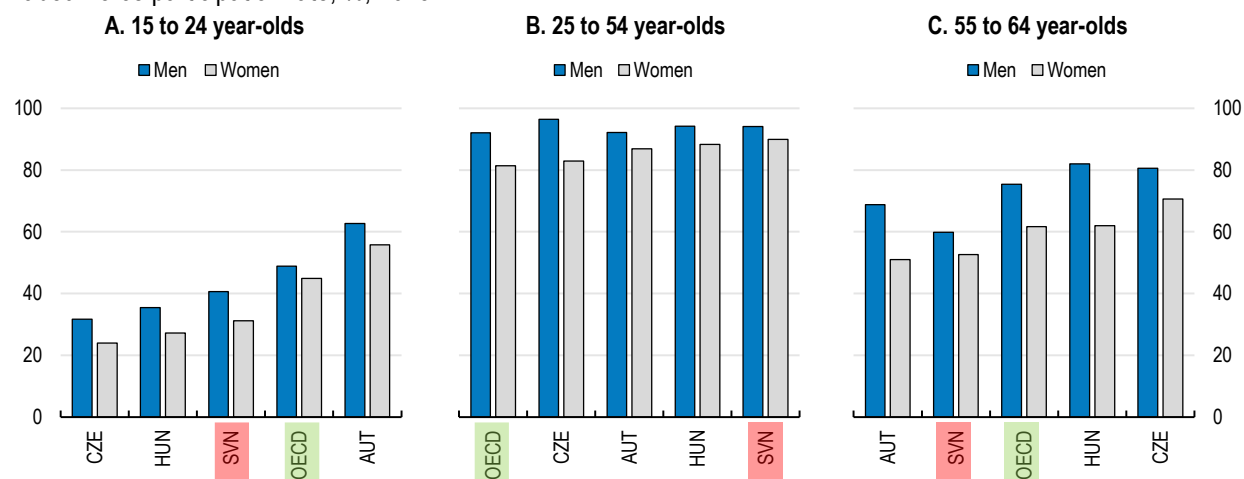
Female labour market participation is higher than the EU average and the share of women in part time employment is lower. However, despite often attaining higher levels of education than men, Slovenian women are still less likely to be employed full time, tend to earn less, and as in many other countries, are underrepresented in leadership positions and spend more time in unpaid work. In the presence of population ageing, increasing female labour force participation is also beneficial for fiscal sustainability. Closing gender gaps in labour market outcomes, while insufficient to offset the impact of declining working age population of long-term growth, could help alleviate sustainability concerns about long-term fiscal commitments, including pension and healthcare expenses (Guillemette and Turner, 2021^[1]). In addition, greater gender equality can boost innovation, for instance through more diverse teams in the workforce or greater female entrepreneurship (OECD, 2023^[2]).

Until 2017, Slovenia had managed to reduce gender inequality faster than most EU countries, but this progress has recently come to a halt. The Gender Equality Index, which measures gaps between men and women in areas of health, money, work, time, knowledge and power (EIGE, 2023^[3]) was already slightly below the EU average in 2019. The gap closed only marginally in 2021, with the biggest improvement in the sub-index of knowledge and the main slippage in health and time spent on social activities.

The labour market participation rate of prime-age women is high, but it sharply decreases after age 60 for both men and women (Figure 3.1). Childbearing seems to have little effect on participation, as the employment rate of mothers aged 20-49 is even higher than that of women of the same age with no children. Full-time employment of women is high by OECD standards, and only 6.8% of women choose to work part time. The extent of part-time female employment has been steadily decreasing since 2014. Women are also slightly better represented in green-task jobs, accounting for 33% of workers in such positions, than the OECD average of 28%, amid rapidly growing demand for green jobs (OECD, 2023^[4]).

Figure 3.1. The gender employment gap increases with age

Labour force participation rate, %, 2023



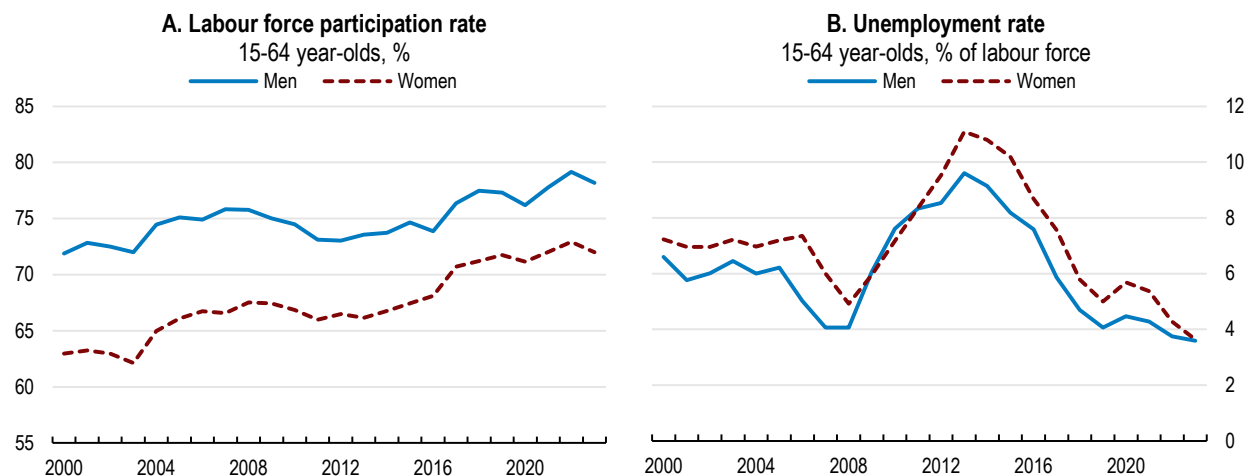
Source: OECD Labour Statistics database.

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The female labour force participation rate has increased steadily over time and the unemployment rate of women is now broadly aligned with that of men (Figure 3.2). However, data from the public employment service show that the duration of unemployment spells is longer for women than men, across most age groups. This can be partly explained by the different hiring and firing patterns in sectors dominated by men and women, such as construction and education, respectively. The long-term unemployment rate is

generally higher for older workers, who may lack sufficient and relevant skills to be attractive for employers (OECD, 2020^[5]).

Figure 3.2. Female labour participation has increased steadily



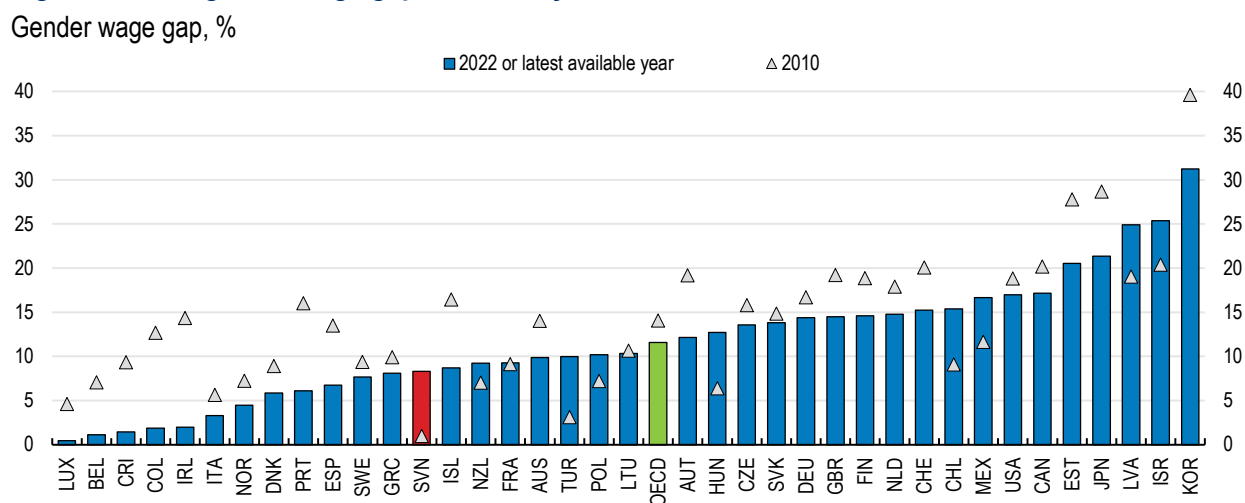
Source: OECD Labour Statistics database.

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The gender wage gap is relatively small but persistent

The gender wage gap is relatively small. Women working full-time earned on average 3.8% less per hour than men in 2021, a difference of about a third compared to the EU average gender pay gap of 12.7%. At median earnings, female workers earned around 8% less in 2022 than their male counterparts and the gender wage gap at median has been steadily increasing from 1% in 2010 and 5% in 2014 (Figure 3.3). As in many countries, gender differences in wages are most pronounced for women with tertiary education, who earned 16% less in 2021 than men with a similar education level. However, looking only at the general government sector, the gender pay gap was the highest, at 24.3%, among persons with upper secondary education (SURS, 2023^[6]).

Figure 3.3. The gender wage gap is relatively small but has increased



Note: The gender wage gap is defined as the difference between male and female median wages divided by the male median wages.

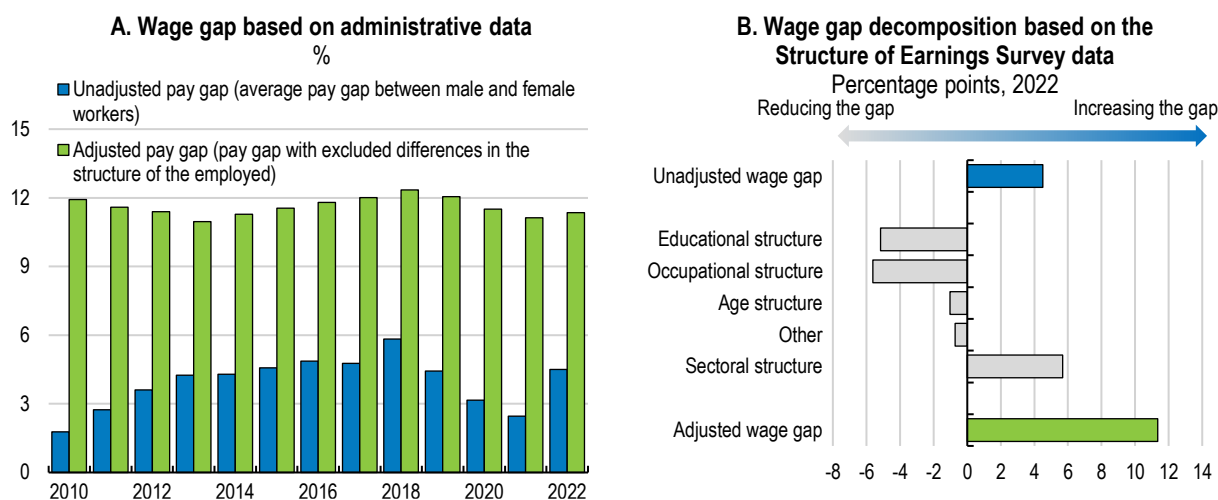
Source: OECD Gender Statistics database.

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Aggregate gender wage gaps largely capture composition effects due to women's overrepresentation in lower-pay industries and occupations (OECD, 2021^[7]). At the same time, the gender wage gaps tend to be lower in countries with lower female labour market participation rates, where mostly women with higher earning potential enter the labour market. In Slovenia, the combination of a high female labour force participation and a limited gender wage gap points to a low level of gender pay discrimination.

The aggregate (unadjusted) gender pay gap at the average wage is persistent, although gradually decreasing after 2018 (Figure 3.4, panel A). Using anonymised administrative data for Slovenia, one can estimate the adjusted gender pay gap, which removes certain measurable differences between men and women, such as age, sector of activity and education as well as occupational levels. This gap is higher than the unadjusted pay gap, but also more stable since the observable changes in the workforce structure has been accounted for. The Blinder-Oaxaca decomposition of the adjusted gender pay gap for 2022 shows that the educational structure and the occupational structure both reduce the gap as women on average attain higher levels of education and tend to be employed in higher-paying ISCO occupations; these factors are partly offset by the activity structure, since women are on average employed in NACE sectors with lower wages (Figure 3.4, panel B).

Figure 3.4. The gender pay gap is persistent and largely unexplained by observable characteristics



Source: Institute of Macroeconomic Analysis and Development of the Republic of Slovenia (IMAD).

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These results underscore the need for policies to reduce the sectoral drivers of gender gaps. At the same time, the decomposition suggests that women on average hold higher-level jobs in the existing occupational structure than men. However, it is important to note that the large unexplained part of the gap does not solely measure discrimination but also the gender differences affecting wages that are missing from the regression model, such as the household situation, total working experience and care responsibilities for children and elderly. Even so, parental leave and caring responsibilities are not equally shared in Slovenia and there is room for more wage transparency in the private sector.

Many women, especially once they become mothers, opt for part-time employment, or switch to more flexible working arrangements, even at the cost of lower pay (OECD, 2023^[2]). This contributes to sectoral differentials in gender-related outcomes, as some sectors are more suitable for part-time work, reflecting persistent traditional gender roles, but also existing policies. The policy levers for boosting gender equality are available both at the level of society and firms. At the societal level, adjustments in the tax and benefit system, alongside with family policies, such as effective parental leave sharing, affordable high-quality childcare as well as flexible work arrangements, and policies addressing gender stereotypes in educational and career choices can help reinforce labour market participation and gender equality. In addition, firm-

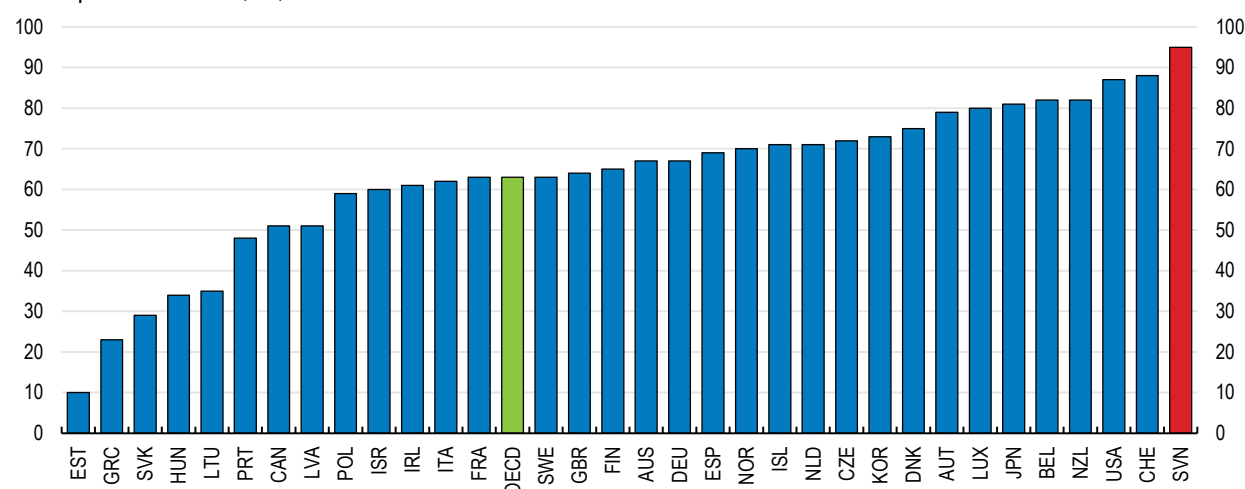
level policies to enforce equal pay legislation, if properly designed, could play a positive role in addressing gender pay differences.

The tax and benefit system discourages equal participation in the labour market

Labour market entry is negatively influenced by high participation tax rates, i.e., the share of additional gross earnings lost to either higher tax rates or lower benefits when a jobless person takes up employment. Participation tax rates (PTRs) vary widely across countries and can be particularly detrimental to single parents, who are often women (Figure 3.5). In Slovenia, PTRs are mainly driven by the high social security contributions levied on wage earnings and the loss of unemployment benefits. PTRs from long-term unemployment into full-time work (inactivity trap) are also high, reflecting mainly the loss of social assistance and the payment of social security contributions (OECD, 2018^[8]).

Figure 3.5. The cost of taking up employment is high for single parents

Participation tax rates, %, 2022



Note: The Figure refers to the share of gross earnings in a new job that pays 67% of average wage, for a single person with two children claiming guaranteed minimum income and using childcare services; participation tax rates include social assistance, temporary in-work benefits, and housing benefits; they do not include childcare benefits. OECD refers to the average of 33 member countries.

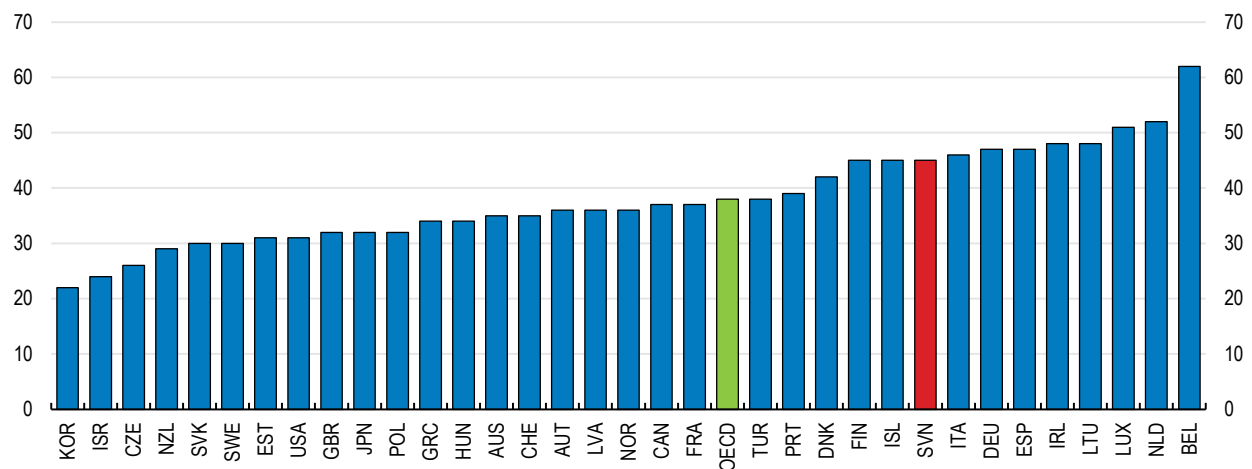
Source: OECD Benefits, Taxes and Wages database.

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The progressivity of the tax system in principle reduces the differential in after-tax incomes, including differences between part-time workers, who are predominantly women, and full-time workers, predominantly men. However, the system is also creating disincentives for part-time workers to move to full-time work (Harding, Paturot and Simon, 2022^[9]). The progressivity of the tax system, together with the removal of tax credits as well as benefits and allowances applied on a household basis, can lead to high marginal effective tax rates (METR) on second earners during the transition from part-time to full-time work (Figure 3.6). In Slovenia, tax and cash benefits targeted at children, such as homecare allowance, which increases the opportunity cost of childcare, discourage second earners to enter the labour market or work more hours.

Figure 3.6. High marginal effective tax rates create strong disincentives for second earners

Effective marginal tax rates, %, 2023



Note: The Figure refers to the share of gross earnings in a new job that pays the average wage when increasing hours worked from 50% to 100% of full-time employment, for second earner with two children and a partner working full-time in a job that pays the average wage; effective tax rates include social assistance, temporary in-work benefits, and housing benefits; they do not include childcare benefits. 2022 for Israel.

Source: OECD Benefits, Taxes and Wages database.

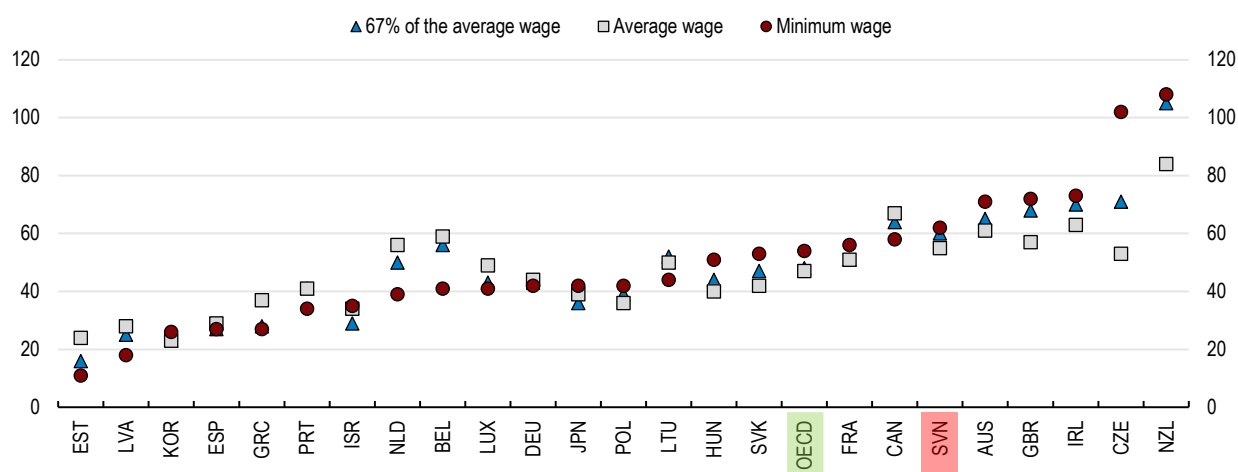
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The high opportunity cost of childcare adds significantly to the work disincentives for second earners and single parents. Overlaying out-of-pocket childcare costs on the impacts from the tax and transfer system shows that around 60% of additional earnings are lost for a second earner taking a job that pays 67% of the average wage (Figure 3.7). The childcare support is also in some cases insufficiently targeted to those who most need it. Childcare costs are charged using income-dependent fee structures, which is progressive in principle, but in the case of single parents, the support is wrongly targeted to higher-income individuals. As single parents lose homecare allowance when they start using non-parental childcare, the loss of this means-tested homecare allowance is higher in absolute amounts for low-income families (OECD, 2023_[10]). The disincentives for single parents, often women, to take up low-wage employment providing limited net financial gain need to be reduced.

Disincentives for second earners and single earners to work full time are at odds with the projected ageing of the population and the large gains in human capital accumulated by women over the past decades. The 2022 labour tax reform, which increased personal income tax allowances while increasing the tax rate for the highest income tax bracket from 45% to 50%, needs to be followed by further measures to reduce both participation tax rates and METRs for second earners. The options include a reduction in employee social security contributions, particularly for workers with weaker attachment to the labour market, and the use of targeted into-work benefits, such as a fixed percentage of the previous unemployment or social assistance benefit (OECD, 2018_[8]). In addition, the tax allowances could be turned into earned income tax credits and the second earners could be given access to tax-free threshold income (OECD, 2022_[11]). The current additional tax allowances could also be replaced by higher cash benefits for children. To limit the fiscal cost, the cash benefits could be reduced at high income levels, ensuring minimal impact on work incentives (OECD, 2018_[8]).

Figure 3.7. High childcare costs generate financial disincentives to enter employment

Per cent of earnings lost when entering employment and using childcare, 2022



Note: This indicator measures the percentage of earnings lost to either higher taxes or lower benefits when a parent of two children takes up full-time employment and uses centre-based childcare. Calculations refer to a couple with two children aged 2 and 3 where the other parent works full-time at 67% of the average wage.

Source: OECD Social and Welfare Statistics database.

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A well-designed tax and benefit system, including in-work benefits to strengthen participation for those with lower earnings, can be beneficial beyond the short-term increase in labour supply. For example, an influx of working mothers into the U.S. labour force following the introduction of the earned income tax credit have led to more positive social attitudes to working women (Bastian, 2020_[12]). The simplification and streamlining of benefit entitlements can also help individuals make better-informed decision regarding their labour market participation.

Table 3.1. Past recommendations on the tax and benefits system

Recommendations in previous Surveys	Action taken since the 2022 Survey
Make the tax system more growth friendly by further reducing labour taxes, and increasing consumption and property taxes.	No action taken.
Broaden the personal income tax base by reducing allowances.	No action taken.
Simplify the VAT system by moving towards a broader-based standard VAT rate.	No action taken.
Provide investors with tax deductibility for start-ups and growth financing for innovative start-ups and SMEs.	No action taken.
Increase subsidies for firm-sponsored training in SMEs, either as training vouchers or as tax credits or deductions.	No action taken.

Reducing segregation across occupations and sectors could lower the wage gap

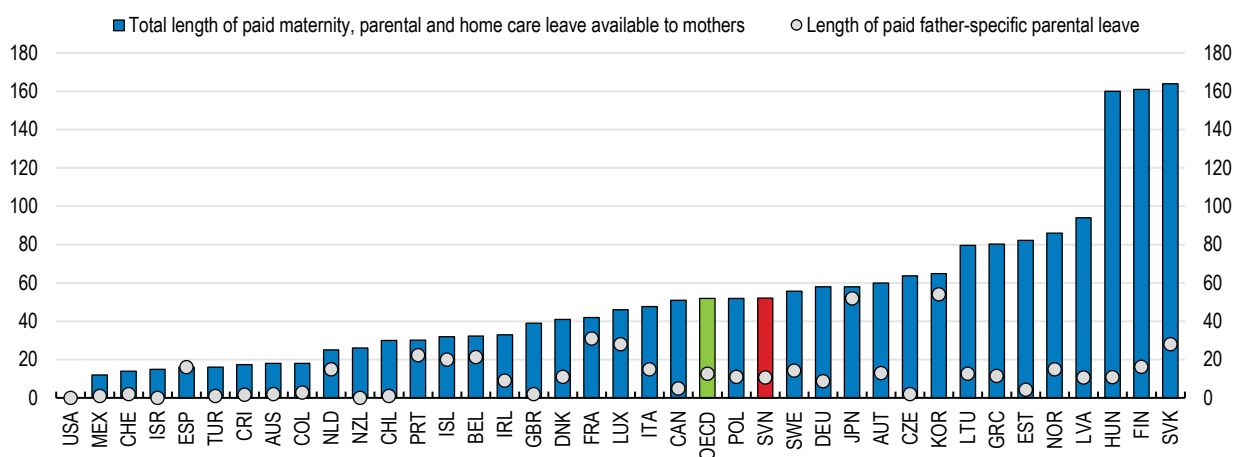
Paid parental leave shared by fathers and mothers, both directly around childbirth and in the first year of life, can increase family well-being as well as gender equality. Benefits of increased parental leave take-up by men include higher employment rate of mothers, while leaving the labour market attachment of fathers unaffected (Farré and González, 2019_[13]), higher involvement of fathers in unpaid work within family that continues beyond the time of actual leave-taking (Tamm, 2019_[14]), and improved life satisfaction for both parents (Korsgren and van Lent, 2022_[15]). Most of the parental leave in Slovenia is still taken by mothers who are entitled to maternity leave of 15 weeks (105 days) paid at 100% of earnings, with no maximum. However, non-transferable periods of parental leave for exclusive use of fathers were introduced in April 2023. According to the new rules, statutory paternity leave has been reduced from 30

days to 15 days, which must be taken in the first three months. In addition, parents are individually entitled to 160 days of paid parental and home care leave, with 60 non-transferable days for each parent, which must be taken by the child's eighth birthday (Figure 3.8). The maximum amount of parental benefit is set as 2.5 times the average wage for the past year, as calculated by the Statistical Office (SURŠ). In addition, more flexibility was introduced in part-time work for childcare purposes. Both parents are now able to work part-time at the same time, for up to 20 hours per week, until the youngest child's eighth birthday and the partial payment for loss of income has been raised by 20 per cent, to 1.2 times the minimum wage. This amendment is welcome, as it may encourage fathers' uptake of parental leave and help weaken persistent gender norms.

Flexible working arrangements, such as teleworking, flexitime or job-sharing, help create a family-friendly work environment that fosters the motivation and loyalty of employees and may make a firm more attractive for skilled young workers. However, this is only the case if flexibility is available to both genders and workers are not penalised for pursuing them. The Covid-19 pandemic was a catalyst for flexible work arrangements, but recent surveys suggest that women retained a stronger preference for remote working than men (Touzet, 2023^[16]). Although teleworking seems to be less stigmatised than part-time work, leading to less negative career outcomes, it should not be used by women primarily as a means of coping with unequal sharing of housework and caring responsibilities. To enhance the positive effects of teleworking, the government should encourage take-up among men and non-parents and complement teleworking with other family-friendly policies, such as flexible hours and the provision of high-quality child and elderly care (Tomei, 2021^[17]).

Figure 3.8. Parental leave entitlement is unevenly distributed between parents

Parental leave entitlements, number of weeks, 2023



Note: Maternity leave refers to the number of weeks of job-protected leave available for mothers just before and after childbirth. For countries where there is no separate legislation for maternity leave, the weeks of parental leave reserved for the exclusive use of mothers around childbirth are reported. Parental leave with job protection refers to the number of weeks after maternity leave which a woman can take as parental leave with her job protected, disregarding payment conditions. Total duration of paid maternity and parental leave refers to the total number of weeks which a women can be on paid leave after the birth of a child combining both maternity, parental and home care leave. Paid father-specific leave refers to the number of paid weeks reserved for the exclusive use of fathers, including entitlements to paid paternity leave, 'father quotas' or periods of paid parental leave that can be used only by the father and cannot be transferred to the mother, and any weeks of paid sharable leave that must be taken by the father in order for the family to qualify for 'bonus' weeks of parental leave.

Source: OECD Family database.

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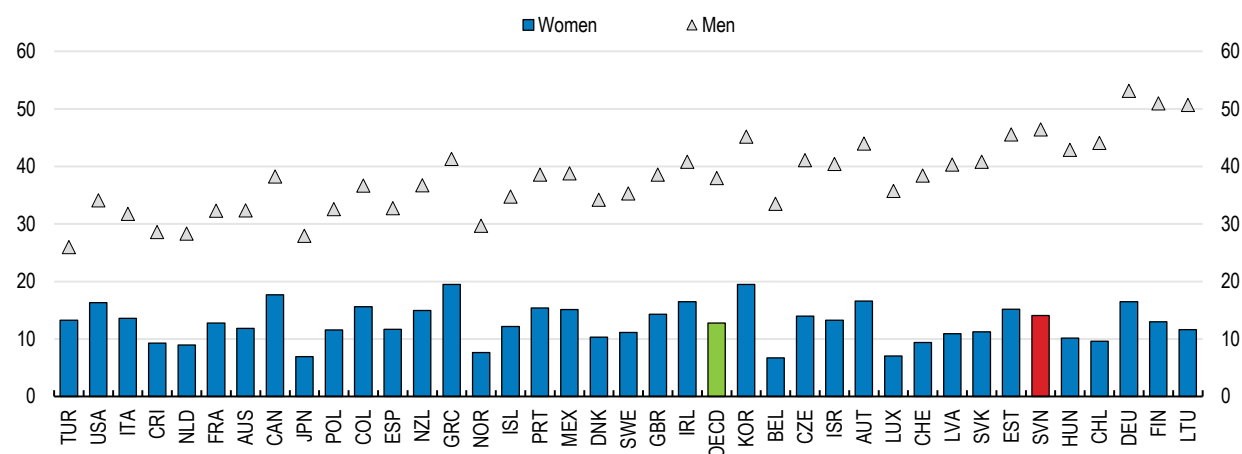
The gender gap in tertiary educational attainment is the highest in the EU, with 60% of girls aged 25-34 attaining tertiary education degree compared to 38% of boys in the same age group. (OECD, 2022^[18]). Despite their higher educational attainment, young women are still less likely to pursue studies of

engineering, mathematics or computing (Figure 3.9). The combined science, technology, engineering and mathematics (STEM) fields are often associated with the highest earnings (OECD, 2022^[19]). Gender imbalances in STEM fields dominated by men and care professions, such as teaching and nursing, dominated by women, are driven by gender norms and stereotypes, which may partly reflect an absence of role models.

Gender stereotypes at home as well as the absence of role models can play a role in determining fields of study and career expectations for girls, as well as boys. For example, there is evidence that female role models can be effective at encouraging girls to study science, for example through classroom interventions (González-Pérez, Mateos de Cabo and Sáinz, 2020^[20]; Breda et al., 2023^[21]). Existing projects highlighting female role models in the STEM sector, such as the Female Engineer of the Year Award (Inženirka leta), and networking events with female STEM researchers, such as the University of Maribor's International Girls in ICT Day, are thus welcome and could be complemented by other interventions, including bootcamps providing girls with practical experience in the STEM fields.


Figure 3.9. Fewer women graduate in Science, ICT and engineering

Share graduates in science, ICT and engineering by gender, %, 2021



Note: Data refer to graduates in science, mathematics and statistics, Information and Communication Technology and engineering.

Source: OECD Education at a Glance database.

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Gender stereotypes can also be countered by improved information and career guidance interventions, especially when provided at an early stage (Howard et al., 2015^[22]). In Slovenia, career guidance is organised both as school counselling service and outside the school system, in career centres of the public employment service (PES). In addition, a comprehensive electronic platform aggregates information on learning opportunities for both unemployed adults and those interested in career change. At the same time, there is room for improvement in designing effective career guidance interventions. Schools need to target their career guidance on students from families lacking strong social networks and aim at engaging employers of different sizes and sectors into their career guidance services. In terms of delivery, talks and career fairs are a relatively easy and effective tool. In addition, online platforms and other new technologies can facilitate high-volume, low-cost employer engagement in education, supporting the process of exposing students to the world of work (Musset and Mýtina Kureková, 2018^[23]). The quality of career guidance also seems hampered by the lack of reliable skills assessment and anticipation information. Such data could be collected and provided in a user-friendly online one-stop shop, as in many OECD countries (OECD, 2017^[24]).

A more modern, digitalised and international higher education system could come a long way in tackling gender stereotypes. With support from the Recovery and Resilience Facility, Slovenia is modernising

curricula to include digital and sustainability competences and it aims to introduce more flexible learning pathways, including through micro-credentials (European Commission, 2023^[25]). However, the development and recognition of micro-credentials is at an early stage (European Commission, 2023^[26]) and should be accelerated.

Policies improving pay transparency could help reduce the wage gap

Well-designed pay transparency measures can help combat discrimination in pay for equal work. While more than half of OECD countries require private sector firms to comply with pay reporting requirements or conduct gender pay audits, Slovenia does not currently have any systematic reporting requirements in place (OECD, 2021^[27]). The EU Pay Transparency Directive adopted in March 2023 will need to be reflected in national legislation by 2026, introducing both mandatory pay gap reporting rules and provisions for a version of gender pay audits, called “joint pay assessments” in the Directive (Box 3.1).

Box 3.1. Systematic gender pay gap reporting under the EU Pay Transparency Directive

The final text of the Directive was adopted by the EU Council on 24 April 2023 and must be implemented in national laws by June 2026. EU companies with more than 250 employees will be required to report annually how much they pay women and men for work of equal value and potentially conduct an equal pay audit, if their gender pay gap exceeds 5%. Employers will have to provide national authorities with data on the mean and median gender pay gap in base salaries, as well as in variable components, as well as the mean gender pay gap disaggregated by categories of workers. For companies with more than 150 employees, the reporting will take place every three years. Two years after the 2026 transposition deadline, the reporting every three years will apply to companies with more than 100 workers.

If the employer cannot justify the 5% pay gap by objective gender-neutral factors, nor close it within a specified time, (s)he must conduct a “joint pay assessment”, a wage and salary evaluation in cooperation with workers’ representatives. In cases of unjustified gender differences, the employer will have to act, in co-operation with worker representatives, the labour inspectorate and/or the equality body, to resolve the issue. EU countries are obliged to designate a body responsible for monitoring and supporting employers as well as providing resources needed for its proper functioning.

The new rules also oblige employers to inform job seekers about the starting salary or pay range of advertised positions, while refraining from asking candidates about their pay history. To prevent discrimination, employees will be entitled to information about average pay levels, broken down by sex, for categories of employees doing the same work or work of equal value, and have access to the criteria for pay and career progression, which must be objective and gender neutral.

In addition, there are new provisions on compensation for victims of pay discrimination and penalties, including fines, for employers who break the rules. Under the new rules, the burden of proof in pay discrimination cases will fall on the employer who will have to prove not violating the rules on equal pay and pay transparency.

Source: EU Council (2023^[28]) and OECD (2023^[29]).

Evidence from evaluating national regimes remains sparse, but some studies suggest that mandatory pay transparency may reduce the gender pay gap by slowing the growth of men’s wages rather than by increasing female wages (Bennedsen et al., 2019^[30]; Blundell et al., 2022^[31]). Reporting firms may also become less attractive for men, potentially due to lower male wage growth. Such unintended consequences suggest that the design of pay transparency measures, including enforcement and compliance mechanisms, may be important (Gulyas, Seitz and Sinha, 2023^[32]; Böheim and Gust, 2021^[33]). For instance, in Canada employers are required to develop a pay equity plan and achieve pay equity by

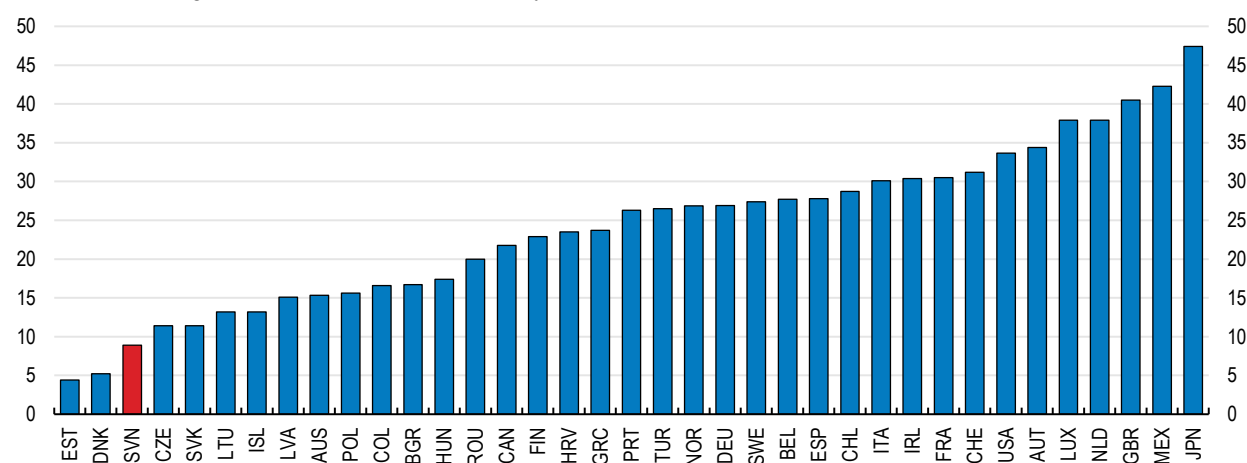
increasing the salaries in female-dominated jobs. Moreover, the use of digital tools and pre-existing data could ease the administrative burden on companies and promote participation in pay reporting. Online gender pay gap calculators and reporting portals, such as the Logib tool in Switzerland, can offer a comprehensive range of pay gap information, using modules tailored to small and larger companies (OECD, 2023^[29]).

The gender pension gap is small, but adds to the risk of poverty

Labour market differences between men and women accumulate through the working life and translate into lower pensions for women. In Slovenia, the gap is smaller than in most OECD countries (Figure 3.10). However, using the EUROMOD model and EU-SILC microdata from 2017, one can show that the gender pension gap widens significantly with age. While pensions of women aged 60-70 are broadly comparable to pensions of men, after the age of 70 the pension gap widens to about 19% for those aged 70-74 and more than 25% for those older than 75 (Kump, Kalar and Majcen, 2019^[34]). This gap is partly driven by lower accrual rates of older female pensioners who retired after a shorter contribution period, reflecting the earlier legislation, than younger female pensioners.

Figure 3.10. The gender pension gap is one of the smallest in the OECD

Gender pension gap, %, 2023 or latest available year



Note: The gender pension gap shows the percentage difference between women's average pension income and men's average pension income for individuals aged 65 and over. Pension income includes old age benefits, survivors' benefits as well as regular pensions from individual private plans.

Source: Eurostat EU-SILC database; and OECD (2021), *Towards Improved Retirement Savings Outcomes for Women*, OECD Publishing, Paris, <https://doi.org/10.1787/f7b48808-en>

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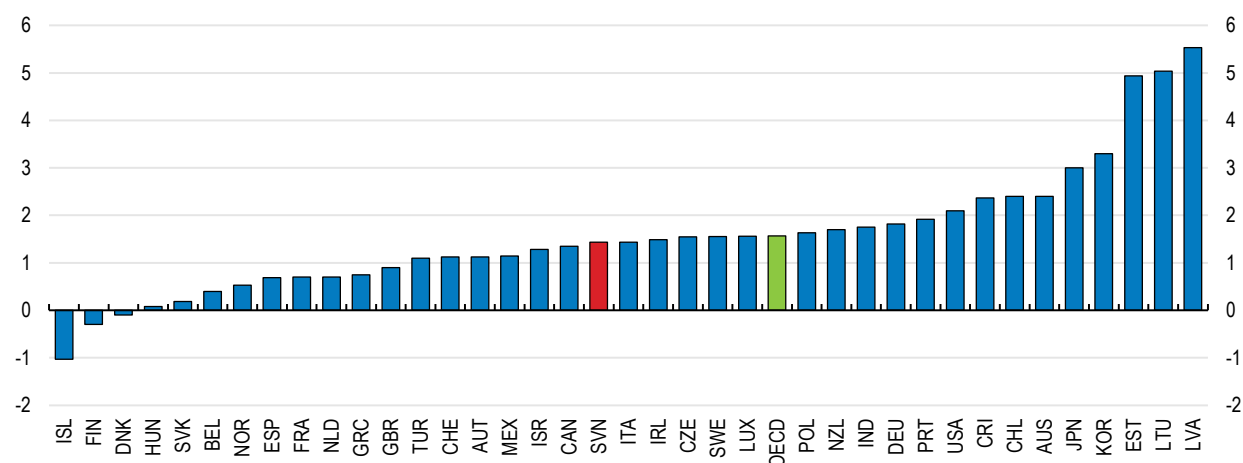
The gender pension gap is reflected in high at-risk-of-poverty rates, which increase more steeply for women than the general population (Figure 3.11). For example, the at-risk-of-poverty rate of total population older than 60 and 75 was 18.6% and 19.3%, respectively (Bartolj, Kalar and Kump, 2020^[35]). The corresponding rates for women aged above 60 and 75 were 21.1% and 25.2%. This mainly reflects the fact that the equivalised disposable income of retirees living alone is significantly lower than that of those living together (Kump, 2017^[36]), and that in Slovenia many more women than men live alone, partly because they are more likely to be widowed, than on average in other OECD countries (OECD, 2022^[37]). At the same time, the current gender pension gaps are essentially backward-looking, reflecting past labour market inequalities rather than current trends. The data from the Pension and Disability Insurance Institute show that in recent years, female pensioners entering the pension system have been receiving a higher

pension than male old-age pensioners, due to higher accrual rates and relatively small gender differences in the pension assessment base (Bartolj, Kalar and Kump, 2020^[35]).

Like many OECD countries, Slovenia faces a gender gap in retirement savings, as women are less likely to have a voluntary occupational retirement savings account than men and tend to have lower balances in their accounts. Negative effects of lower wages and career breaks related to childbirth and care are often compounded by particular features of retirement plans that contribute to the gender pension gap. For example, contribution breaks to retirement savings plans during periods of maternity and parental leave are one of the sources of the gender gap in private pensions in some OECD countries. In Slovenia, employer contributions to voluntary occupational schemes, as well as the mandatory occupational scheme for workers in arduous and hazardous occupations, are voluntary during maternity and parental leave, and hence are often not paid during these periods. At the end of 2017, account balances of voluntary occupational pension schemes were 17% lower for women and the amount of employer contributions was 14% lower for women, in cases where contributions were paid only by employees (OECD, 2022^[37]). Mandating employers to continue contributing to the retirement savings accounts of their employees during maternal and parental leave would help to ensure fair treatment of men and women.

Figure 3.11. The gender poverty gap is limited

Gender poverty gap, percentage points, 2021 or latest available year



Note: Difference between the share of women and the share of men living with less than 50% of the median income.

Source: OECD Income Distribution database.

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Pension rights and assets in supplementary pension schemes accumulated during the marriage are not automatically split upon divorce. Although retirement benefit entitlements are usually considered as joint property during the marriage or partnership, pension rights and assets may be overlooked in court settlements (OECD, 2022^[37]). Enforcing a split of pension assets in divorce settlements can help address this issue and several options may be considered to split pension rights and assets between former spouses (OECD, 2021^[38]).

Table 3.2. Recommendations

Main findings	Recommendations (key ones in bold)
	Ensuring that the tax and benefit system promotes gender equality

High social security contributions and loss of unemployment benefits reduce incentives to take up work for single parents.	Reduce marginal effective tax rates for low-income earners and second earners through slower and more coordinated withdrawal of benefits and social assistance.
The removal of tax credits and allowances applied on a household basis can lead to high marginal effective tax rates on second earners transitioning from part-time into full employment.	Reduce disincentives to work for second earners by replacing tax allowances with an earned income tax credit or through tax adjustments.
Improving gender equality in the labour market and in retirement	
Women are underrepresented in science, technology, engineering and mathematics (STEM) positions that often pay higher wages and may offer flexible work arrangements.	Encourage girls to study science by highlighting role models in the STEM sector and by improving the quality of career guidance.
Private sector firms do not face any systematic reporting requirements regarding pay transparency.	Implement swiftly the EU Pay Transparency Directive, introducing mandatory pay gap reporting and joint pay assessments.
Employers are not required to continue contributions to employee plans during childcare leave, which disproportionately affects women.	To narrow the gender gap in retirement savings, make employer contributions to voluntary occupational pension schemes mandatory during childcare leave.

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