

## **Equal Pay for work of equal value and the gender pay gap (GPG)**

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Based on the ITUC Report of March 2012 "Frozen in Time"

1. It is notoriously difficult to obtain precise and comparable data for all the countries covered by the survey. Nevertheless, the data that has been collected points to the existence of significant disparities between different regions. Our assumption is that the countries for which no data could be obtained are precisely those where the situation among women is known to be most precarious. Had the figures been available, we would have seen an ever greater pay gap between men and women.
2. The last 10 years have seen no meaningful progress in terms of closing the gender pay gap at the world level. This contrasts sharply with the period between 1960 and 1990.
3. Education, work opportunities and the gender pay gap are inherently linked. A lack of formal education and gender discrimination limits opportunities for women in the workplace, restricting them to lower paid jobs. Therefore, and although the in the 2012 World Economic Forum Global Gender Gap Report a change in the existing gender gap in some parts of Africa was reported; it is still the region with the largest gender gap in relation to education, literacy and tertiary education. This means that even if women are able to earn as much as their male counterparts, their access to higher paying positions is limited by the lack of adequate education and skills.
4. The pay gap in sectors with a high unionisation level penalises female workers less than in sectors which are not organised<sup>1</sup>. In these sectors, women benefit from regulations or agreements that provide for better wages and equal working conditions for the beneficiaries of the agreements.
5. The ITUC study reveals that domestic workers tend to have the lowest pay, and the average gender wage gap in this sector is most pronounced.
6. A large part of the pay gap is unexplained, i.e. it is not based on factors such as level of skills or responsibilities, the size of the company or years of service. On the contrary, it proves the existence of a wide range of discriminatory practices both in terms of pay, but also more generally. The inexplicable portion of the gap does not respond to rationale, but to the male dominated system of power that forms an ideological framework that underestimates and submits women to the worst wages and various forms of violence, since it is born out of a power relationship.

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<sup>1</sup> National Women's Law Center, <http://www.nwlc.org/our-blog/gender-wage-gap-union-members-half-size-non-union-workers-wage-gap>.

7. By way of example, and bearing in mind that most of the data are expressed in hourly rates (which do not reflect either working hours or other factors), the smallest unexplained gender pay gap is found in countries as diverse as Kazakhstan, Indonesia and the Netherlands, and the largest gaps are found in Chile, South Africa and Argentina.

8. The study on GPG by sector amongst 15<sup>2</sup> countries in the four continents (excluding Europe) noted that the financial sector had one of the largest GPG's and ranked 12th, with an average gap of 8.7%; health and social work was in 14th position with a gap of 9.9%; other services were in 15th position with a gap of 10.2%; and for domestic workers the average gap was the highest at 13.4 %.

9. The survey also points out that closing the pay gap would boost the local and regional economy and that lower wage levels due to the gender pay gap impact women's standard of living throughout their lives – in work and in retirement.

10. Although there has been some improvement in Sub-Saharan Africa, the existing gender gap is still well above 24%<sup>3</sup>. In the case of South Africa, the gap remains at 34%<sup>4</sup>, which is a worrying concern that progress has declined despite having various laws in place. For example, the Employment Equity Act of 1996 is meant to redress the apartheid legacy and ensure that the workplace is more equitable in relation to race and gender. However reports indicate that poorly paid, especially black, women are at most risk from poverty and violence<sup>5</sup>. Thus much still has to be done to address the gender pay gap in terms of the legacy of apartheid.

11. During the Labour Law Review Process, labour movement and gender activists have ensured that the Employment Equity Act was amended to include the principle of equal pay for work of equal value and regulations for implementation are being developed.

12. Equal opportunities and treatment are a fundamental value in a democratic, society and the rule of law should apply so the gender pay gap is not an individual and private matter but one for society. A legislative framework provides for systematic measurements of the gender pay gap in order to generate action to address the gender pay gap wherever it exists.

13. We will not accept a society where women are paid less, just because they are women. UNI is committed to fighting for equal pay for work of equal value and an end to the gender pay gap.

### **Campaigning to eradicate the Gender Pay Gap**

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<sup>2</sup> Examples of the unexplained portion of the adjusted gender pay gap: . Kazakhstan 6%, Indonesia 9%, Netherlands and Belgium 10%, and Belarus 11%. Chile, South Africa and Argentina 22%, Spain and Mexico 21%, Russia and Brazil 18%, 17% in Colombia, 15% in the United Kingdom, 14% in Sweden, 13% in China, and 12% in India.

<sup>3</sup> The World Economic Forum (WEF) Global Gender Gap Report for 2013 shows that the existing gender gap in Ghana is 25% , Nigeria 37% and Kenya and Uganda at 38%.

<sup>4</sup> World Economic Forum (WEF) Global Gender Gap Report, 2013

<sup>5</sup> The National Gender Equity Report, South Africa, 2013

14. Together with UNI SCORE, and in cooperation with UNI sectors, UNI Equal Opportunities will implement awareness campaigns and undertake actions to work towards the eradication of the Gender Pay Gap

15. The campaign will be marked on 17 October, the International Day for the Eradication of Poverty.

UNI will:

- 16. Produce campaign material to highlight the gender pay gap on 17 October
- 17. Partner and contribute to the efforts undertaken by the other Global Unions and democratic civil society organisations that campaign for pay equality.
- 18. Provide guidance to affiliates to assist them in defining pay (total remuneration, including secondary pay (i.e. “perks”), equal pay for work of equal value and to explain the need for transparency in pay and grading systems and in undertaking equal pay audits
- 19. Highlight good practices and progress made in terms of pay equality.
- 20. Integrate the GPG issue in its platform of demands when UNI negotiates and concludes global agreements.
- 21. Address the gender pay gap in the work of the UNI sectors and the UNI regions
- 22. Based on reports by affiliates, produce regular progress reports, at sectoral, regional, and world level to monitor and evaluate the GPG campaign.

Affiliates will:

- 23. Seek to collect transparent and gender-based data on total remuneration from national authorities and employers.
- 24. Address the gender pay gap during negotiations with employers and push for a strategy for its elimination.
- 25. Campaign for mandatory equal pay audits from companies and national authorities.
- 26. Identify a campaign date in each country, company or sector that marks the GPG. For example: if a country has a 15% gender pay gap, this would mean that only on the 56th day of the calendar year women would start receiving a salary for their work. In other words, it would mean they have missed out on 56 days of pay due to the GPG. Alternatively this would mean that on the 309th day of the calendar year women would stop receiving their pay. These days, the 56<sup>th</sup> or the 309th day would be the days on which we should take action to demonstrate what the GPG means in real terms to a woman's income when the gender pay gap is

15%. Alternatively, affiliates will support the UNI campaign activities on 17 October (see paragraph 15)

- 27. Promote awareness and debate amongst political representatives; call for legislation to introduce sanctions for employers who discriminate against women workers through their remuneration; and address this matter in political campaigns.
- 28. Inform UNI Equal Opportunities Department of good practices and progress made in terms of pay equality.
- 29. Share campaign materials with UNI to benefit all affiliates.
- Finally:
- 30. Underpinning our campaign will be the organising work of UNI and its affiliates. We must organise and extend collective bargaining coverage in industries and occupations where there is little coverage at present so we ensure that jobs that are heavily female benefit from our campaign to eradicate the gender pay gap.