





Reducing the gender pay gap -

Implementing the equal pay resolutions from the 2009 EPSU Congress Draft Report 2010

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Table of contents

Contents

Introduction	. 3
Availability of data	
Pay gap statistics	
Concentration of women in low-paying jobs	
Part-time work	
Transparency of pay systems	. 5
Higher pay increases for the lower paid or occupations dominated by women	
Training and promotion	. 7
Impact of maternity and parental leave	. 8
Availability of childcare	. 8
Impact of outsourcing	. 9
Flexibility of working hours	. 9
EPSU Equal Pay Survey 2010 – 46 responses from 27 countries	10

Introduction

The issue of pay equality is a current priority for EPSU following the two resolutions agreed at the Congress last June. The resolutions not only committed EPSU and its affiliates to work towards closing the gender pay gap by five percentage points (<u>http://www.epsu.org/a/5534</u>) but also to investigate how they could deal with the fact that sectors and occupations where women form the majority of the workforce tend to have lower pay (for both men and women) than those where men form the majority of workers (<u>http://www.epsu.org/a/5543</u>).

In order to monitor progress on these issues EPSU has carried out a survey of affiliates. This aimed firstly to find out the size of the gender pay gap in EPSU's sectors across Europe. Affiliates will be asked to update this information each year in order to assess progress towards closing the pay gap up until the next EPSU Congress in 2014.

The pay gap – the difference between the average pay of men and women – is an indicator of the scale of inequality in the workplace. The reasons behind this pay inequality can be varied and require action in a number of areas. This is not just about tackling low pay or inequalities in pay structures but also relates to training, promotion, childcare, flexible working and the impact of parental leave. This survey looks at these issues and gives examples of how EPSU affiliates have been able to tackle them.

This report tries to reflect the progress made by EPSU affiliates as well as some of the key challenges that remain. We have used examples from many different countries but have not used all the detailed information from the individual survey replies. We have collated the replies under the main subject headings and this will be published on the EPSU website and so it will be possible to read all the responses. This information will be kept on the EPSU website and we will be encouraging affiliates to update it on at least an annual basis.

Availability of data

The survey revealed very different outcomes for EPSU affiliates with some securing agreement to be provided with considerable detail while others face reluctant or even obstructive employers. For example, despite legislation requiring employers to draw up equality plans, public sector employers in Spain have refused to provide unions with a gender breakdown of pay. Other sectors where employers have refused to co-operate include the private health sector in France and the state and municipal sectors in Estonia.

In contrast, agreements on the provision of data have been negotiated in several countries, including Finland and Sweden. In the municipal sector in Sweden, Kommunal notes that availability of wage statistics can be very helpfully generally in negotiations: "In central negotiations it is a great advantage to have a common understanding with the employer on average wages, etc, early on in the process. With the common shared base – as reported at the individual level – it is possible to perform various calculations of the costs of different pay and conditions changes centrally." The union is now trying to ensure it has similar agreements with the private sector employers with whom it negotiates.

Reducing the gender pay gap – implementing the equal pay resolutions from the 2009 EPSU Congress Draft Report 2010

Across the public sector in Finland, there are agreements on the provision of wage statistics relating to job title, complexity of the job and gender. Unions in Denmark and Norway also have access to gender-based pay statistics which have been supplemented in recent years with additional detailed research carried out by government-appointed wages commissions. However, sometimes they don't have access to all the data they need and the NSF nurses' union in Norway reports that some hospitals refuse to provide gender pay statistics at local level, claiming that data protection legislation prohibits them from doing so.

The BSRB federation in Iceland signed an agreement recently that requires the state to provide extensive information on pay.

Even if not directly provided by employers, unions may have access to pay information at a sectoral level. National statistics agencies often provide this information as part of their general work on monitoring developments in earnings across the economy. In Armenia, for example, the national statistics agency publishes an annual report, *Women and Men in Armenia*, which provides gender-based pay data across the economy.

Pay gap statistics

The table below sets out the information provided by respondents to the EPSU survey. In some cases the replies included a range of figures as examples and it was not clear which of these would be the most appropriate to use.

The pay gap figure is given as a percentage, reflecting the extent to which average women's pay is less than average men's pay.

Country	Pay gap %	Sector	Year
Armenia	27.8	Health and social care	2008
Czech Republic	28.8	Health and social care	2008
Finland	15.9	Public sector	2009
France	27.5	Public sector	Not stated
Germany	11.0	Local government	2009
Iceland	27.0	Public sector	2007
Lithuania	9.2	Public sector	2009
Netherlands	12.0	Public sector	2006
Norway	7.9	Local government	2009
Spain	17.0	Public sector	Not stated
UK	16.0	National administration	2009

Concentration of women in low-paying jobs

This is not something that unions can so easily negotiate on as it is more a reflection of structural problems in the labour market. The scale of the problem is made clear in the evidence compiled by the Wages Commission in Denmark which includes data on the 10 lowest paid occupations in the public sector. Apart from nursery assistants and service assistants (68.5% and 78.0%), women account for at least 88% of the other eight lowest paying occupations, rising to over 96% for kitchen assistants.

The response from Fagforbundet, the main municipal union in Norway, points out that achieving higher pay in sectors dominated by women is important in making such sectors more attractive to male workers – over the long term.

Unions can also play a role in changing attitudes to different occupations and so break down stereotypes. In the French energy sector FO-FNEM has called for action to encourage the recruitment of women to technical jobs and for retraining to allow for redeployment from administrative to technical occupations. The Fire Brigades Union in the UK has been active in arguing for initiatives to increase the proportion of women in the service. It is now concerned that further progress will be hampered by the decision of the coalition government to relax "a nationally driven target which required [the Fire Service] to recruit, retain and promote women in the firefighter role."

Part-time work

In the municipal sector in Denmark unions and employers are agreed on the need to offer fulltime work to part timers to help maintain staffing levels and this is an obligation on local authorities. Part-time workers who are refused extra hours have the right to a written explanation of the reason for the refusal. There is a similar arrangement in the collective agreement in the Norwegian municipal sector where part-time workers have to be offered fulltime post when they come available and employers must review the extent of part-time work with the unions each year. This year in the hospital sector negotiations in Norway it was agreed that unions and management at local level should draw up guidelines on how to minimise parttime work and employers have to explain in writing the reasons for advertising a vacancy on a part-time basis.

In the hospital sector in Belgium there is an agreement, based on the law that gives workers the right to a full-time job, although the CGSP reports that this is regularly ignored by employers.

Ver.di has negotiated agreements at workplace level in the public sector in Germany which gives part-time workers a preferential right of turn to a full-time post.

Transparency of pay systems

The problem of transparency can involve firstly the nature of the pay structure itself and how different jobs fit into that structure and secondly on the extent to which there are variable elements of pay, particularly those which depend on management discretion for their payment.

A new job evaluation system was introduced into the health service in the Netherlands in 2003. Each job had its own job description and was linked to a specific salary. It also benefitted caring professions in particular as, compared to other systems, it gave more weight to caring tasks in relation to managerial duties.

The basis of a pay system can have an impact on equality and in Belgium the CGSP public services union points out that having a system based on level of training rather than qualification means that a nurse and information technology worker can be on the same pay rate. In Finland the introduction of pay systems based on the complexity of the job and personal performance in

Reducing the gender pay gap – implementing the equal pay resolutions from the 2009 EPSU Congress Draft Report 2010

the state and municipal sector, as well as some private sector agreements, are seen as having contributed to closing the gender pay gap.

In the Armenian health sector, for example, there is a productivity element that depends on how management allocates patients to doctors and the Health Care Workers' Union is concerned that some discrimination may be occurring because most of the managerial positions are held by men.

The spread of locally negotiated elements in pay raises particular questions about transparency and whether men and women benefit equally from these local additions. The Danish Wages Commission report found that: "in the majority of groups selected men have a higher local wage share when measured in relation to total wage than women have." This is an issue that the HK/Stat state sector union will raise in the 2011 negotiations with a request for more information on the outcome of local bargaining.

In Finland agencies must prepare a report for the Ministry of Finance that gives a gender breakdown of the local pay bonuses negotiated as part of the sectoral agreement.

Even if in theory both men and women can supplement their basic pay with overtime or other allowances, in practice women may lose out because of their caring responsibilities. The Fire Brigades Union in the UK notes that overtime and additional responsibility allowances are often subject to requirements for additional training and the availability to work extra hours which can make it more difficult for women to get these increments.

Higher pay increases for the lower paid or occupations dominated by women

Higher pay increases for the lower paid is an initiative that doesn't just benefit women, of course. However, with women making up the majority of low paid workers in most sectors, this kind of action can make a difference to the gender pay gap. Since 1988 Finnish unions have tried to ensure that there is an element of the annual pay agreement that targets occupations where women predominated. They have also included flat-rate elements in their negotiations that mean higher percentage increases for the lowest paid, as has ver.di in its main public sector pay negotiations in Germany.

In 2009 in the Czech health sector the lowest rate on the pay scale was abolished. This meant that labourers, ancillary, administrative and operational staff saw their pay increase by nearly 16% that year. Low paid health workers in the UK are also benefitting from higher pay increases in the three-year national pay agreement 2008-2011.

In Austria the VIDA services union is trying get the lowest paid employees and occupations dominated by women moved up the pay scaled and also to secure higher pay increases for the lower paid in the annual pay negotiations.

In 2007 the unions and employers in the energy sector in France signed an agreement that meant the individual pay increases each year would slightly favour women workers.

Reducing the gender pay gap – implementing the equal pay resolutions from the 2009 EPSU Congress Draft Report 2010

Ver.di has been campaigning for a national legal minimum wage but this has been rejected so far by the government. As an alternative it has been possible to establish minimum wages in specific sectors and Ver.di has been instrumental in doing this in both the care and waste sectors. These apply to all care and waste workers and tackle the problem of the low level of collective bargaining coverage in these sectors.

The gender pay is not just about low pay and the statistics on the gender pay gap for a particular sector may not reflect the main problem of pay inequality. The issue is also about occupational pay differences and these may arise also among higher paid workers. This is a concern for the NSF nursing union in Norway which points out that the pay gap increases in line with the level of education. The economy-wide pay gap in Norway was 13.3% in 2009 but this rose to 20.4% when comparing the pay of workers with up to four years of higher education. Similarly in the municipal sector the 7.9% pay gap rises to 9.7% among those with higher education.

In pay negotiations, the Akademikerförbundet union for graduates in Sweden highlights the pay gaps between the average pay of the occupations it represents in the public sector and maledominated occupations in the private sector in order to justify its demands for higher pay increases. At local it also uses discrimination law to try to reduce the pay gap between occupations.

Training and promotion

Even if training opportunities are offered equally to men and women in practice, the outcome might not mean everyone benefits equally. As the response from VIDA in Austria points out, training opportunities are on offer to all workers and cleaners, for example, can be trained for care work. However, in practice workers who already have qualifications tend to take up training opportunities more than those with few or no qualifications. This is something that Fagforbundet in the Norwegian municipal sector is trying to address by encouraging in particular workers with basic skills to take up more training opportunities.

The SEKO services union in Sweden has worked together with other national trade unions and employers to produce a more even gender distribution in all job categories in the state, with a particular focus on managerial positions. This work has been included in the national collective agreement and is being driven by a cooperation body and has included, for instance, providing help at local level to create equal opportunities for career and skills development for men and women, which is expected to close the gender pay gap. SEKO's view is that, while the share of women in higher positions has increased in the last 10 years, it is still too slow, which means it is important to maintain these initiatives.

One interesting element identified by the Danish Wages Commission is that there were fewer management positions in the staff structures in sectors dominated by women and so in effect fewer opportunities for women to progress to more senior positions.

Many replies to the survey noted the low level of representation of women in management. In Moldova. the collective agreement signed by the Sanatatea union and Ministry of Health acknowledges this problem and the need to ensure equality of opportunity. The union reports some progress in this area with women now making up 48% of the heads of primary care institutions.

Impact of maternity and parental leave

Absence on maternity leave and/or parental leave can have a significant impact on women's pay and career progression. In many countries legislation and collective agreements have been amended to give workers more protection both in terms of their entitlement to pay increases and other benefits such as pensions. There is also the important question of the skills development and retraining that may be necessary to ensure that women can tackle any changes to their job that have taken place while they were on leave.

In Sweden the Equal Opportunities Act says that workers who take parental leave should not be disadvantaged in terms of their pay progression and so should return to work on the level of pay they would have reached if they had remained at work. Employers have to carry out a pay review every three years to check that no employees have lost out because of parental leave and to rectify things if pay disparities have appeared.

There is also protection provided in the Czech Republic for those taking maternity or parental leave of up to six years. This means that employees returning to work are usually on higher rates of pay then when they started their leave. A similar arrangement applies in the Norwegian municipal sector where leave with pay and two years' leave without pay is taken into account in terms of pay seniority so employees move up the pay scale during this period. A recent change in the collective agreement also means that employees on parental leave and other paid leave don't lose out when it comes to locally negotiated pay additions.

In the 2011 bargaining round the HK/Stat state sector union is planning to call for the introduction of immediate interviews for women returning from leave to cover any changes in their work area and whether they will need new skills and possibilities for appropriate training. According to the GDG-KMFSB union Austrian public employers are required to inform employees on leave about training and educational provision and they have a right to take part in courses while on leave.

It is not just about what women are entitled to but the extent to which men take up their share of childcare and make use of the paternity rights that are available to them. FO-FNEM is aware of the low level of take up of paternity leave in the French energy sector and of the need to encourage male workers to take their full entitlement.

Availability of childcare

The availability of childcare can have an enormous influence over whether parents whether and when women return to work after maternity and parental leave.

A few respondents said that some childcare was provided but it was generally not very widespread with the exception of the Nordic countries where there is very good levels of provision. However, the childcare tends to be mainly during normal working hours and in Sweden Kommunal wants the municipalities to be obliged to offer care regardless of the time of day as many employees in the welfare services have to work evenings, nights and weekends.

Impact of outsourcing

The main issue with outsourcing is the potential impact on the pay and conditions of workers who are transferred when a service is outsourced. In many cases, this can lead to workers being covered by poorer pay and conditions. As the health service union in the Czech Republic notes: "Generally speaking, the outsourcing of certain services (such as cleaning and facility management) results in reduced pay for workers, regardless of gender." Similarly, in the energy sector in France, the evidence suggests that the main activities outsourced from the nuclear sector are those where women are the majority and so increasing the precariousness of women workers.

In Sweden also the experience reported by the SEKO services union other unions have is one of a negative effect on both wages and working criteria.

While men and women may both be affected it may be that women tend to lose out more than men. The VIDA services union in Austria points out outsourcing particularly affects its members in cleaning and catering, the majority of whom are women and the impact of outsourcing is usually lower pay. This is something the public sector union GÖD in Austria is also conscious of and works to try to ensure that the gender pay gap doesn't increase in the outsourced service.

The Sanitas health union in Romania says that it has managed to negotiate protection for jobs and wages following the outsourcing of some services.

The Finnish public sector unions also note that information from local union representatives indicate that the impact of privatisation in the university sector in 2009 and 2010 primarily affected female-dominated support functions.

Flexibility of working hours

As women workers still tend to have the main caring role at home and so flexible working time arrangements can be very important to allow them to balance their work and private life and may well influence their decision as to whether to return to work after parental leave, for example.

Most workers organised by HK/Stat in the Danish state sector benefit from flexible working time including flexible start and finish times. This means that it is very rare for problems to arise in terms of employees needing time to collect children from childcare.

In Moldova women who have one or more children below the age of three can benefit from a two-hour reduction in their normal working day without loss of pay in order to help them achieve a better work-life balance.

Changes in regulations in the Austrian public sector this year allow for more flexible working and this is being negotiated at local level. The GDG-KMFSB union reports that this is being discussed at the moment in Vienna where employees are very positive about developments and the possibility of an improved work-life balance.

EPSU Equal Pay Survey 2010 – 46 responses from 27 countries

Country	Trade Union	Sector(s)	
Armenia	HWUA	HSS	
Austria	VIDA	Private health	
Austria	GÖD	Public sector	
	GOD GdG		
Delemie		Local/regional gov	
Belarus	TUPHWB	Health	
Belgium	CGSP Public sector		
Czech Republic	TUHSSC	HSS Utilities	
Deveryond	UNIOS		
Denmark	HK Stat	National administration	
	FOA	Municipal	
Estonia	ROTAL	National administration, Municipal	
Finland	FIPSU	Public sector	
France	CGT Santé	HSS	
	FNEM-FO	Energy	
Georgia	HPSCWU	Health	
	PSMBTU	Public service, municipal and bank	
Germany	Ver.di	Public sector	
		EnBW (energy)	
		Statkraft (energy)	
		WSW (utilities)	
Greece	ADEDY	Public sector	
Hungary	EVDSZ	Energy	
Iceland	BSRB	Public sector	
Latvia	LTUE	Energy	
Lithuania	LTUSE	National administration, Municipal	
Macedonia	UPOZ	National administration	
	SUTKOZ	Municipal	
Moldova	Sanatatea	Health	
Netherlands	Abvakabo	Public sector	
	NU'91	Health	
Norway	Fagforbundet	Municipal	
	NSF – nurses	Health/Municipal	
Romania	Sanitas	Health	
Russia	ALSWU	Health	
Slovakia	Sloves – cultural section	National administration/culture	
	Sozzass	Health	
Spain	FSP-UGT	Public administrations	
Sweden	SKTF	Municipal white collar	
	Kommunal	Municipal blue collar	
	SEKO	National administration	
	Akademikerförbundet SSR	Public sector	
	ST	National administration	
UK	FBU	Fire Service	
	PCS	National administration	
	RCN	Health	
Ukraine	SEUU	National administration	