

Trade Union Consultation Sessions



Training Agenda

- A. Equal Pay for Women and Men
- B. Preparing for Bargaining
- C. After Bargaining
- D. Women's representation in Trade Unions
- E. Equal Pay Tools developed in EU countries
- F. Case Studies



Section A:

Equal pay for women and men



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What do you understand by the concept 'Equal Pay'?



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What is equal pay?

- Equal pay means that women and men performing equal work or work of equal value must receive equal pay.
- Unequal pay may result from direct or indirect discrimination
- In Malta, equal pay is mandated by law through the Employment & Industrial Act of 2002 (Chapter 452, Part IV)
- The Equal Remuneration Convention of 1951 (C100) highlighted the importance of equal remuneration for work of equal value



Chapter 452, Art. 27

Employees in the same class of employment are entitled to the same rate of remuneration for work of equal value:

Provided that an employer and a worker or a union of workers as a result of negotiations for a collective agreement, may agree on different salary scales, annual increments and other conditions of employment that are different for those workers who are employed at different times, where such salary scales have a maximum that is achieved within a specified period of time...



An Introduction to Equal Pay



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What is the gender pay gap?

- The relative difference in the **average gross hourly earnings** of women and men within the economy as a whole.
- Malta – pay gap increased from 5.2% in 2006 to 10.6% in 2014 to 11.7% in 2018 to 11.7% in 2018 (Eurostat, latest available date)
- Factors leading to the Gender Pay Gap:
 - **Pay discrimination (unequal pay)**
 - Frequency of career interruptions for women
 - Horizontal and vertical gender segregation in the labour market



The two forms of discrimination

Discrimination at the workplace can occur in two forms:

- i. Direct discrimination – unequal pay for equal work
- i. Indirect discrimination – unequal pay for work of equal value



Unequal pay for equal work (Direct Discrimination)

“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)*





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From your experience as trade union members, have you encountered/dealt with any cases of direct discrimination?



Recognising direct discrimination

- Discrimination at the workplace can occur in two forms:
 - i. Sex is a **specific criterion** on which wages are set
 - ii. The **same job acquires different titles** depending on the sex of the job holder.



i. Sex is a specific criterion on which wages are set

Example 1: 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)*

Example 2: A man on a €35,000 salary leaves an organisation and is then replaced in the same role by a woman with the same level of skills, experience and qualifications on €30,000 *(ACAS, 2017)*

ii. The same job acquires different titles depending on the sex of the job holder.

Source: ILO, 2013



DIFFERENT JOB TITLES FOR THE SAME WORK

Male job title	Female job title
Salesman	Shop Assistant
Assistant Manager	Manager's Assistant
Technician	Operator
Information Manager	Librarian
Office Manager	Typing Supervisor
Tailor	Seamstress
Flight attendant	Stewardess
Personal Assistant	Secretary
Administrator	Secretary
Chef	Cook
Janitor	Cleaner

Source: ILO, 2013



Unequal pay for work of equal value (Indirect Discrimination)

“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)

Example 1: Female employees working as shop staff (a predominantly female sector) receive less salary than male employees at the warehouse (a predominantly male sector)



From your experience as trade union members, have you encountered/dealt with any cases of indirect discrimination?



The concept of equal value

Equal value may apply where jobs that are performed by women and men:

- i. Are performed under different conditions
- ii. Require different qualifications or skills
- iii. Require different levels of effort
- iv. Involve different responsibilities
- v. Are performed in different places or enterprises /different employers.

Source: ILO, 2013



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The concept of pay

- The concept of pay goes beyond the basic salary.
- Pay also includes:
 - i. Overtime supplements
 - ii. Special bonuses
 - iii. Travel facilities
 - iv. Training courses
 - v. Termination payments

Source: EQUINET, 2019



Section B: Preparing for bargaining



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Preparing for bargaining

- i. Develop a pay equity strategy
- ii. Raise awareness amongst all trade union members on equality issues
- iii. Educate the trade union members on recognising different forms of discrimination at the workplace
- iv. Build alliances with other groups in the wider community
- v. Distribute questionnaires to employees to obtain views of silent employees
- vi. Gather information through job evaluations and equal pay audits.

Source: ILO, 2013; ILO, 2001



What is a pay equity strategy?

- A long-term plan of action that is designed with the aim of achieving equal pay
- Example of a pay equity strategy:
 1. Undertake research on the national situation
 2. Raise membership awareness of the issue through workplace delegates meetings
 3. Arrange consultations on the issue with the Government and employers' organizations



4. Request support from the national centre
5. Seek external support from rights organizations and communities
6. Launch publicity campaigns
7. Lodge claims with employers
8. Hold negotiations with employers judged most likely to succeed
9. Continue negotiations with other employers
10. File dispute notifications where negotiations have failed.

Source: ILO, 2013



Developing a pay equity strategy

- i. Look at the experiences and resources of other organizations
- ii. Target – ensuring that the right message is delivered to the right audience
- iii. Timing – a sequence of actions that build on each other
- iv. Resources – ensure that you have the human, material and financial resources to support the pay equity strategy.

Source: ILO, 2013



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Raising awareness and educating members

To raise awareness and educate trade union members on equality issues the ILO and EU Trade Unions propose:

- i. Distributing material to trade union members such as leaflets and newsletters
- ii. Holding meetings with trade union members on equal pay



Involving the Wider Community

- Building alliances with the groups in the wider community helps trade unions to raise awareness and better promote equal pay.
- Example: A trade union can seek to build an alliance with a human rights group or a women rights group.



Are you aware of the ‘Equal Pay day’?

Has your trade union ever engaged in any activities that are organised on this day?



Equal Pay Day

- Organising and participating in equal pay days will also help to raise awareness on the trade union's demands on equal pay.
- Across Europe, Equal Pay days are used by trade unions to communicate their demands for equal pay, equal opportunities and equal working conditions.
- In Malta, NCPE has been celebrating the equal pay day since 2015



The Media

- Communicating the message across the media helps promoting equal pay
- Promoting equal pay through the media involves:
 - i. Identifying the most appropriate media channel for communicating with the audience
 - ii. Developing a media campaign to raise awareness
 - iii. Developing appropriate media releases
 - iv. Undertaking media interviews

Source: ILO, 2013



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What are the key challenges that trade unions face when negotiating for equal pay?



The key challenges when negotiating for equal pay:

- i. Lack of transparency and lack of information on sex-disaggregated pay data
- ii. Conducting inclusive job evaluations
- iii. Raising awareness on and addressing the underlying causes of pay differentials
- iv. Ensuring the effective role of employers in the design, implementation and monitoring of the principle of equal pay.

Source: ILO ACTRAV, 2019



A transparent pay system

“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

Pay transparency is the practice of allowing a company’s employee compensation figures to be visible to other people/organisations, internally or externally



EU's Recommendation on Pay Transparency

In 2014 the European 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

... HOWEVER, the impact of such recommendation has remained rather limited and pay transparency measures are still absent in 13 member states, including Malta.



Example of Pay Transparency: Malta

- As of 2019, every employer is bound to provide employees with an itemised payslip either before or on the date when wages are due.
- Some of the components that the itemised payslip should contain are:
 - i. a breakdown of total wages paid
 - ii. number of normal hours worked
 - iii. number of overtime/special rate hours.



Name of Employee	Joseph Borg	Name of Employer	ABC Ltd
ID Number*	456789M	Address of Employer	Alaska House Main Street Cirkewwa CRK 1234
Employee's designation	Cleaner	Pay Period From	1st January 2019
		Pay Period To	28th January 2019
		Overtime Up To	31st December 2018

Description	Hours	This Pay	Total to-date*
Basic Pay	160.00		
Increase in Minimum Wage			
VL Pay			
SL Pay			
Overtime 1.5			
Sundays / PH			
March Income Supplement			
June Bonus			
September Income Supplement			
December Bonus			
Allowances			
Commissions			
Gross Pay			
N.I. Contributions			
Tax (FSS)			
Others (Union membership / Donations etc)			
Net Pay			
V/L Entitled*	208.00 Hours		
V/L c/f from 2018*	10.00 Hours		
V/L Consumed	6.00 Hours		
V/L Remaining	212.00 Hours		

Example of Pay Transparency: United Kingdom

- Equality Act 2010 requires all employers with more than 250 employees to publish information on:
 - i. Difference between the average hourly rate of pay to male and female employees
 - ii. Difference between the average bonus paid to male and female employees



- iii. Proportions of male and female employees who receive bonus
 - iv. Relative proportions of male and female employees in each quartile pay band of the workforce.
- Through such act employers could face fines and convictions if they do not provide the required information.



Achieving transparency

- Transparency is mainly achieved through good pay data
- Good pay data includes all information on all aspects of pay, including any fringe benefits and performance bonuses.
- Conducting pay audits is the most effective tool that is used by European Trade Unions for gathering pay data and for addressing the issue of transparency.



**What do you understand by the
concept of a 'pay audit'?**

**How are these helpful to the cause of
equal pay?**



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. An action plan to remove any potentially unlawful differences in pay
- iv. Whether reasons for any differences in pay for women and men doing equal work are legitimate

Source: Equal Pay Portal, 2019



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Pay Audits

- Pay audits are time-consuming and costly for employers.
- Trade union representatives must present strong arguments to convince employers to conduct pay audits.



What arguments can be presented to employers to convince them to conduct a pay audit?



Convincing employers to conduct pay audits

Arguments to convince employers to conduct pay audits include:

- 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.

EHRC, 2019



The benefits of improved transparency at the workplace

- Attracts top talent
- Better retention of employees
- Increased productivity
- Provides a strong employer brand
- Employees are more likely to speak positively about the company
- Send the message that employees are the company's most valued asset.



Job Evaluation

“Job evaluation has also been found to be 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*



- Job evaluation is the most used tool by European trade unions to determine 'equal value' and to classify jobs.
- A successful job evaluation must be:
 - i. Analytical
 - ii. Thorough and impartial
 - iii. Inclusive
 - iv. Reliable

An inclusive job evaluation

The criteria of an inclusive job evaluation are:

- i. System must be analytical
- ii. The system is used to evaluate all job characteristics (ex. knowledge, responsibility) throughout the company
- iii. The system as a whole must apply various criteria and male and female associated characteristics must occur equally (eg. emotional intelligence, physical strength)



- iv. Both group of characteristics must be able to score the same weight
- v. Values allocated by the system must be in proportion to 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



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Analytical job evaluations

- Analytical job evaluations breaks jobs down into components and allocates points to them.
- The 4 main components of an analytical job evaluation are:
 - i. Skills and qualifications
 - ii. Responsibility for equipment, money and people
 - iii. Effort required
 - iv. Working conditions (both physical and psychological).
- It is important that a job evaluation committee is representative of the workforce in terms of gender

Source: ILO, 2013



Factor: **Qualifications**

Sub-Factors:

Interpersonal skills;
Communication skills;
Physical skills.

Factor: **Effort**

Sub-Factors:

Emotional effort;
Mental effort;
Physical effort.

Factor: **Responsibility**

Sub-Factors:

Responsibility for people;
Responsibility for human resources;
Responsibility for confidentiality;
Financial responsibility;
Responsibility for material resources.

Factor: **Working Conditions**

Sub-Factors:

Physical Environment;
Psychological conditions.



Phases of an analytical job evaluation

1. Establish and train the job evaluation or pay equity committee
2. Select the jobs to be evaluated and compared
3. Select the method
4. Assign weight to each factor
5. Gather job-related information
6. Examine the results
7. Determine the value of the jobs
8. Analyse and adjust score outcomes.

Source: ILO, 2013



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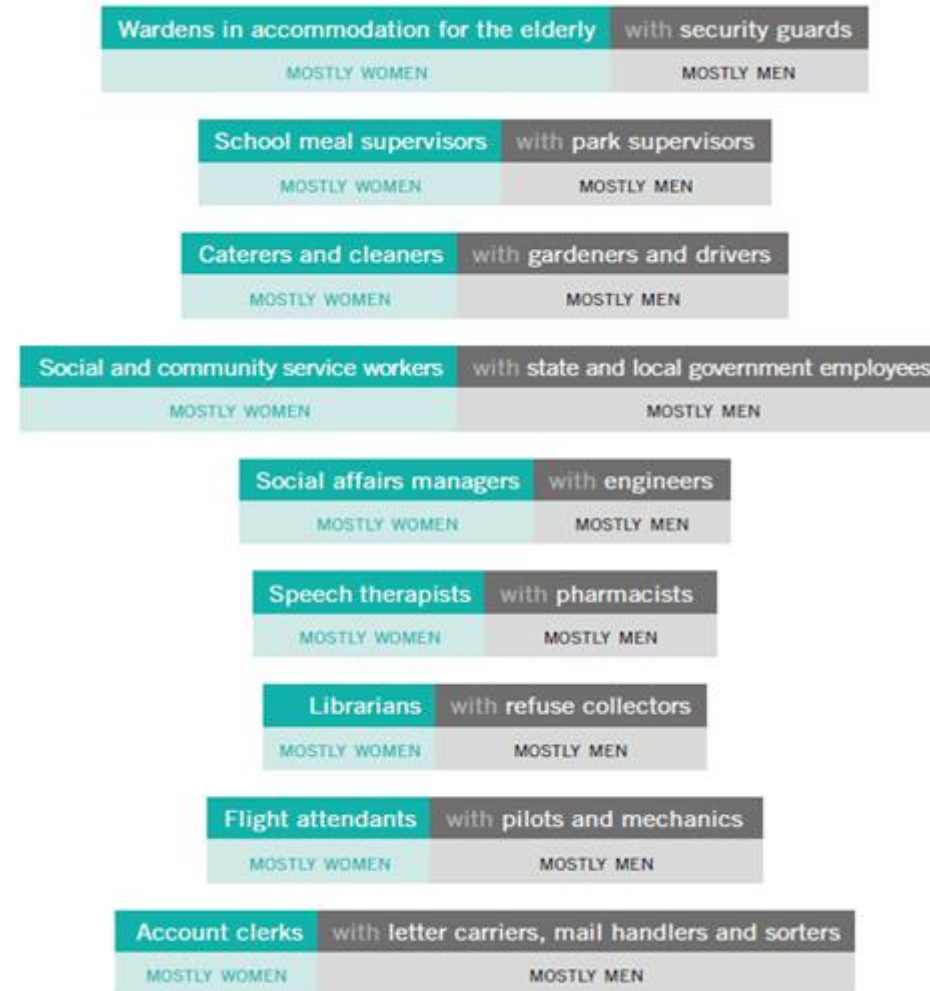
What are your views on such analytical job evaluations?



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Some jobs that have been compared as being of equal value through job evaluations are:



Source: ILO, 2013



Clauses to consider including in the collective agreement

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



Non-Disclosure Agreements (NDAs)

- Be careful of NDAs: NDAs can be incorrectly used by employers to cover discrimination by including a clause that prohibits employees from sharing their salary with their colleagues
- Consider and assess the purpose of any NDAs when drawing up the collective agreement



Overtime and Seniority

Mechanisms related to overall pay increases that give **undue weight to overtime and seniority** can lead to unequal pay, since women tend to do less overtime and have more career interruptions.



Section C: After Bargaining



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What actions are taken by your trade union to ensure that the collective agreement is being honoured?



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Actions to ensure that the collective agreement is being honoured

- i. Publish the collective agreement with a summary of its main points
- ii. Example: Some EU trade unions publish all collective agreements on their members' website page for ease of access
- iii. Inform members on the proper methods of handling disputes and assure them of confidentiality
- iv. Collection of statistics on recruitment, promotions, dismissals, salary levels and training programmes on a regular basis
- v. Continuous monitoring to gain insight for future collective agreements.

Source: ILO, 2001



SECTION D:

Women's Representation in Trade Unions



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When thinking of your trade union leadership and membership:

- i. are women less represented than men at the union leadership?
- ii. are women less likely to sign up for membership than men?
- iii. are women less represented on the union's collective bargaining team?

If the answer is yes to any of the above, what are the reasons for the underrepresentation of women in your trade union?



Causes of the underrepresentation of women

- 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; FGTB, Belgium 2019



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How can the causes be addressed to encourage more women to participate in trade unions?



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Encouraging more women representation at the trade union

- i. Clear guidelines on unaccepted behaviour at the Union by having an equality policy
- ii. Form a women's committee at the union. A good number of European trade unions have such a committee.
- iii. Introduce gender quotas/additional seats for women to ensure a more balanced representation of women

Example: In Belgium, one third of the Union's committee must be female



SECTION E:

Equal Pay Tools developed in EU countries



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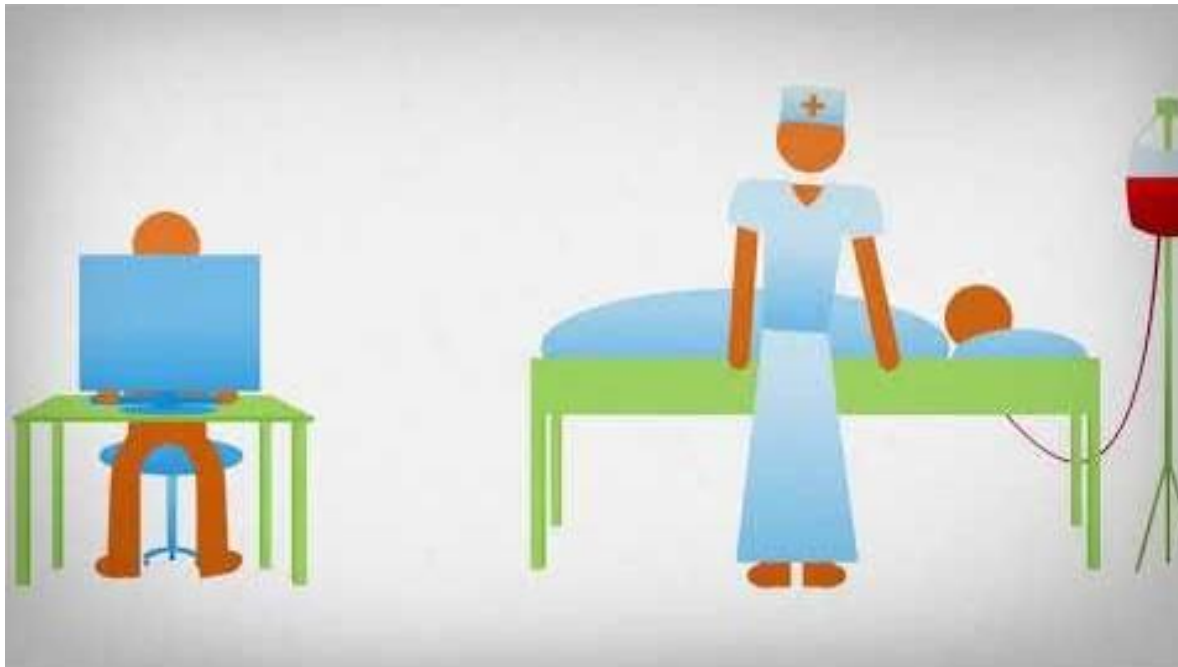


Logib Tool (Switzerland)



- A statistical tool which uses a self-assessment pay calculator
- Suitable for companies with 50 or more employees
- Aim: To check whether a company is implementing work of equal value between women and men

Pay Wizard (Wage Indicator Foundation, The Netherlands)



- Pay Wizard is an online salary calculator
- Aim: Allows employees to compare their salary to the salary of other people doing a similar job
- The tool is available in 70 countries, including Malta

Equal Pay Tool being developed in Malta



- NCPE awards the Equality Mark certification to companies/organisations that make gender equality one of their values and whose management is based on the recognition and promotion of the potential of all employees irrespective of their gender and caring responsibilities.



- Furthermore, NCPE is currently implementing an EU-Funded project called 'Prepare the Ground for Economic Independence' which focuses on addressing the gender gaps over the life-cycle
- Within the framework of this project, NCPE is currently working on developing an equal pay tool that is suitable for Malta's labour market and also aims to check the organisation's equal pay for work of equal value between women and men during Equality Mark audits.
- Aim: To enhance the Equality Mark certification that is awarded by NCPE



SECTION F: Case Studies



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Case Study 1 Imagine this scenario:

Mark is the project manager of a team that is made up of 2 employees – Sarah and John. As the project manager, Mark delegates the work to Sarah and John. At the close of project Mark assesses the work performed by both employees and allocates a performance bonus. John receives a higher performance bonus than Sarah, with Mark's argument being that John has contributed more to the project. Sarah approaches the trade union representative and claims that she was discriminated against on the basis of gender.

How would you tackle this case? Discuss.



Case Study 2 Imagine this scenario:

A supermarket chain employs both female and male employees. Most female employees are employed on shop floors whereas the majority of male employees are employed in warehouses. Employees who work on shop floors (predominately female) are paid a lower salary than their co-workers in warehouses (predominantly male). The shop floor employees claim that they work long hours and must interact with customers throughout their shifts. Hence, they argue that their work is of equal value to the work of their co-workers at the warehouses.

How would you tackle this case? Discuss.

Source: Equal Pay Now UK, 2020



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**Thank you.
Any Questions?**



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