

Rights of women and gender equality with regard to pay, treatment at work, labour market and career opportunities in Iceland

Delegation of the Committee on Women's Rights and Gender Equality to Iceland on 3-5 November 2021

The Republic of Iceland is one of the smallest European countries, with a population of 370,000 inhabitants in 2021¹. It is an island state and its official language is Icelandic. Historically, geographically and politically, Iceland is connected to the Scandinavian countries and is part of the Nordic countries, but does not belong to the EU. Iceland is a part of the EEA Agreement, which enables the country to enjoy the benefits of the EU's single market without the full privileges and responsibilities of EU membership. The country is also a member of the Council of Europe and the OSCE.

1) Political situation in Iceland

Iceland's constitutional republic has a multi-party system, where the President is the head of state. It is based on the principle of three-way separation of power. Judicial power is vested on the Supreme Court, the Court of Appeal and district courts; the Government exercises executive power, and legislative power lies with both the President and the Parliament, the Althingi². The President is elected by direct popular vote for a term of four years.

In 2021, the Icelandic Government represents three parties: the Left Green Movement (V-LEFT EP affiliation), the Independence Party (I-ECR EP affiliation) and the Progressive Party (B-RE EP affiliation).

Its President, Guðni Th. Jóhannesson, is independent; the Prime Minister, Katrín Jakobsdóttir, represents the Left Green Movement³. Out of all current 10 Ministers in the Government, 40% are women⁴.

Althingi is a unicameral parliament comprised of 63 Members, elected for a period of four years and representing six constituencies. In the general elections in September 2021 30 women and 33 men were elected to the Parliament. The results show an increase in the number of women elected (six more than in 2017), but without reaching the 50% of seats.

Following the 2021 elections, eight political parties hold seats in the Parliament: 16 from the Independence Party (Sjálfstæðisflokkur), 13 from the Progressive Party (Framsóknarflokkurinn), 8 from the Left-Green Movement (Vinstrihreyfingin – grænt framboð), 6 from the Pirate Party (Píratar), 6 from the Social Democratic Alliance (Samfylkingin), 6 from the People's Party (Flokkur fólksins), 5 from the Liberal Reform

¹ Statistics Iceland <https://www.statice.is/publications/news-archive/inhabitants/population-in-the-1st-quarter-2021/>

² Government of Iceland <https://www.government.is/topics/governance-and-national-symbols/how-is-iceland-governed/> and <https://www.europarl.europa.eu/document/activities/cont/201107/20110725ATT24624/20110725ATT24624EN.pdf>

³ Government of Iceland <https://www.government.is/government/current-government/> and Europe Elects <http://europeelects.eu/iceland/>

⁴ Government of Iceland <https://www.government.is/government/current-government/>



Party (Viðreisn) and 3 Members from the Centre Party (Miðflokkur)⁵.

Iceland does not stipulate legal quotas on female representation for the Lower Camera or at a Sub-national level. However, many parties regulate voluntary quotas⁶:

- Social Democratic Alliance: each sex should be represented by, at least, 40%.
- Left-Green Movement: gender equality has to be ensured when candidates are chosen.
- Progressive Party (Centre Party): as in the case of the Social Democratic Alliance, each sex has to be represented by, at least, 40%.

Looking from a historical perspective, back in 1907, the right to vote in municipal elections was extended to all women, having been granted to widows and single women of independent means in 1882. Icelandic women first got the right to vote in parliamentary elections in 1915 which makes it one of the first countries in Europe to grant such a right.

A further important milestone in the women's rights movement in Iceland occurred in 1975. At the time, there were many organizations dedicated to the realization of full women's rights in Iceland, drawing on a history of previous women's movements in the early 20th century that dealt with the issues of suffrage, national independence, and equal rights. The United Nations declared 1975 International Women's Year. At the time, there were growing frustrations due to a gender pay gap. An event to showcase the importance of women in the workplace was organised: a women's "day off" to show the importance of women for Iceland's economic and social well-being. When the day arrived, 90 percent of Icelandic women participated. There was no telephone service. Newspapers were not printed because all the typesetters were women. Theatres shut down because actresses refused to work. Schools closed, or operated at limited capacity, because the majority of teachers were female. Airline flights were cancelled because flight attendants did not work that day. Bank executives had to work as tellers to keep the banks open because the female tellers had taken the day off⁷.

2) Gender equality policies

Iceland is considered a global leader in gender equality, and in 2021 the World Economic Forum ranked it the most gender-equal nation in the world for the 12th consecutive year⁸. Nonetheless, the nation's weak points are its gender wage gap, its gender-segregated labour market and female underrepresentation in both political and economic power.

LEGAL FRAMEWORK

The Republic of Iceland addresses gender equality as a priority both in its national legislation and in quadrennial action plans⁹. The Icelandic Constitution reflects in its Article 65 the status of parity between women and men, and that both genders shall enjoy equal rights in all respects. Any other legislation must be in accordance with the provisions of this superior law, at the risk of being judged invalid by the courts. Thus, the principle of equality of all human beings regardless of their gender underlies all Icelandic legislation.

The current legislation on gender equality is the Act on Equal Status and Equal Rights Irrespective of Gender, No. 150/2020 and the Act on the Administration of Matters Concerning Equality, No. 151/ 2020. More legislation applies to equality matters, notably the Act on Gender Autonomy, No. 80/2019, the Act on Equal Treatment irrespective of Race and Ethnic Origin, No.85/2018 and the Act on Equal Treatment on the Labour

⁵ Morgunbladid Iceland <https://www.mbl.is/frettir/kosningar/results/>

⁶ https://data.ipu.org/node/76/data-on-women?chamber_id=13425

⁷ For further historical milestones on the way to gender equality, please see the Annex I to the briefing, prepared by the EU Delegation to Iceland

⁸ World Economic Forum <https://www.weforum.org/agenda/2021/03/best-countries-women-s-rights-gender-gap/>

⁹ <https://www.government.is/topics/human-rights-and-equality/>

Market No. 86/2018¹⁰.

Act 10/2008, on the Equal Status and Equal Rights of Women and Men

The Act No. 10/2008, on the Equal Status and Equal Rights of Women and Men ("The Icelandic Act")¹¹ aimed to establish and maintain equal rights and opportunities for women and men, thus equalizing the status of the genders in all areas of society. This law highlighted the need to promote and preserve gender equality in the country and was amended to accommodate societal needs.

Act 151/2020 on Equal Status and Equal Rights Irrespective of Gender

The most recent legislative act on this matter is the Act on Equal Status and Equal Rights Irrespective of Gender, No. 150/2020¹². Its purpose is to prevent gender-based discrimination and fight for equality between genders and equal opportunities, in all spheres of society. The Prime Minister's Office is the competent body for the enforcement of the Act, while the Directorate of Equality is responsible for supervising its implementation and for providing advice, information and public education regarding gender equality. Article 1 of the Act mentions, "changing traditional gender images and working against negative stereotypes regarding the roles of women and men" among other ways to reach gender equality.

In addition to the legislation detailed above, since 2020 all legislation is required to be gender neutral.

WORK-LIFE RECONCILIATION: PARENTAL LEAVE AND ABORTION ACTS

Another set of legislative measures that greatly affect gender equality are those related to work and family life. The Act on Maternity/Paternity Leave and Parental Leave No. 95/2000¹³, which was implemented in several stages between 2001 and 2003 and has been amended most recently in 2021, establishes a total of 12 months of parental leave¹⁴ and includes an unassignable quota of three months of the leave for each parent. The objective of this law is, as stated in Article 2, both to "ensure a child's access to both their parents" and to "enable both women and men to reconcile work and family life". The positive effects regarding gender equality have been observed in many areas, namely reducing possible discrimination and bias from employers and allowing women to work longer hours and find better-paid, full-time jobs¹⁵.

Apart from this, the Termination of Pregnancy Act No. 43/2019¹⁶ allows women to interrupt gestation freely up to the 22nd week of pregnancy, without need of a justifying medical reason¹⁷. This law also minimizes administrative checks prior to the procedure.

INSTITUTIONAL MECHANISMS

A series of institutional mechanisms have been created throughout the years to ensure compliance with gender equality legislation and policies, namely:

- **Directorate of Equality:** this national bureau is responsible for administering the Act on Equal Status and Equal Rights Irrespective of Gender No. 150/2020. The Directorate is a special institution under the administration of the Prime Minister, and its purpose is to handle administration of all matters concerning

¹⁰ Government of Iceland <https://www.government.is/topics/human-rights-and-equality/equality/legislation/>

¹¹ Available here https://www.ilo.org/dyn/travail/docs/1556/Act-on-equal-status-and-equal-rights-of-women-and-men_no-10-2008.pdf

¹² Available here <https://www.government.is/library/04-Legislation/Act%20on%20Equal%20Status%20and%20Equal%20Rights%20Irrespective%20of%20Gender.pdf>

¹³ Available here <https://www.ilo.org/dyn/travail/docs/1553/Act>

¹⁴ Parental leave policies and continued childbearing in Iceland, Norway and Sweden, in Demographic Research https://www.jstor.org/stable/26727040?seq=14#metadata_info_tab_contents

¹⁵ The Paternity Leave Act in Iceland https://www.researchgate.net/publication/46528219_The_Paternity_Leave_Act_in_Iceland_implications_for_gender_equality_in_the_labour_market

¹⁶ Available here <https://www.government.is/lisalib/getfile.aspx?itemid=60ae8fd2-0b91-11ea-9453-005056bc4d74#:~:text=Section%20!%20Aim%2C%20scope%20and.access%20to%20the%20health%20services.>

¹⁷ Government of Iceland <https://www.government.is/lisalib/getfile.aspx?itemid=60ae8fd2-0b91-11ea-9453-005056bc4d74>

equality. Besides Act 150/2020, it also administers both Acts on Equal Treatment No. 85 and 86/2018. Therefore, its work is not limited to the administration in relation to gender equality, but also on equal treatment in the labour market and outside regardless of race, ethnic origin, religious beliefs or gender expression¹⁸.

Some of its functions are to monitor the implementation of the acts, and to forward comments and proposals to the Minister and other authorities on actions needed to promote equality.

- **Committee Complaints Equality:** this governmental body is responsible for hearing cases submitted by individuals, institutions, companies or non-governmental organisations, either in their own name or on behalf of victims, that consider that violations gender equality acts have been committed against them or their members.

- **Centre for Gender Equality:** the national bureau is responsible for administering the Act on Equal Status and Equal Rights of Women and Men No. 10/2008. This body provides education and counselling about gender equality to governmental and municipal authorities, companies, individuals, institutions and non-governmental organizations¹⁹.

Like the Directorate of Equality, the Centre has a wide range of functions, such as advising government authorities, institutions, companies, non-governmental organisations and individuals on gender equality issues; making proposals on affirmative actions and monitoring gender equality developments in society.

GENDER EQUALITY ACTION PROGRAMME

The Minister for Gender Equality submits a periodic motion for parliamentary resolution on a quadrennial action plan on gender equality after consulting the Directorate of Equality. The action plan is based on proposals from the Ministries, and specifies the Government's priorities and most pressing issues in matter of gender equality. It also takes into account the discussions taken place in the Gender Equality Forum.

Icelandic Gender Equality action plans incorporate projects aimed to protect both equal rights and equal status for both genders, as well as specify the estimated cost of each project and the method employed for the later evaluation of the results²⁰. The current action plan was approved in 2019 for the period 2020-2023.

Gender mainstreaming has been a long-running pivotal point in the last Action Programmes. As stated in Act No. 10/2008 it means to organise, improve, develop and evaluate the policy-making process in a way that gender equality perspectives are incorporated in all spheres in the policy-making and decisions of those who are generally involved in policy-making in society. This concept refers to the integration of gender and gender equality points of view into any general activity of a private or public organization. According to the Government, the aim is to ensure that the needs of all genders are met and that there is no discrimination due to gender²¹.

The 2020-2023 programme²² foresees 24 measures divided into several thematic chapters, and it includes cooperation efforts from all Ministries. The current plan places the emphasis on ensuring financial independence regardless of marital status - especially with regard to taxation, pensions and disability issues, counteracting parental and gender pay inequality, as well as addressing gender mainstreaming and gender budgeting, with the aim of integrating gender equality issues into decision-making and policy formulation by the government and in fund allocation²³.

¹⁸ Directorate of Equality <https://www.jafnretti.is/en/directorate-of-equality>

¹⁹ Centre for Gender Equality <https://www.jafnretti.is/en/moya/page/the-centre-for-gender-equality>

²⁰ Directorate of Equality, Action Programme <https://www.jafnretti.is/en/moya/news/new-gender-equality-action-plan-submitted-to-parliament>

²¹ Directorate of Equality <https://www.jafnretti.is/en/vinumarkadur/gender-mainstreaming-1>

²² Available here <https://www.government.is/library/01-Ministries/Prime-Ministers-Office/Gender%20Equality%20Action%20Programme%20for%20the%20period%20of%2020202023.pdf>

²³ Ministry for Foreign Affairs Speech <https://www.government.is/library/01-Ministries/Ministry-for-Foreign-Affairs/PDF-skjol/Steinunn%20Valdis%20speech.pdf>

COMPLIANCE WITH INTERNATIONAL LAW

Iceland presents a historically high cooperation level with international organisations on human rights issues.

The European Union

Iceland is a member of the Council of Europe Gender Equality Commission. Iceland will chair the Committee of Ministers of the Council of Europe from November 2022 to May 2023.)²⁴

The Nordic Country is an observer in the EU Advisory Committee on Equal Opportunities for Women and Men. The committee introduces and discusses ongoing work on individual directives regarding gender equality, upcoming conferences, and focus, among other issues, twice yearly in Brussels.

The nation also has a representative in EFTAs Working Group on Gender Equality, Anti-discrimination and Family Policy. This working group also meets twice yearly in Brussels, generally in relation to the advisory committee meetings (The EU Advisory Committee on Equal Opportunities for Women and Men).

UN Human Rights Council

Iceland chaired this Council between 2018 and 2019, and is looking after a full year term for the 2025-2027 period. The country stressed the importance of gender equality during its presidency, as well as LGBTI rights and children's rights. It also contributes to UN programmes as UN Women, UNICEF and the UN Development Fund.

The Arctic Council

The Nordic state is a member of this Council, and presided it for the 2019-2021 term until May; gender equality has been the main priority during its chairmanship. As a member of the Council, it also participates in activities related to human rights.

OTHER

Women Politic Leaders Annual Global Summit. Council of Women World Leaders

Iceland hosts the Women Politic Leaders Annual Global Summit until 2021, which hosted twenty six female Heads of State in its 2020 Summit. The Prime Minister of Iceland became Chair of the Council of Women World Leaders on February 19, 2020.

3) Gender equality with regard to pay gap, treatment at work

LEGAL FRAMEWORK

In recent decades, it has been high on the political agenda to tackle gender-based wage discrimination. The latest gender equality flagship in Iceland is the Regulation No. 1030/2017, on the certification of equal pay systems of companies and institutions according to the ÍST 85 Standard²⁵. The legislation – entered into force in the beginning of 2018 – made certification of equal pay systems of companies and institutions with 25 employees or more mandatory. Equal Pay Systems shall, according to the law, be based on the implementation of an Icelandic management requirement standard on equal pay. The purpose is to enforce the current legislation prohibiting discriminatory practices based on gender and enforcing the decade old principle of equal pay for work of equal value for men and women working for the same employer.

Icelandic law states a clear definition of the term "pay", which is understood as the ordinary remuneration for work and further payments of all types, direct and indirect, whether they take the form of perquisites or other forms, paid by the employer to the employee for his or her work. Having a proper definition is key to address the gender pay gap problem.

²⁴ Government of Iceland <https://www.government.is/topics/human-rights-and-equality/equality/international-cooperation-and-commitments/>

²⁵ Available here https://www.government.is/library/04-Legislation/Regulation_CertificatinOfEqualPaySytems_25012018.pdf

Iceland's Act No. 10/2008, on the Equal Status and Equal Rights of Women and Men²⁶ sets forth in its first article that all individuals shall have equal opportunities to benefit from their own enterprise and to develop their skills, irrespective of their gender. Through this law, the Republic of Iceland became the first country in the world to require companies to pay all employees an equal salary for jobs of equal value or under the same roles, regardless of their gender, ethnicity or sexuality.

The Regulation No. 1030/2017²⁷, which took effect in 2018, demands every company that employs over 25 workers to prove with a special certification that they pay all workers in accordance with Act No. 10/2008.

The Act 151/2020 on Equal Status and Equal Rights Irrespective of Gender²⁸ also addresses gender pay gap due to gendered horizontal segregation in its Article 18 "employers shall work specifically to put women and men on an equal footing within their enterprise or institution and to take steps to avoid jobs being classified as specifically women's or men's jobs".

The Act No. 86/2018 on Equal Treatment on the Labour Market²⁹ is the law that regulates treatment at work and bans any type of discrimination based on gender, ethnicity, disability or gender expression, among others. This act establishes that every employee, regardless of the abovementioned factors, shall receive an equal treatment when it comes to promotion opportunities, remuneration, leave or working conditions, among others.

Both direct and indirect discrimination are prohibited and, in case of conflict, the burden of proof is placed on the employer. The violation of the provisions in this Act results in the payment of compensations and fines. The competent body for the implementation of this Act is the Directorate of Equality, and Article 4 in the Act on Equal Status and Equal Rights of Women and Men shall apply as applicable³⁰.

PAY GAP

The unadjusted gender pay gap, which according to Eurostat measures the "difference between the average gross hourly earnings of men and women expressed as a percentage of the average gross hourly earnings of men", was 12.6% in 2020³¹. This figure does not take into account variables such as sectoral segregation by gender, difficulties to access power or senior positions, and other gender-based discrimination. However, the unadjusted wage gap does take into account working hours. Icelandic men tend to work longer hours than women due to the traditional occupational segregation and gender-oriented family life dynamics, and thus their final income is higher³².

The adjusted wage gap evaluates whether men and women with the same characteristics receive comparable wages, based on Statistics Iceland's data on demography, wages and education. The level of education, occupation, industry of employment and other relevant aspects are taken into account to isolate the effect of gender. According to the National Statistical Institute of Iceland, the adjusted pay gap in 2020 was 4.1%³³.

The Nordic country had already reduced its gender pay gap by 88% in 2020, and expects to close it out completely by 2022. To achieve that objective the Icelandic government has developed two recent policy measures: the equal pay certification and equality plans.

²⁶ Available here https://www.ilo.org/dyn/travail/docs/1556/Act-on-equal-status-and-equal-rights-of-women-and-men_no-10-2008.pdf

²⁷ Available here https://www.government.is/library/04-Legislation/Regulation_CertificatinOfEqualPaySystems_25012018.pdf

²⁸ Available here <https://www.government.is/library/04-Legislation/Act%20on%20Equal%20Status%20and%20Equal%20Rights%20Irrespective%20of%20Gender.pdf>

²⁹ Available here https://www.jafnretti.is/static/files/English_gogn_a_ensku_sidu/act-on-equal-treatment-on-the-labour-market-no-86-2018-m-br-final-sent-230519.pdf

³⁰ Government of Iceland, Directorate of Equality <https://www.jafnretti.is/en/vinumarkadur/equality-in-the-labour-market-1>

³¹ Statistics Iceland <https://www.statice.is/publications/news-archive/wages-and-income/the-gender-pay-gap-decreases/>

³² Ibidem

³³ Ibidem

EQUAL PAY STANDARD AND CERTIFICATION

Since January 2018, each Icelandic Relevant Employer (that is, companies and government agencies with more than 25 employees) must acquire an Icelandic Pay Certification based on the Equal Pay Standard. The equal pay standard evaluates whether a pay policy is gender-equal, although it is limited to the individual organizational units (that is, the employers) and thus is not applied uniformly across the whole labour market.

The certification is a comprehensive process that helps employers analyse their pay structures, identify potential discrimination and correct it. As such, this new legislative tool transfers the responsibility of equal pay from the individual employee over to the employer³⁴. In the new amendment it is also possible for small companies to obtain a Pay Equality Confirmation. Now companies with 25-49 employees can choose the certification or the confirmation³⁵.

Icelandic Equal Pay Certifications are obtained through an audit of an Icelandic Relevant Employer's equal pay system by an independent certifying body (or a stakeholder, if the applicable collective bargaining agreement includes that option) and renewed every three years. It is the obligation of the employer to ensure, by means of this certification, that there is no wage discrimination within their company or institution, and those employers failing to demonstrate gender equality shall pay fines³⁶.

A survey conducted in 2019 by The Department of Equality on the implementation of the equal pay certification law conducted a survey in 2019 that revealed a general content across the majority of companies (81%) about implementing the standard.

EQUALITY PLANS

As the Directorate of Equity sets forth, an Equal Rights Plan shall acknowledge the gender wage gap and how to decrease it, address additional factors that may contribute to inequality, and set out objectives and a plan to achieve them. The aim of these plans is to guarantee that employees' rights provided for in the Icelandic Act are safeguarded, and that the salary they receive is based on competence and experience, not gender³⁷. Every Icelandic Relevant Employer (companies with 25 employees or over) shall draw up an Equal Rights Plan (or mainstream these objectives into their employee policy) and an Equal Opportunities Policy, and revise them every three years³⁸.

Equality Plans must address a series of key issues, namely pay equality, reconciliation of family and work life, further training, and gender-based violence and harassment. Besides this statement of objectives, each programme must include a clear plan on how to achieve them.

Besides the two previous policies, the Icelandic Government relies on transparency to help close the gender wage gap. As the 2015 EC Comparative Analysis of Gender Equality Law in Europe stated, Icelandic law foresees the employees' right to disclose their wage. Unfortunately, the study did not deem this measure as very effective due to the unlikelihood that a higher paid male employee would disclose their higher terms to female co-workers. Rather than helping solve the gender pay gap, it may function as a "scapegoat" for not addressing the real issue³⁹.

4) Labour market and career opportunities

CAREER OPPORTUNITIES (EDUCATION)

³⁴ <https://www.government.is/library/01-Ministries/Ministry-for-Foreign-Affairs/PDF-skjol/Steinunn%20Valdi%20speech.pdf>

³⁵ <https://www.jafnretti.is/en/vinumarkadur/equal-pay/equal-pay-confirmation>

³⁶ <https://www.government.is/library/01-Ministries/Ministry-for-Foreign-Affairs/PDF-skjol/Steinunn%20Valdi%20speech.pdf>

³⁷ Directorate of Equity <https://www.jafnretti.is/en/vinumarkadur/equality-plans/equality-plans> and Fawcett Society Gender Pay Gap Reporting 2020 <https://www.fawcettsociety.org.uk/Handlers/Download.ashx?IDMF=e67112b9-b01a-4852-9340-139e42585ae1>

³⁸ Government of Iceland <https://www.jafnretti.is/en/vinumarkadur/equality-plans/equality-plans>

³⁹ <https://www.equalitylaw.eu/downloads/3823-a-comparative-analysis-of-gender-equality-law-in-europe-2015-pdf-1-03-mb>

It is important to highlight that the gendered differences do not commence in the workplace, but in the education stage. The 2021 report Nordic Gender Equality in Figures shows that a greater share of women than men graduate from tertiary education in Iceland, accounting to a 53% and 37% respectively in 2019⁴⁰. On the other hand, 35% of men study vocational training in contrast with only 21% of women. Female students are also a less prone to drop out of tertiary education⁴¹.

Notwithstanding the above, the report reveals a clear gender breakdown across academic majors in tertiary education. Women are clearly dominant in health and welfare, education, and social sciences, information and journalism. Men are overrepresented in disciplines such as information and communication technologies, engineering, manufacturing and construction, and mathematics and statistics. Other fields, like business and law, arts and humanities, and services, had similar rates of both sexes⁴².

The result of this clear separation amongst occupational sectors results in a subsequent high occupational gender segregation. As shown by the National Statistical Institute of Iceland, women and men on the same education level have different average income from work⁴³. Male dominated industries, such as STEM, tend to have higher salaries.

LABOUR MARKET

Women's participation rate in the labour market in 2020 was 75%⁴⁴, a slightly lower value than those of previous years but nonetheless much higher than the EU average of 51%⁴⁵. Furthermore, women make up for 47.2% of the total labour force in Iceland⁴⁶. However, the labour market is highly compartmentalised by gender, which results in structural obstacles that hinder the closure of the pay gap. These gendered occupational roles translate into both vertical and horizontal segregation.

Vertical segregation

Vertical segregation refers to male predominance in senior, decision-making, power positions, even in traditionally female occupations. The first breach in equality can be found in the vertical axe, in the weekly working hours: while 34% of all employed women in Iceland had a part-time job in 2019, only 10% of men worked less than 35 hours per week⁴⁷.

The European Commission found in its report More Women in Senior Positions (2010) that this trend might be explained by the persistent stereotype that associates women with the role of the primary caretaker, which places the responsibility of housework and unpaid care primarily on them and prevents female employees from working longer hours⁴⁸. Besides, female-led occupations usually call for shift-work and part-time jobs.

According to the Nordic Gender Equality in Figures, even if part-time jobs have allowed more women to enter the labour force, they affect negatively women's economy and their lifetime earnings. The study states that unemployment or part-time employment periods, which are more frequent in women due to family responsibilities, are related to smaller retirement savings⁴⁹.

Horizontal segregation

⁴⁰ Government of Iceland Gender Statistics <https://www.government.is/topics/human-rights-and-equality/equality/gender-statistics/>

⁴¹ Nordic Gender Equality in Figures 2021 <https://pub.norden.org/nord2021-036/#76927>

⁴² Ibidem

⁴³ Statistics Iceland <https://www.statice.is/publications/news-archive/social-affairs/women-and-men-in-iceland-2019/>

⁴⁴ The World Bank Data for Iceland <https://data.worldbank.org/indicator/SL.TLF.CACT.FE.NE.ZS?locations=IS>

⁴⁵ The World Bank Data for the EU <https://data.worldbank.org/indicator/SL.TLF.CACT.FE.NE.ZS?locations=EU>

⁴⁶ <https://link.springer.com/article/10.1007/s11199-018-0915-7>

⁴⁷ Nordic Gender Equality in Figures 2021 <https://pub.norden.org/nord2021-036/#76923>

⁴⁸ EC More Women in Senior Positions <https://op.europa.eu/en/publication-detail/-/publication/fa515107-36e5-4870-8a17-afc442635d0c/language-en>

⁴⁹ Nordic Gender Equality in Figures 2021 <https://pub.norden.org/nord2021-036/#76923>

With regard to horizontal differentiation, it explains the compartmentalization by gender across different occupational sectors and roles. This phenomenon can be explained if we take into account a second stereotype emphasized in the EC's report, which relies on preconceptions about inherent characteristics or skills of each gender that make them more suited for certain positions. Said stereotype influences each gender into choosing certain career paths.

In 2018, almost 20% of all female employees in Iceland worked in human health and social work activities, while the most common occupational sector for men was manufacturing, accounting for almost 15% of all male employment⁵⁰. These percentages directly correlate with the gendered segregation that takes place in the education stage.

It should also be mentioned that in nations where a large share of women are employed the service sector tends to be larger and female workers take up on newly created jobs, especially in the education and healthcare industries; and frequently the average wages in these sectors are lower than those of male dominated ones, such as STEM industries.

Women in power positions

Men have historically held power positions in Iceland. However, even though women are still severely underrepresented in decision-making and power positions this trend is being slowly redirected towards a more equal distribution.

In the public sector, the percentage of women elected for the Parliament has raised from 25% in 1995 to 48% in 2021. Other positions of influence that women have increasingly taken up as of 2018 are as members of local governments (47%), members of official committees and councils (47%), and mayors (36%). In 2019, out of the 156 directors of governmental agencies 91 were men and 65 were women (the 41%). Another power position with a high female employment rate is that of minister, which 40% of women hold in 2021⁵¹. However, the judiciary presents a great imbalance in its highest level, with only 12.5% of female judges in the Icelandic Supreme Court as of 2018.

With regard to the private sector, a study showed that out of all Nordic countries Iceland has the highest percentage of women in senior roles in this sector. According to the 2021 Global Gender Gap Report, they conform the 42% of all managerial roles⁵²; and when those roles are also senior, the number rises to 44.4%⁵³.

In 2020, women also accounted for 40% of all members of boards of directors in companies that employed more than 250 workers⁵⁴. However, the said percentage is not uniform across all company sizes but it gets smaller as the number of employees decreases, up to a 26% for businesses of less than 50 workers. The direct correlation between employees and percentage of women in boards of directors can be explained by the 2010 amendment to both public (No. 2/1995) and private (No. 138/1994) limited companies acts, which requires a female ratio of at least 40% of the board of directors for businesses of over 50 employees⁵⁵.

⁵⁰ Statistics Iceland <https://statice.is/publications/news-archive/labour-market/register-based-employment-by-industry/>

⁵¹ Iceland Government Gender Statistics <https://www.government.is/topics/human-rights-and-equality/equality/gender-statistics/>

⁵² World Economic Forum 2021 Global Gender Gap Report https://www3.weforum.org/docs/WEF_GGGR_2021.pdf

⁵³ Eurostat Positions held by women in senior management positions https://ec.europa.eu/eurostat/databrowser/view/sdg_05_60/default/table?lang=en

⁵⁴ Iceland Government Gender Statistics <https://www.government.is/topics/human-rights-and-equality/equality/gender-statistics/>

⁵⁵ Government of Iceland <https://www.government.is/publications/legislation/lex/2018/02/06/TRANSLATION-OF-RECENT-AMENDMENTS-OF-ICELANDIC-PUBLIC-AND-PRIVATE-LIMITED-COMPANIES-LEGISLATION-2008-2010-including-Acts-13-2010-sex-ratios-and-68-2010-minority-protection-remuneration/>

Annex I

(prepared by the Delegation of the EU to Iceland)

Briefing elements on "Rights of women and gender equality with regard to pay, treatment at work, labour market and career opportunities in Iceland"

- Iceland is a global human rights leader- particularly with regard to gender equality - and a like-minded partner of the European Union, as manifested by the fact that it usually aligns with EU Declarations on human rights issues. More generally, Iceland has a high standard of human rights domestically and a high level of cooperation with international organisations on human rights issues.⁵⁶ Moreover, prominent members of the Icelandic government have been vocal regarding a number of human rights issues, including on sexual and reproductive health and rights
- During Iceland's successful tenure on the UN Human Rights Council in 2018-19, it stressed in particular gender equality, the fight against gender-based violence, LGBTI rights and the rights of the child.⁵⁷
- Iceland has been the frontrunner in the World Economic Forum's Global Gender Gap Index every year since 2008, now the 12th year in a row.⁵⁸
- From a historical perspective, in 1907, the right to vote in municipal elections was extended to all women, having been granted to widows and single women of independent means in 1882. Icelandic women first got the right to vote in parliamentary elections in 1915.
- A further important milestone in the women's rights movement in Iceland occurred in 1975. At the time, there were many organizations dedicated to the realization of full women's rights in Iceland, drawing on a history of previous women's movements in the early 20th century that dealt with the issues of suffrage, national independence, and equal rights. The United Nations declared 1975 International Women's Year. At the time, there were growing frustrations due to a gender pay gap. An event to showcase the importance of women in the workplace was organised: a women's "day off" to show the importance of women for Iceland's economic and social well-being. When the day arrived, 90 percent of Icelandic women participated. There was no telephone service. Newspapers were not printed because all the typesetters were women. Theatres shut down because actresses refused to work. Schools closed, or operated at limited capacity, because the majority of teachers were female. Airline flights were cancelled because flight attendants did not work that day. Bank executives had to work as tellers to keep the banks open because the female tellers had taken the day off.
- The next year, Iceland's parliament passed a law guaranteeing equal rights to women and men. Although this 1976 law did little to change the disparity in wages and employment for women, it was a significant political step towards equality.⁵⁹
- In 1980, Vigdís Finnbogadóttir was elected as the first female President of Iceland, and the fourth President of the republic. She was the first woman to become Head of State in a national election,

⁵⁶ ICELAND: Implementation Report of the Human Rights and Democracy Country Strategy 2020

⁵⁷ ICELAND: Human Rights and Democracy Country Strategy 2021-24

⁵⁸ https://www3.weforum.org/docs/WEF_GGGR_2021.pdf

⁵⁹ <https://nvdatabase.swarthmore.edu/content/icelandic-women-strike-economic-and-social-equality-1975>

and the world's first democratically elected female President. After becoming president without opposition in 1984, 1988, and 1992, she retired from the presidency in 1996.

- In 1983, for the first time in Icelandic history, there was a sharp increase in the number of women members of parliament jumping from five to 15 MPs (from a total of 60) in a single election. In the September 2021 general election, there 30 female MPs were elected (of a total of 63). The percentage of female MPs is now 48% - the highest ever figure.
- In 2009, Jóhanna Sigurðardóttir was elected as the first female Prime Minister of Iceland as well as the world's first openly lesbian Head of Government. Katrín Jakobsdóttir, a member of the Left-Green Movement, became Iceland's second female prime minister in 2017. She is the current prime minister (and the most likely candidate to head the next government following the September 2021 elections).
- In 2018, Iceland introduced the first policy in the world that requires companies and institutions with more than 25 employees to prove that they pay men and women equally for a job of equal value. The policy is implemented through a job evaluation tool called the Equal Wage Management Standard. If companies show they pay equally for the same positions, they receive certification. Beginning in 2020, certification became a requirement and companies without certification incur a daily fine. However, the adjusted gender pay gap in Iceland in 2021 remains at 4.3%, despite the fact that an act on equal pay for equal work has been in force since 1961.
- While Iceland has had great success in combating gender inequality in the workforce, migrant women have a harder time and can face discrimination and wage theft. A recent report of the Confederation of Labour, ASÍ, concludes that the Icelandic labour market is firmly separated into two layers. On the one hand, is the mainstream reality of nearly no collective agreement violations. On the other hand, is the reality that greets foreign, young and low-wage workers, where "wage theft runs into the hundreds of millions of ISK every year".⁶⁰

Relevant reports/articles:

ICELAND: Implementation Report of the Human Rights and Democracy Country Strategy 2020

ICELAND: Human Rights and Democracy Country Strategy 2021-24

Act on Equal Status and Equal Rights of Women and Men No. 10/2008, as amended by Act No. 162/2010, No. 126/2011, No. 62/2014, No. 79/2015, No. 117/2016 and No. 56/2017.

<https://www.government.is/library/04->

[Legislation/Act%20on%20equal%20status%20and%20equal%20rights%20of%20women%20and%20men%20No%2010%202008%20as%20amended%20101%202018%20final.pdf](https://www.government.is/library/04-Legislation/Act%20on%20equal%20status%20and%20equal%20rights%20of%20women%20and%20men%20No%2010%202008%20as%20amended%20101%202018%20final.pdf)

Why Iceland Ranks First in Gender Equality:

<https://www.weforum.org/agenda/2017/11/why-iceland-ranks-first-gender-equality/>

How Iceland is Closing the Gender Wage Gap:

<https://hbr.org/2021/01/how-iceland-is-closing-the-gender-wage-gap>

⁶⁰ https://www.asi.is/media/315910/what-greets-foreign-workers-in-iceland-wage-theft-and-abuse_eng.pdf

Icelandic Gov. on Human Rights and Equality:

<https://www.government.is/topics/human-rights-and-equality/>

2012 Gender Equality Report:

<https://www.stjornarradid.is/media/utanrikisraduneyti-media/media/mannrettindi/Gender-Equality-in-Iceland.pdf>

Top managers and the gendered interplay of organizations and family life: the case of Iceland

<https://www.emerald.com/insight/content/doi/10.1108/GM-03-2017-0028/full/html>

Why is Iceland the World's Global leader in Gender Equality

<https://www.womenpoliticalleaders.org/why-is-iceland-the-world-s-global-leader-in-gender-equality/>

Gender Pay Gap has Become Smaller

<https://www.ruv.is/frett/2021/09/08/gender-pay-gap-has-become-smaller>

Human rights and Equality

<https://www.government.is/topics/human-rights-and-equality/>

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