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UnPinking Discrimination: Exploring the Pink Tax and its Implications

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Abstract

The prevalence of gender discrimination in modern-day societies can be found in countless socio-economic forms, from the gender pay gap to laws of inheritance and access to education. A lesser-known form of gender discrimination exists in prices of products and services, in the form of “pink tax”. The pink tax is the additional amount paid by female customers as compared to their male counterparts for nearly identical products and services. From personal care products and clothing to children’s toys and services, the pink tax is found across sectors. Through gendered marketing, corporates have conveniently managed to maximise profits without letting their customers learn about this discriminatory practice. In recent years, some corporations have consciously adopted gender-neutral pricing policies and have attempted to educate more consumers about pink tax. Eliminating the pink tax is a step forward towards gender equality, which is also the 5th Sustainable Development Goal of the UN. Through this paper, the author aims to increase awareness about pink tax and to initiate discussions about combating it.

1.0 Introduction

Within the sphere of economic discrimination, gender-based price discrimination is defined as a situation in which there exists a dichotomy between the prices charged to different genders for homogenous (or nearly identical) goods or services. A prominent type of gender-based price discrimination is the “Pink Tax”, which broadly refers to the additional sum of money paid by female consumers for products and services that are essentially identical but are marketed specifically to women, hence with unique features that justify the increased price when compared to their male-targeted counterparts.

There are two ways in which gender-based pricing manifests itself. First, profit-maximizing strategies (whether intentional or unintentional) implemented by producers based on psychology, shopping behaviour, preferences and market trends compel the sale of products marketed to female consumers at prices higher than nearly homogenous products marketed to male consumers. In this sense, the “Pink Tax” does not denote a literal tax. This practice is encouraged by the unawareness that prevails among women towards the existence of “Pink Tax” in economic markets, due to the homogeneity present between the two ranges of products. Second, goods or services employed specifically by women bear an additional value-added tax (VAT) or sales tax to the price, reducing their accessibility to less economically-advantaged individuals. This is most commonly referred to as the “Tampon Tax”, and is imposed on tampons and other feminine hygiene products (utilized for health and biological purposes) by the government.

The “Pink Tax” stems from the notion of femininity that the colour “pink” came to universally symbolize post-World War II. Its development into a “gendered colour” can be attributed to several factors, most notably: (1) the extensive use of propaganda that sought to return women to their pre-war limitations in the domestic sphere of the home, and (2) cloth manufacturers, who aimed to increase the profitability and predictability of consumer trends and to inhibit the passing down of children’s clothes. Encouraged by a diverse set of cultural influences - from the trademarked “Barbie Pink” to the rise of pink taxis and pink parking spaces - the association of pink with femininity came to be deeply rooted in societies across the world, and has since birthed the unmistakably misogynistic marketing mantra: “Shrink it, pink it, and women will buy it at a higher price”. An earlier version of the term “Pink Tax” was first coined in October 2014 by Georgette Sand - a women’s rights group based in France - when it launched an online petition titled: *“Monoprix: Stop aux Produits plus chers pour les femmes! #Womantax” (Monoprix: Stop Aux Produits plus chers Pour Les Femmes !*

#Womantax, 2014). Rapidly popularized in the coming months by social media platforms, “Woman Tax” evolved into “Taxe Rose”, lending to the usage of its direct English translation.

The 5th Sustainable Development Goal, as enshrined by the United Nations resolution “2030 Agenda” (*THE 17 GOALS | Sustainable Development*, n.d.), emphasises the need for gender equality and women empowerment. Whether intentional or not, the price discrimination represented by the “Pink Tax” exacerbates the financial burden faced by women, epitomizing social disparities and gender-stereotypical norms. It is a universal truism that a sustainable future is one that is not without gender equality. While the elimination of unfair pricing practices that various corporations engage in is a crucial step towards achieving this multilateral aim, it remains overlooked by a vast majority of the general population.

Through this paper, the author aims to shed light on the causes and implications of the “Pink Tax”, as well as to examine the response of corporations and governments towards it.

2.0 Why the “Pink Tax” exists

In the past decade, awareness about the pink tax has increased and women’s organisations, as well as individual consumers, have raised their voice against this practice. In response to the resistance, corporates have attempted to justify their actions by citing a variety of reasons. The factors which are potentially responsible for the existence of pink tax are as follows:

2.1 Differences in Production

If the inputs used in producing products for women are costlier, then the price of that product will also reflect this difference. This applies to services too. For example, if a woman’s haircut needs more skill and time than a man’s haircut, then it will cost more than the latter. (Horowitz, 2015) Similarly, with respect to clothing, one could argue that women's and men's clothing differ in production costs due to the distinctness of build, cut, and design. Because women's clothing tends to be made with a more expensive blend of fabrics and because many men’s shirts only have one fabric, this difference in textiles could be the major driver of price differences. Additionally, how an item is cut— men tend to have straight-cut clothes unlike women's fitted cuts — may result in more fabric waste which would be more costly.

2.2 Price discrimination

Price discrimination is the practice of charging a different price for the same good or service. For example, the cost of tickets for visiting a museum or amusement park for children is sometimes less than that for adults. In some cases, it is free for children below a certain age. Industries use price discrimination as a way to increase revenue. Price discrimination can also be based on age, location, desire for the product, and customer wage. (*Price Discrimination* | *Boundless Economics*, n.d.) When companies feel that women would be willing to pay more for a product or service, they do not refrain from charging an extra amount in the form of pink tax. In other words, it is believed that women are less price sensitive.

2.3 Profit Making Motive

In the past few years, the expectations from business to undertake social responsibility in their processes- production, hiring, marketing and advertising, among others, have become more prominent. This has led to companies adopting environmental friendly measures in their operations, becoming more sensitive towards employees' needs and taking a stand when it comes to supporting a cause. However, profit maximisation continues to be the sole aim of many businesses even today. Jennifer Weiss-Wolf, vice president for the Brennan School of Justice at NYU School of Law attributed the existence of pink tax to the capitalist saying, "If you can make money off of it, you should." (Wakeman, 2020)

2.4 Gender-Based Tariffs

If the raw material or input for manufacturing a product is imported from a foreign country, then the cost of import is also taken into account while calculating the price of the final product that will be sold in the domestic market. In some cases, particularly for clothing items, the imports for women's clothes are costlier than those of men's clothes. In the US, on average, clothing imports for women are taxed at a higher rate than clothing imports for men—15.1% compared to 11.9% (Joint Economic Committee: U.S. Congress, 2016). In 2014, 86 per cent of US apparel imports were gender-classified by the US International Trade Commission. (Abnett, 2016). The price difference in imports will also reflect in the final prices of the products in the domestic markets.

3.0 Gauging the Prevalence of Pink Tax across Sectors

The Pink Tax is an outgrowth of gender socialization. Gender-based price discrimination affects everyone differently since it exists in numerous industries, including personal care products, clothing, toys, accessories and services like insurance, hairdressing, and dry cleaning.

3.1 Consumer Goods

According to the New York City Department of Consumer Affairs 2015 study, *From Cradle to Cane: The Cost of Being a Female Consumer*, products marketed to women or girls cost 7 per cent more, on average, than comparable products marketed to men and boys. When writing its study, the New York City Department of Consumers Affairs (hereafter referred to as DCA) analyzed more than 90 brands encompassing nearly 800 individual products. The products chosen by the DCA were selected based on how close they were in branding, ingredients, appearance, textile, construction, and/or marketing to minimize differences stemming from gendered marketing and design (New York City Department of Consumer Affairs, 2015).

3.1.1 Personal Care

The pink tax is most commonly associated with the personal care sector which includes items like body wash, hair products, deodorants, facial care and personal grooming products.



([Personal Care Kits at Ace Hardware], 2019)



([Walgreen's Earplugs], 2019)

In the above images, personal care kits manufactured by Boss, with identical contents but different coloured packaging were priced differently for women and men at a store called Ace Hardware. A regular blue box of Walgreens' earplugs costs \$4.59 but the women's earplugs cost \$5.29. Both have the same noise reduction rating of 32. The regular version has two extra pairs. Yet it is priced lower. There exist numerous other examples of pink tax in personal care products.

Analysis

- Modification in packaging is one of the most common ways by which companies charge pink tax from customers. This is mainly done by changing the colour of the package to pink, purple and similar shades and/or by changing the shape and size of the product or its packaging.

- In the personal care category, not all products are gender-specific. Utility wise, gender-specific products include only hygiene products. Yet nearly all personal care brands make a gender-based distinction in their items ranging from shampoos, conditioners and cleansers to even lip balms and moisturisers. Such items do not necessarily need any special features while designing them to make them more suitable for a specific gender. The personal care kit offered by Boss includes the same items in both packages and the earplugs by Walgreens are also identical. It is only at the marketing stage where the difference arises. This is a way to generate additional revenue from the pink tax. It stems from the capitalist motive of maximising profit and not because of a genuine effort to specifically cater to customers' needs and preferences.

3.1.2 Clothing

The DCA listed types of clothes that are essentials in the closet of an average consumer: a combination of casual clothes, professional clothes, and essential items, such as socks and underwear. Seven types of clothing garments were examined: dress pants, dress shirts, jeans casual shirts, sweaters, socks, and underwear. The DCA took efforts to identify nearly identical apparel items to concluded eliminate variations in design and fabric used that could affect quality and price. It calculated an average price for each category of a clothing item by taking the average of the high and low prices of the items. (New York City Department of Consumer Affairs, 2015)

Ian Ayres, a professor at Yale Law School, analysed the price disparity practised by the companies whose products were compared in the DCA report.

From the below-given table, we find that Club Monaco's clothing items exhibited the highest disparity in prices by charging 28.9% more from women on average. On the other hand, Costco's items exhibited no price disparity. But it must be taken into consideration that the number of items included in the study was only two. So, although price disparity is zero, it is not possible to arrive at a more generalised conclusion about Costco's pricing based on such a small sample size. It must also be noted that in the category of adult clothing, companies like Old Navy, Aeropostale and Uniqlo exhibited a negative price disparity, implying that for the items surveyed, male customers were charged higher than female customers.

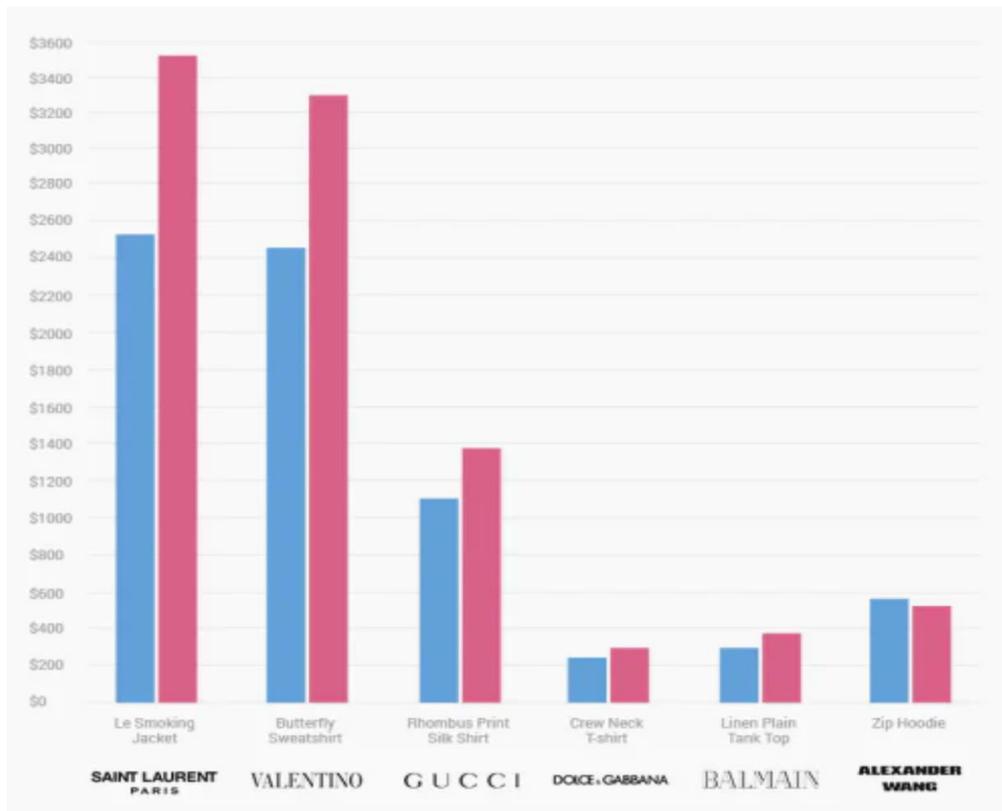
| Gender Disparities By Store and Product Type | | | | | | | | | |
|--|----------------------------------|------------|----------------------------------|--------------------|----------------|--------------|-----------------|----------------------|--|
| Store | Product Type | # Products | Female to Male % Price Disparity | Paired Percentages | | | | | |
| | | | | Equal | Women Pay More | Men Pay More | Disparity Ratio | Disparity Percentage | |
| Club Monaco | Adult Clothing | 14 | 28.9% | 0.0% | 85.7% | 14.3% | 6.0 | 71.4% | |
| Urban Outfitters | Adult Clothing | 18 | 24.6% | 11.1% | 66.7% | 22.2% | 3.0 | 44.4% | |
| Levi's | Adult Clothing | 26 | 24.3% | 7.7% | 84.6% | 7.7% | 11.0 | 76.9% | |
| Carter's | Children's Clothing | 34 | 18.8% | 58.8% | 41.2% | 0.0% | inf | 41.2% | |
| CVS | Personal Care Products | 38 | 14.7% | 33.3% | 48.3% | 18.3% | 2.6 | 30.0% | |
| Target | Senior/Home Health Care Products | 12 | 12.1% | 33.3% | 50.0% | 16.7% | 3.0 | 33.3% | |
| Walgreens/ Duane Reade | Personal Care Products | 46 | 11.3% | 34.1% | 59.1% | 6.8% | 8.7 | 52.3% | |
| Babies "R" Us | Toys and Accessories | 4 | 11.1% | 0.0% | 100.0% | 0.0% | inf | 100.0% | |
| Rite Aid | Personal Care Products | 38 | 9.2% | 26.9% | 48.1% | 25.0% | 1.9 | 23.1% | |
| H&M | Adult Clothing | 26 | 7.9% | 53.8% | 23.1% | 23.1% | 1.0 | 0.0% | |
| Walgreens/ Duane Reade | Senior/Home Health Care Products | 42 | 7.6% | 34.1% | 59.1% | 6.8% | 8.7 | 52.3% | |
| Target | Toys and Accessories | 36 | 6.6% | 15.4% | 46.2% | 38.5% | 1.2 | 7.7% | |
| Target | Adult Clothing | 16 | 6.6% | 15.4% | 46.2% | 38.5% | 1.2 | 7.7% | |
| CVS | Senior/Home Health Care Products | 22 | 5.8% | 33.3% | 48.3% | 18.3% | 2.6 | 30.0% | |
| J.Crew | Adult Clothing | 8 | 5.6% | 0.0% | 75.0% | 25.0% | 3.0 | 50.0% | |
| Rite Aid | Senior/Home Health Care Products | 14 | 5.2% | 26.9% | 48.1% | 25.0% | 1.9 | 23.1% | |
| Gymboree | Children's Clothing | 34 | 4.7% | 52.9% | 35.3% | 11.8% | 3.0 | 23.5% | |
| Kmart | Toys and Accessories | 36 | 4.7% | 32.0% | 56.0% | 12.0% | 4.7 | 44.0% | |
| Kmart | Adult Clothing | 14 | 4.7% | 32.0% | 56.0% | 12.0% | 4.7 | 44.0% | |
| Toys "R" Us | Toys and Accessories | 30 | 4.6% | 66.7% | 33.3% | 0.0% | inf | 33.3% | |
| Gap | Children's Clothing | 34 | 3.9% | 55.3% | 34.2% | 10.5% | 3.3 | 23.7% | |
| Gap | Adult Clothing | 42 | 3.9% | 55.3% | 34.2% | 10.5% | 3.3 | 23.7% | |
| Kmart | Senior/Home Health Care Products | 14 | 0.9% | 57.1% | 28.6% | 14.3% | 2.0 | 14.3% | |
| The Children's Place | Children's Clothing | 32 | 0.6% | 68.8% | 25.0% | 6.3% | 4.0 | 18.8% | |
| Banana Republic | Adult Clothing | 20 | 0.3% | 20.0% | 20.0% | 60.0% | 0.3 | -40.0% | |
| OshKosh B'gosh | Children's Clothing | 34 | 0.0% | 82.4% | 11.8% | 5.9% | 2.0 | 5.9% | |
| Costco | Senior/Home Health Care Products | 2 | 0.0% | 100.0% | 0.0% | 0.0% | 0.0 | 0.0% | |
| American Apparel | Adult Clothing | 8 | -2.6% | 0.0% | 50.0% | 50.0% | 1.0 | 0.0% | |
| Uniqlo | Adult Clothing | 20 | -3.1% | 90.0% | 0.0% | 10.0% | 0.0 | -10.0% | |
| Abercrombie & Fitch | Adult Clothing | 16 | -3.1% | 50.0% | 12.5% | 37.5% | 0.3 | -25.0% | |
| American Eagle Outfitters | Adult Clothing | 22 | -3.3% | 18.2% | 54.5% | 27.3% | 2.0 | 27.3% | |
| Aéropostale | Adult Clothing | 24 | -5.0% | 16.7% | 25.0% | 58.3% | 0.4 | -33.3% | |
| Old Navy | Adult Clothing | 16 | -12.9% | 12.5% | 25.0% | 62.5% | 0.4 | -37.5% | |

(Ayres, 2016)

Survey: Business of Fashion

Business of Fashion, a recognised fashion media company, compared prices of similar items of six clothing brands- Saint Laurent, Valentino, Gucci, Dolce & Gabbana, Balmain and Alexander Wang, and found seventeen instances where the women's clothing item was more expensive than the men's. The figure below shows the differences between the male and female versions of the fashion products. Both versions have the same design, colour and materials composition. (Abnett, 2016)

Saint Laurent's products displayed the maximum price differentials out of the six brands that were surveyed. The company attributed the difference in prices to the extra workmanship required in manufacturing women's garments.



(Price, 2016)

3.1.3 Pink Tax for Children

Gender stereotyping and discrimination begins from childhood itself. Dolls and tea sets are stereotypically feminine while cars and superhero figures are meant to be masculine. This begins to shape children's perception of their identities and gender roles. Pink tax makes no exception when it comes to products made for children. From stationery and toys to clothing and accessories, it is not rare to find unequal prices for identical products.



([[Paw Patrol's Bike Helmets]], 2019)

In the above image, the cost of Paw Patrol's bike helmet is \$25.49 in the pink colour but \$5 lower in the blue colour. Utility wise, a bike helmet is a gender-neutral item and the girl's version has no special features that the boy's version lacks. Yet because of gendered marketing of products, the company earned additional revenue due to the pink tax charged on the pink helmet.

3.2 Services

The Rudin Center for Transportation of New York University (NYU) published a report in November 2018 titled "The Pink Tax on Transportation". It was based on a survey consisting of 33 questions and was taken by 547 respondents. According to the results of the survey, more than half (54%) of female respondents were concerned about being harassed while using public transportation, compared to only 20% of male respondents. The researchers arrived at the conclusion that more frequent users of public transportation are more likely to have experienced harassment or theft. The median extra cost per month for men, due to safety reasons, was found to be \$0 while for women it was \$26-\$50. This is because women use alternative modes of transportation like for-hire vehicles and taxis over public transportation. (NYU Rudin Center for Transportation et al., 2018)

CBS News, in response to the New York City Department of Consumer Affairs' report, conducted an experiment in January 2016. A male and female producer of CBS News visited different dry cleaners in the city with "nearly-identical, 100 per cent cotton button-down shirts in comparable sizes" and requested the same service. In more than half the businesses, the female producer was charged nearly twice as much as the male producer. (*CBS News Goes Undercover to Reveal Gender Price Discrimination*, 2016)

The above paragraphs describe specific real-life situations, based on which one can conclude that pink tax exists in services too. But it does not imply that pink tax exists in all dry cleaning services or that all around the world, women have to spend extra on transportation due to safety concerns. Thus any broad generalisation or claim about the regions or sectors that pink tax is found in cannot be made. This is one of the major challenges in combating pink tax. There is no uniform pricing strategy followed by sellers in charging pink tax. Local sellers may regularly revise prices based on seasonal factors. In the case of established organisations, only a few products of a certain variety likely have the pink tax. Due to these reasons, it becomes difficult to identify such products and services from a larger pool containing products and services that do not exhibit price discrimination.

4.0 Response of Corporations: Analysis

4.1 Support for the Pink Tax Revolution

The term ‘Pink Tax Revolution’ represents the growing support of companies, non-governmental organisations, consumer organisations and the general public towards the cause of gender equality by eliminating the pink tax. It is characterised by the increasing number of business policy changes, legal interventions and awareness campaigns aimed at ensuring fairness in prices of goods and services.

4.1.1 ‘Chick Tax’- Burger King

In July 2018, several period Burger King outlets in Miami, New York, Chicago and other cities in the US sold a different variant of their regular chicken fries to the female customers. The quantity offered was the same as the regular box of chicken fries, except that it was sold in pink packaging and was labelled ‘Chick Fries’. These ‘Chick Fries’ were priced at \$3.09 whereas the regular box was priced at \$1.69. A video was shared on Burger King’s official account on Twitter, in which the women appeared perplexed at the absurdity of the situation and demanded to be charged the same amount as the male customers.



(Burger King Corporation, 2018)

This step was taken to create awareness about pink tax among consumers. “Burger King restaurants welcome everyone, and we see Pink Tax as extremely unfair,” said Christopher Finazzo, President, North America for the Burger King brand.

4.1.2 ‘Ax The Pink Tax Campaign’- EWC

The European Wax Center (EWC), a beauty lifestyle services company launched a campaign called “Ax The Pink Tax” in 2018. Though EWC itself never charged pink tax on its services, its customer base and employee base was female-dominated and the campaign was an attempt to raise

awareness through media partnerships, comedy events and collaborations, and ignite a movement against the unfair practice.



(European Wax Center, 2018)



(European Wax Center, 2018)

4.1.3 ‘#Rethink Pink’- Boxed

Boxed is an American online wholesale retailer platform. In 2016, Boxed became one of the first US retailers to reduce the pricing on their products to ensure equal prices in men’s and women’s products. This step was taken due to the initiative of Nitasha Mehta, Director of Vendor Marketing in the company. Being a retailer platform, Boxed has no control over the prices of the products they offer to sell; the prices are fixed by the manufacturers. However, after learning about the price differentials in products like body wash, shaving gel, and deodorants marketed for men and women, (Bourne, 2018) Boxed decided to bear the additional cost (pink tax) to ensure that in each category, women’s products were priced the same as men’s products.

Social change requires participation from all sectors. The employees at Boxed were unknowingly perpetuating inequality by offering products with pink tax. Though they were merely the facilitator and did not decide the prices of the products offered, they indirectly played a role in furthering the unfair practice. Realising this, the company consciously decided to change its policy. It was a bold decision by a profit-making enterprise, and an example of social responsibility in business being practised successfully. Companies like Burger King and EWC do not charge pink tax themselves, yet they contributed to the pink tax revolution. This is instrumental because it reflects that the impact of the pink tax is not restricted only to certain companies or customers. When women pay pink tax on products and services over a long period of time, the marginal amount on every purchase eventually adds up to a substantially large amount, widening the pre-existing income gap between men and women. This may have an impact on their purchasing decisions in future. Thus, by taking collective responsibility, companies like Burger King and EWC are paving way for many others to support the revolution.

4.2 Hypocrisy in Operations

4.2.1 Case Analysis- Gap Inc.

Gap Inc, the popular American clothing brand, was included in the 2019 Bloomberg Gender-Equality Index for its efforts towards empowering women. Gap claims to offer equal pay for equal work and has undertaken many initiatives to ensure inclusion and equality. (*Equality + Belonging | A Commitment to Equality, Opportunity and Connection*, n.d.) Ironically, on June 28th 2019, Let Clothes Be Clothes, a UK based campaign group shed light on how Gap Kids practised price discrimination. A shirt with the quote “The Future is Equal” printed on it was priced at £12.95 in the Boys section and £14.95 in the Girls section, for the same XS size. (LetClothesBeClothes, 2019)

On the US website too, the same shirt was priced at \$19.99 in the Boys section but had a substantially higher cost of \$24.95 in the Girls section. (Bond, 2019)

The size of both shirts was equal, the only difference being in the colour used for the quote. In the Boys shirt, the brown colour was used, instead of the pink used in the Girls section. Product differentiation was not the factor influencing the increase in price because the raw material (except the dye), technique and other inputs used for manufacturing were identical in both cases. Gap did not respond to the tweet posted by Lets Clothes Be Clothes.

Gap Inc. is one of the many organisations that continues to charge pink tax without taking accountability for its actions. These companies have CSR initiatives running alongside their business operations, many of which focus on women empowerment, gender equality and sustainability. Yet ironically they continue to perpetuate inequality by charging pink tax. Customers are largely unaware of how the hidden extra amount paid by them is adding to the revenues of the seemingly ‘socially responsible’ brands.

5.0 Response of governments

Pink Tax is not a literal tax because it is not a part of the government’s revenue. The extra amount paid as pink tax directly contributes to the seller’s revenue instead. Additionally, while awareness about pink tax has increased in the past few years, it is still not a common term in the mainstream. Due to these reasons, government intervention across the world has either been absent or limited.

5.1 Response to Tampon Tax

Before analysing the government’s response to the pink tax, it is important to study the policy changes made with respect to the tampon tax. While the pink tax and tampon tax differ in meaning,

they are related because both of them are discriminatory towards women. Unlike the pink tax, tampon tax is an actual tax because it is a component of the Sales or Value Added Tax which is paid to the government. Thus it is solely the government's decision of charging or not charging it as well as determining the tax rate, in case it is levied.

The important developments in the elimination of tampon tax worldwide are mentioned below:

2004: Kenya removed the value-added tax on menstrual products. By doing so, it became the first country to repeal tampon tax.

2015: Canada eliminated its national goods and services tax on menstrual products

2018: The Australian Government passed a law to remove the 10% goods and services tax on feminine hygiene products. (Cook, 2018)

Columbia abolished its 5% tax on menstrual products.

The Indian Government scrapped the 12% goods and services tax on menstrual products.

2020: The UK announced that from January 2021, the 5% value-added tax on menstrual products will be abolished. (Collinson, 2020)

Germany reduced the tax on sanitary items from 19% to 7%, reclassifying them as "normal goods" from "luxury goods". (Gallagher, 2019)

5.2 Pink Tax Repeal Act (US)

This bill prohibits product manufacturers or service providers from selling substantially similar products and services at different prices based on the gender of the intended purchaser. As per the Bill,

- Two consumer products are substantially similar if there are no substantial differences in the materials used in the product, the intended uses of the product, and the functional design and features of the product. (*H. R. 5464*, 2018). If, for example, the only difference between the two products is the colour, they are substantially similar.
- Two services are substantially similar if there is no substantial difference in the amount of time to provide the services, the difficulty in providing the services, or the cost of providing the services. (*H. R. 5464*, 2018)

From 30th September 2020, a new law was enacted in New York which prohibits sellers from charging different prices for goods or services that are substantially similar but are marketed to different genders. The law permits differential pricing only if it is caused due to the amount of time taken in manufacturing such goods or providing such services, the difficulty in manufacturing, cost

incurred, labour used, materials used in or any other gender-neutral reason. (*Governor Cuomo Reminds New Yorkers “Pink Tax” Ban Goes into Effect Today*, 2020)

5.3 The Way Forward

While countries like India, Australia, Canada and the UK have acknowledged the unfairness of the tampon tax and abolished it, these governments have not yet taken any steps to minimise or condemn pink tax. The process of collecting data about pink tax and drawing out possible solutions to eliminate it may be complicated and cumbersome because there is no standard rate of pink tax that is charged by sellers on products and services. Each product or service of every seller in the market may have a different amount of pink tax. One of the ways in which the government can intervene is by enforcing the need for companies to adopt transparent pricing policies. Like New York, other governments can mandate that prices for substantially similar and identical products must be the same (except in circumstances when gender-neutral factors like production cost and labour may influence the price).

6.0 Conclusion

Pink Tax is widely prevalent in product sectors like personal care and clothing as well as services like beauty, dry cleaning and transportation. Children’s products too, ranging from toys and stationery to clothing and accessories, are no exception. The pink tax is perpetuated by gendered marketing of products and services, especially through modification in packaging. Often, identical products which require no differentiation to suit a particular gender are also categorised based on gender so that the extra amount paid for the costlier product (in the form of pink tax) generates additional profits for the seller. In recent years, corporations have acknowledged the discriminatory nature of pink tax and have taken steps to eliminate it and educate more customers about the same. An essential aspect of the awareness campaign about pink tax revolves around publicly bringing to attention to examples of products and services of companies that charge pink tax. When consumers of such companies learn about the gender-based price discrimination that they themselves fell prey to, they feel more inclined to demand justice and support the pink tax revolution. Any discussion about pink tax also includes the mention of the tampon tax, which is the tax paid on menstrual products. The differentiating factor between the two is that the latter is a literal tax which is recognised by law. Due to this reason, it is easier for the government to modify and implement policies concerning tampon tax. Many countries including India, Australia and Kenya have already abolished the tax on feminine hygiene products. However, policies or guidelines by the governments regarding pink tax are largely non-existent, except in certain parts in the US. There is a need for companies to adopt

transparent pricing policies and to take accountability for their actions. Elimination of pink tax will be a step forward towards gender equality.

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