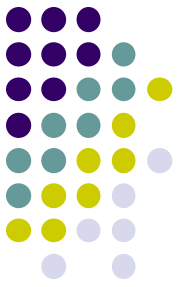


Equal Pay for Work of Equal Value: How do We Get There?

ILO – UN Global Compact webinar
March 2011



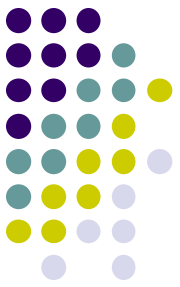
The Presentation



- « Equal Pay » and UN Global Compact Principles
- The concept of Equal Pay
- Advantages of Equal Pay
- The gender pay gap in numbers
- Why a gender pay gap?
- The normative basis: ILO Convention 100: Equal Remuneration
- The step-by-step Guide “Pay Equity: gender neutral job evaluation for equal pay”
- Challenges



« Equal Pay » and UN Global Compact Principles



- UN Global Compact Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation
- UN Global Compact Women's Empowerment Principle 2: Treat all women and men fairly at work – respect and support human rights and non-discrimination – pay equal remuneration, including benefits for work of equal value and strive to pay a living wage to all women and men



Pay Equity
What does it mean and how do we get there?



The Concept of Equal Pay



“Equal pay for equal work”

Men and women receive equal pay for the same or similar work

“Equal pay for work of equal value”

Men and women receive equal pay for different jobs



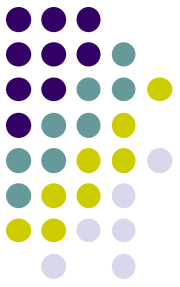
The issues



- It is a **human rights** issue
 - If the work of a woman is valued less simply because she is a woman, her individual dignity is injured.
- It is an **economic development** issue
 - To promote equal treatment is equivalent to promote the nation's productive potential.
- It is a **human resources** issue
 - Increasing salaries of undervalued workers can be more profitable as it increases morale and productivity, as well as reduces turnover and attracts talent.



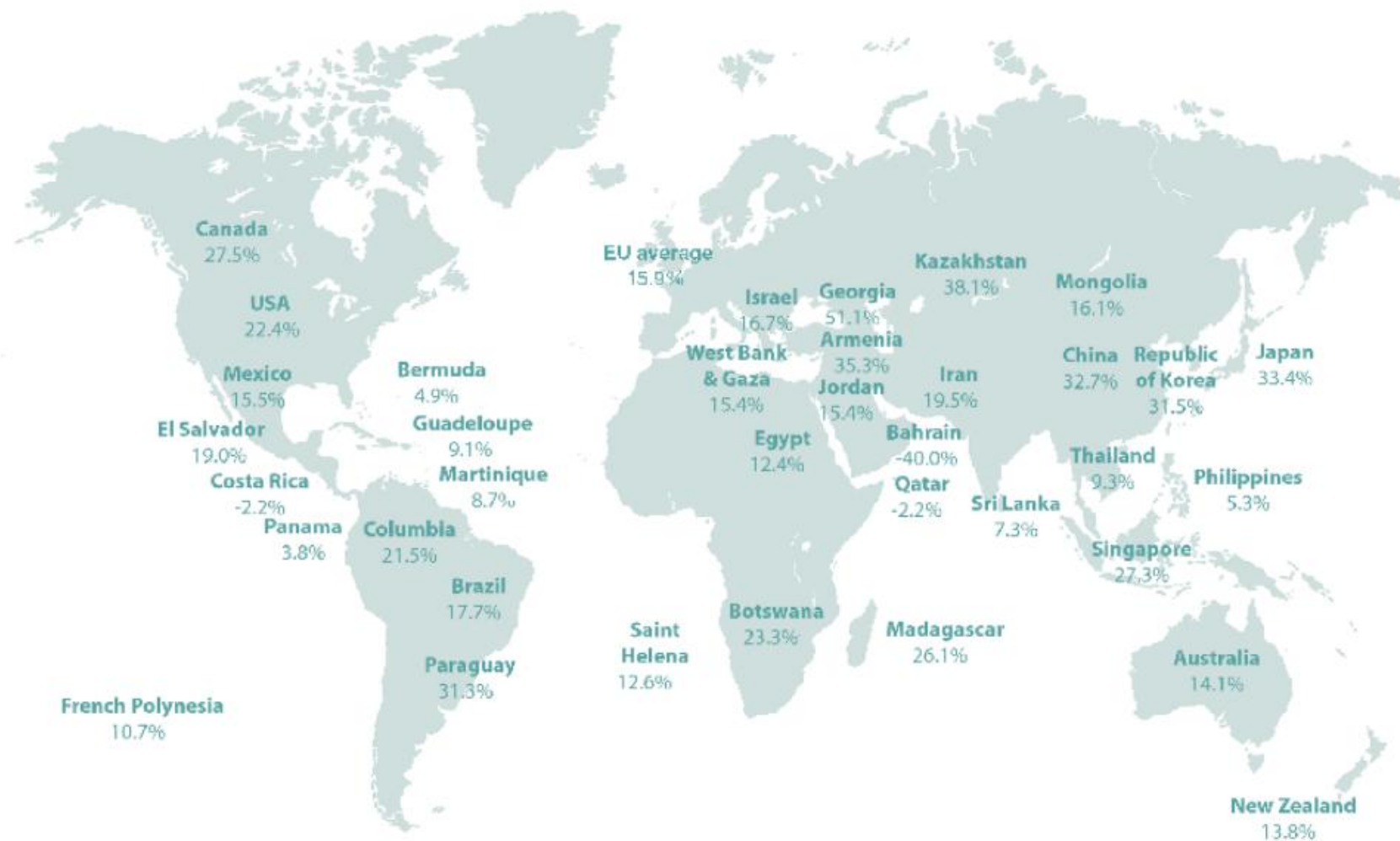
Advantages of Equal Pay for Work of Equal Value



- More effective use of skills;
- Positive impact on female workers;
- Better human resource management;
- Better working relationships;
- Positive effects on the reputation and attractiveness of the business;



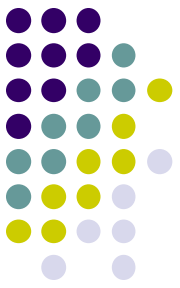
GLOBAL GENDER PAY GAP 2006



Source: ITUC, 2008. *The Global Gender Pay Gap* (Brussels). EU average from *2007 Pay Developments*, European Foundation for the improvement of Living and Working Conditions, 2008, (Dublin), www.eurofound.europa.eu



Gender Pay Gap in Numbers



- In most countries, women's wages for work of equal value represent on average between 70-90% of men's.
- In 2010, the OECD reported a gender wage gap in the medium full-time earnings of 17.6% across its members.
- In the EU, women earn on average 17.5% less than men during their lifetimes
- In 2009 in the US, the women's to men's earnings ratio for 25-34 yr olds was 89% and for 45-54 yr olds was 74%



Gender Pay Gap in Numbers



Supermarket Chain

Sex	Class Title	Monthly Salary	Monthly Gap
Male	Delivery Van Driver	\$1,382	
Female	Clerk Typist 2	\$1,115	-\$267



Why Gender Pay Gap?



Characteristics of individuals and of the organizations:

- Educational level and field of study;
- Work experience and seniority;
- Number of working hours;
- Size of organization and sector activity

Discrimination based on sex:

- Stereotypes and prejudices with regard to women's work;
- Occupational segregation by gender;
- Traditional undervaluing of women's job;
- Traditional job evaluation methods designed on the basis of requirements of male-dominated jobs;
- Weaker bargaining power on the part of female workers.



ILO Convention 100: Equal Remuneration (1951)



Article 1:

(a) the term “remuneration” includes ordinary, basic or minimum wage or salary and any additional emoluments whatsoever payable directly or indirectly, whether cash or in kind, by the employer to the worker and arising out of the worker’s employment.

(b) the term “equal remuneration for men and women workers for work of equal value” refers to rates of remuneration established without discrimination based on sex.



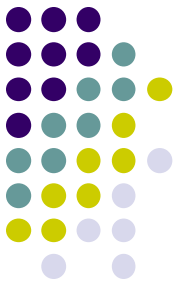
Scope of application of the principles of ILO Convention 100



- It applies to all male and female workers;
- It applies to all components of remuneration
 - Overtime;
 - Cash value benefits;
 - Work materials: uniforms, tools, utensils...;
 - Family allowances, allowances in respect of head of household, social security contributions;
 - Vouchers, scholarships...;
 - Supplements or incentives: company car, representation expenses, health benefits, housing, paid vacations, leisure...;
- It involves job comparison
 - Job comparison should not be limited to the same jobs, enterprise and/or sector



Scope of application of the principles of ILO Convention 100

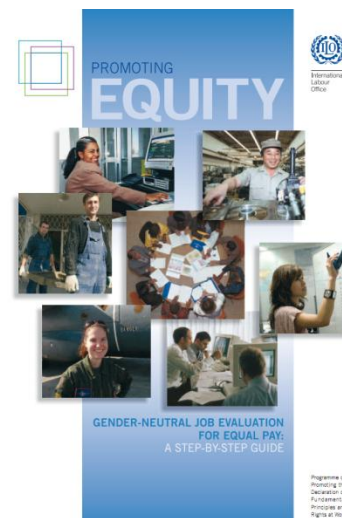


The **determination of equal value**:

- There are methodologies to assess, identify and objectively compare the relative value of work.
- It is necessary to develop job evaluation systems to avoid prejudices or stereotypes based on sex.



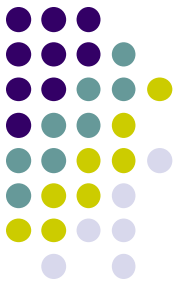
Step-by-step Guide



Objectives:

- Untangle the complexities of job evaluation methods;
- Making it accessible to a wide audience;
- Indicate a step-by-step procedure to prevent difficulties of implementation;
- Allow implementation of targeted technical assistance to specific cases.

6-Step Pay Equity Programme



1. Selecting which jobs to compare;
2. Job evaluation method;
3. Collecting data on the jobs to be evaluated;
4. Analyzing the questionnaire results;
5. Determining the value of jobs;
6. Estimating wage gaps for jobs of equal value and making pay adjustments.



Getting started



- Joint Involvement: Establishment of a Pay Equity Committee;
 - Significant employee presence including their worker representatives from different hierarchical levels;
 - 50%+ female presence
 - Representatives of female-dominated jobs,
 - Female ethnic minority presence.
- Training of Committee members;
- Establishment of Workplan;
- Allocation of Resources;
- Communication Strategy.

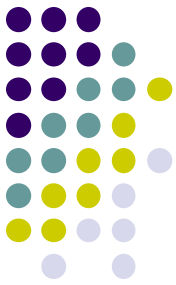


Step 1

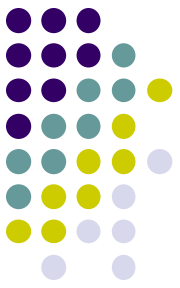
Selecting which jobs to compare

- Draw up a list of the jobs in the enterprise;
- Determine whether these jobs are male- or female-dominated;
- Ensure that the criteria used to determine predominance are rigorous;
- Ensure that there is no gender bias.

It is important to include all of the organization's employees, whether they be full-time or part-time, on indeterminate or fixed-term contracts.



Step 2: Job Evaluation Method



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.



Step 3



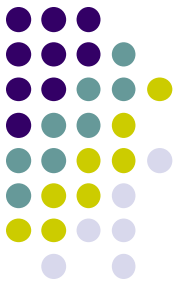
Collecting Data through a questionnaire

- Develop the questionnaire;
- Ensure it is free from gender bias;
- Ensure it is rigorous;
- Conduct a pre-test and revise if necessary;
- Circulate the questionnaire among all employees.



Step 4

Analyzing the Questionnaire Results



The goal of analyzing the results of the questionnaire is to establish for each job:

- An identification card

Job title _____ Department or service _____

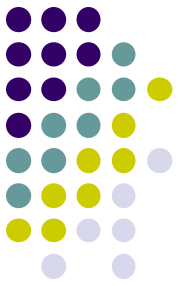
Place of work _____

Name of supervisor _____ Title of supervisor _____



Step 4

Analyzing the Questionnaire Results



- A description of tasks

Job summary

Tasks and main responsibilities

List, in order of importance, the main responsibilities of the position and indicate the content, means used and goal for each of them

Supervision/management exercised

Type of supervision or management involved in the job

Consequences of errors

Indicate whether the work is subject to verification and by whom.
Indicate the impact of errors

Contacts

Reasons for and level of contacts

Requisite knowledge/experience

Requirements related to education, specialized training, and skills
Type of work experience required

Equipment used

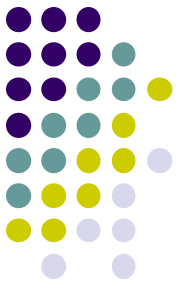
Main tools and equipment used and per centage of work time during which they are used

Working conditions

Workplace, type of work space, environment, potential hazards.



Step 4



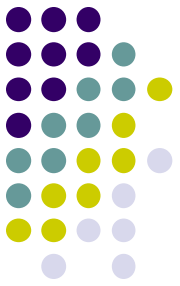
Analyzing the Questionnaire Results

- A job profile indicating the level assigned to the job according to each evaluation sub-factor.

SUB-FACTORS	PRESENTATION OF JOB REQUIREMENTS	LEVEL OF SUB-FACTOR	JUSTIFICATION
Knowledge			
Experience/training			
Complexity			
Physical effort			
Mental effort			
Communication			
Consequences of errors			
Human and material resources			
Physical environment			
Risks			

Step 5

Determining the Value of Jobs



Developing a weighting grid

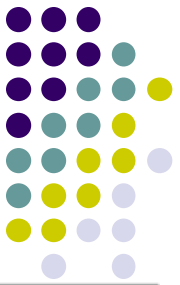
The weighting grid of evaluation factors involves determining their relative importance and assigning a numerical value to each of them.

For example: In a company developing software programs, a high weight will be assigned to the analytical skills criterion; in a day-care centre, the responsibility for people criterion will be of utmost importance; in a public works enterprise, responsibility for equipment will be one of the key factors.



Step 5

Determining the Value of Jobs

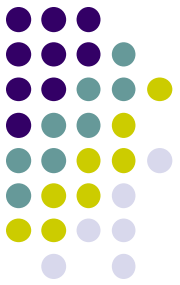


Factors	Weighting	Number of points
Qualifications	32%	320
Job knowledge	12%	120
Communication	10%	100
Physical skills	10%	100
Effort	19%	190
Emotional effort	5%	50
Mental effort	8%	80
Physical effort	6%	60



Step 6

Estimating wage gaps for jobs of equal value and making pay adjustments



- Discriminatory pay gaps are identified and eliminated for all employees, whether full time or part-time, benefit from term contracts, permanent, or casual;
- Pay equity includes base salary, flexible pay and cash value benefits;
- Pay equity is achieved by raising the wages of female-dominated jobs to the level of wages of male-dominated jobs of the same value, not the reverse;
- If the amounts to be paid out are considerable, the wages can be raised gradually to achieve equity over time. This can be done through collective bargaining.



Challenges



- Reconcile work and family responsibilities;
- Eliminate stereotypes;
- Lack of or weak implementation of legislation prohibiting wage discrimination;
- Secrecy on salaries;
- Implementation costs
 - Review of human resource management systems
 - Follow-up and maintenance
 - Reports
 - Training
 - Communication



DISCOUNT

18% OFF
FOR WOMEN ONLY

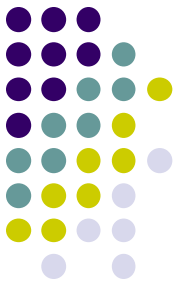


EQUAL PAY DAY - SEPTEMBER 4

eowa.gov.au



Resources



- [Promoting Equity – Gender-neutral job evaluation for equal pay: A step-by-step guide](#)
- [ILO Helpdesk for Business](#)
- [ITC-ILO courses on gender equality and non-discrimination](#)
- [ILO Gender Equality at the Heart of Decent Work campaign](#)



Contact Information



For information on international labour standards:

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ILO International Labour Standards
Department

www.ilo.org/normes

For information regarding the Guide:

Lisa Wong wong@ilo.org

Programme on Promoting the ILO
Declaration on Fundamental Principles and
Rights at Work

www.ilo.org/declaration

For information regarding the labour principles of the UN Global Compact and the ILO Helpdesk for Business:

Githa Roelans- roelans@ilo.org

ILO Multinational Enterprises Programme

www.ilo.org/multi and www.ilo.org/business

For information on gender equality in the world of work:

Raphael Crowe – crowe@ilo.org

ILO Bureau for Gender Equality

www.ilo.org/gender

