



PREPARE THE GROUND FOR
ECONOMIC INDEPENDENCE

Equal Pay

for

Work of Equal Value

BETWEEN
WOMEN AND MEN
IN COLLECTIVE BARGAINING

Equal Pay

1. What is equal pay?

- Women and men performing equal work or work of equal value must receive equal pay.
- Unequal pay is the result of direct or indirect discrimination.
- The right to equal pay has been acknowledged by the International Labour Organisation since 1919.
- The Equal Remuneration Convention of 1951 (C100) highlighted the importance of equal remuneration for work of equal value.
- In Malta, equal pay is mandated by law through the Employment & Industrial Relations Act of 2002 (Chapter 452, Part IV).
- Through the collective agreement, trade unions play an important role in ensuring equal pay.

2. The concept of pay:

- Apart from the basic salary, pay also includes:
 - i. overtime supplements;
 - ii. special bonuses;
 - iii. travel facilities;
 - iv. training courses;
 - v. termination payments.

3. Equal pay for equal work



Equal pay for equal work means that similarly qualified women and men will be paid equally when they perform the same or virtually the same work in equivalent conditions.

(ILO, 2013)

- Unequal pay for the same work is considered a form of direct discrimination.
- Direct discrimination occurs when:
 - i. sex is a specific criterion on which wages are set:
Example: A woman cook preparing lunches for directors gets a lower salary than a male chef cooking breakfast, lunch and tea for employees (UK EHCR, 2019);
 - ii. the same job acquires different titles depending on the sex of the job holder (Table 1)

Table 1

Male Job Title	Female Job Title
Assistant Manager	Manager's Assistant
Chef	Cook
Technician	Operator
Flight Attendant	Stewardess

Source: ILO, 2013

4. Equal pay for work of equal value



When women and men perform work that is different in content, involving different responsibilities, requiring different skills or qualifications, and is performed under different conditions, but is overall of equal value, they should receive equal remuneration.

(ILO, 2013)

- Equal value may apply where jobs that are performed by women and men:
 - are performed under different conditions;
 - require different qualifications or skills;
 - require different levels of effort;
 - involve different responsibilities;
 - are performed in different places or enterprises/ different employers.
- Jobs that have been compared as being of equal value are (Table 2):

Table 2

Mostly Female	Caterers & cleaners with gardeners & drivers	Mostly Male
	Librarians with refuse collectors	
	Social affairs manager with engineers	
	Flight attendants with pilots & mechanics	

Source: ILO, 2013

Collective Bargaining

5. Preparing for bargaining

- **Developing a pay equity strategy**

A pay equity strategy refers to a long-term plan of action designed to achieve equal pay. This is developed by:

- i. Looking at the experiences and resources of other organisations.
- ii. Targeting - ensuring that the right message is delivered to the right audience.
- iii. Timing - having a sequence of actions that build on each other.
- iv. Resources - ensuring that you have the necessary human, material and financial resources.

- **Raising awareness amongst members on equality issues**
 - i. Distribute material such as leaflets and newsletters.
 - ii. Hold meetings on equal pay.
 - iii. Educate members on recognising discrimination at the workplace.
- **Building alliances and involve the wider community**
 - i. Build alliances with groups such as a human rights group or a women's rights group.
 - ii. Organise 'Equal Pay Day' activities to communicate the union's demands on equal pay, equal opportunities and equal working conditions.
 - iii. Promote equal pay through media activities



such as press releases and media interviews.

- **Obtaining the views of silent employees**
 - i. Distribute questionnaires to all employees at the workplace with questions aimed at identifying their views on equal pay at their workplace.
- **Gathering information**
 - ii. Conduct equal pay audits.
 - ii. Conduct job evaluations.

6. The challenges

- Trade unions face several challenges when negotiating for equal pay.
- The main challenges that are faced by trade unions when negotiating for equal pay are:
 - i. lack of transparency and lack of access to information on sex-disaggregated pay data;
 - ii. conducting inclusive job evaluations;
 - iii. lack of women representation in trade unions;
 - iv. promoting and implementing legislation at different policy levels;
 - v. raising awareness on, and addressing, the underlying causes of pay differentials;
 - vi. putting the issue of equal pay on the agenda of

specialized equality or diversity bodies;

- vii. ensuring the effective role of social partners in the design, implementation and monitoring of the principle of equal pay for work of equal value.

Source: ILO ACTRAV, 2019

Negotiation Tools

7. Equal Pay Audits



A transparent pay system is one where employees understand not only their rate of pay but also the components of their individual pay packets. A transparent pay system avoids uncertainty, perceptions of unfairness, and reduces the possibility of individual claims.

(UK EHCR, 2016)

- Transparency is one main challenge of tackling unequal pay, and it is regarded as one of the most important measures for tackling pay inequalities.
- Transparency is very important for informing the

content and scope of pay negotiations and collective agreements.

- Conducting a pay audit is the most effective tool for gathering pay data and for addressing the issue of transparency.
- To address the problem of pay transparency, in 2014, the EU Commission issued a recommendation that proposed the following:
 - i. Employees are to be permitted to request information on all aspects of pay that is segregated by gender.
 - ii. Medium-sized companies with at least 50 employees should produce regular reports on the average pay by gender.
 - iii. Large companies with at least 250 employees are to carry out pay audits.
 - iv. Equal pay issues and pay audits are to be included in collective agreements.
- As a measure to safeguard transparency, in Malta all employers are bound to provide employees with an itemised payslip. (DIER, 2019)
- In some countries, like Austria, Finland and Sweden,

pay surveys and income reports are mandated by law. As a result of such legislation it was easier for trade unions to conclude collective agreements with employers on equal pay.

The Role of Pay Audits

Pay audits help an organisation to determine:

- i. whether male and female employees are doing equal work;
 - ii. whether male and female employees who are doing equal work are receiving the same pay and benefits, and if not, to identify why;
 - iii. whether reasons for any differences in pay for women and men doing equal work are legitimate;
 - iv. an action plan to remove any potentially unlawful differences in pay. (Equal Pay Portal, 2019)
- ... **BUT** pay audits are time-consuming and costly for employers.

Convincing employers to conduct pay audits

Trade union representatives must present a strong argument to convince employers to conduct pay audits.



Some arguments that trade unions representatives can present to the employers:

- i. Transparent pay systems send a positive message about a company's values and ways of working.
- ii. Pay is a key motivator at work.
- iii. Fair and non-discriminatory pay systems are a legal requirement.
- iv. Failure to ensure equal pay might lead to legal claims and reputational damage which will affect the company's commercial success.

Source: UK EHRC, 2019

Collective agreement clauses

When drawing up the collective agreements, negotiators should consider including the following clauses in the

collective agreement to ensure transparency and equal pay:

- i. Request that the employer keeps sex-segregated statistics on pay levels.
- ii. Request that the employer shares the gathered statistics with the trade union.
- iii. Request that the employer safeguards transparency with the employees.
- iv. Set up a dispute resolution procedure.

BE CAREFUL!... Non-disclosure agreements may also be used incorrectly by employers to cover discrimination by prohibiting employees from sharing their salary with their colleagues.

8. Job Evaluations

Job evaluation is the most effective tool for eliminating pay discrimination, as this process allows for the comparison of jobs to determine the relative position of one job to another on a wage or salary scale.

(ILO, 2013)

- A job evaluation takes into consideration the aspects



that are required to perform works to the expected level of efficiency and the conditions under which work is carried out.

- Job evaluation is the most used tool by European trade unions to determine 'equal value' and to classify jobs.
- A successful job evaluation is one that is:
 - i. analytical;
 - ii. thorough and impartial;
 - iii. inclusive;
 - iv. reliable. (UK EHCR, 2019)
- The panel of job evaluators must be representative of the workforce in terms of gender and other characteristics.

Inclusive job evaluations

For a job evaluation to be inclusive it must satisfy the following criteria:

- i. System must be analytical.
- ii. The system is used to evaluate all job characteristics (e.g. knowledge, responsibility) throughout the company.
- iii. The system as a whole must apply various criteria, and male and female associated characteristics must occur equally (e.g. emotional intelligence, physical strength).
- iv. Both groups of characteristics must be able to score the same weight.

- v. Values allocated by the system must be in proportion to the effort required to do the work.
- vi. The system should be applied as a whole throughout the company.

Source: Belgian Institute for the Equality of Women and Men, 2010

Analytical job evaluations

- An analytical job evaluation breaks a job down into components and allocates points to each of the components.
- An analytical job evaluation is mainly made up of 4 components.
- According to ILO (2013) the 4 components are:
 - i. skills and qualifications;
 - ii. responsibility for equipment, money and people;
 - iii. the effort required;
 - iv. the physical and psychological working conditions.
- Analytical job evaluations involve a number of phases.
- The 8 phases of an analytical job evaluation are:
 - i. establishing and training the job evaluation or pay equity committee;
 - ii. selecting the jobs to be evaluated and compared;

- iii. selecting the method;
- iv. assigning weight to each factor;
- v. gathering job-related information;
- vi. examining the results;
- vii. determining the value of the jobs;
- viii. analysing and adjusting score outcomes.

Source: ILO, 2013

After Bargaining

9. Following Up

- It is important for the trade unions to exercise continuous monitoring to ensure that the collective agreement is being honoured.
- Actions which will help a trade union to ensure that the collective bargaining is being honoured are:
 - i. publishing the collective agreement which also includes a summary of its main points (various European trade unions publish all negotiated collective agreements on the members' page on their website for ease of access);
 - ii. informing members on the proper methods of handling disputes

and assure them of confidentiality;

- iii. collecting statistics on recruitment, promotions, dismissals, salary levels and training programmes on a regular basis.

Source: ILO, 2001

Equal Pay Tools in EU Countries

10. The Logib Tool

- The 'Logib Tool' was developed by the federal office for gender equality in Switzerland.
- This tool uses a self-assessment pay calculator with the aim of checking whether a company is implementing equal pay for work of equal value at the workplace.
- This tool is suitable for companies which employ 50 or more employees.

11. The Logib-D Tool

- The 'Logib-D Tool' was developed in Germany. It was influenced by the 'Logib Tool'.
- This tool identifies factors which determine the difference in salary between women and men, where women and men share

the same employment characteristics.

12. Pay Wizard

- This tool was developed in The Netherlands in 2016, and is available in 70 countries.
- This tool allows employees to compare their salary to the salary of other people who are doing a similar job.
- The 'Pay Wizard' tool is also available in Malta and it can be accessed at: <https://paywizard.org/salary/calculator#/>

Women's Representation in Trade Unions

13. The under-representation of women in trade unions

- Worldwide, only 30% of trade union negotiators are women (ILO ACTRAV, 2019).
- The main reasons for the lack of women representation in trade unions are:
 - i. negative stereotyping against women's participation in unions;
 - ii. women holding themselves back due to time constraints and hostility from their male colleagues;

- iii. women lacking the confidence to go for leadership roles;
- iv. women being discouraged through the historical 'male' culture of unions;
- v. women lacking the knowledge on union structures and how to get into decision-making positions.

Source: Pillinger, 2010

14. Encouraging women representation in trade unions

- The lack of women representation in trade unions might be a challenge for trade unions during collective bargaining.
- Trade unions should strive to encourage more participation of women in their trade unions.
- Better representation of women at trade unions can be achieved by:
 - i. having clear guidelines (an equality policy) on unacceptable behaviour at the union - this will prevent female members from encountering sexism (such as sexual jokes and stereotyping) at the union;
 - ii. having a women's committee at the union - this approach has been

taken by various European trade unions and it has been important to ensure that women are more involved in the decision-making positions at the union;

- iii. introducing gender quotas / additional seats for women to ensure a balanced representation of women on the union's committee - this approach was effective in some European countries.

Example: in Belgium one third of the Union's Committee must be female. The introduction of such quotas was effective in increasing the representation of women at the trade unions.

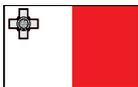




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