

Pay surveys in Sweden

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Pay surveys and analysis to identify and adjust differences in pay between women and men

- Background to the current Swedish legislation.
- Account of the provisions on pay surveys.
- Experiences of employer's compliance with the regulations.
- What has emerged from the scrutiny and supervision of the legislation, conclusions and learnings.
- The applicability of the method for other grounds

The pay gap in Sweden

- Women's pay averages 85% of men's pay (pay gap 15%)
- Objective reasons can explain the pay gap up till 94%
 - Women and men work in different occupations and sectors
- Remaining pay gap (6%) no statistical explanation on a macro level
 - Could be a manifestation of unjustified pay differences and direct discrimination

Background to the legislation

- The waging process – strictly a matter for the social parties of the labour market
- The social partners negotiate the terms and conditions that are to apply in the labour market
- The persisting pay gap has legitimised the adoption of the provisions on pay surveys

Development of pay survey provisions

- 1980: ban on pay discrimination in the Equal Opportunities Act
 - 1994: provisions on pay surveys
 - 2001: provisions were strengthened and clarified
 - 2009: provisions were transferred to the new Discrimination Act, with certain limitations
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Pay survey provisions

- Purpose: to identify, rectify and prevent unwarranted pay differentials between women and men
- All employers, every three years, shall survey and analyse
 - Pay criteria and other terms and conditions of employment
 - Pay differentials, wage spread and wage growth for women and men performing **equal work**
 - Pay differentials, wage spread and wage growth for work dominated by women and **work of equal value** not dominated by women

Definitions

- **Equal work** is defined as jobs involving the same or almost the same tasks.
- **Work of equal value** is defined as jobs that considered together impose equivalent demands on the employee in terms of knowledge and skills, responsibility, effort and working conditions.

Action plan

- Unwarranted pay differences shall be adjusted as soon as possible (no sooner than within three years)
- Employers with 25 employees or more shall every three years prepare an action plan for equal pay, containing a cost computation and timetable for the pay adjustments

Cooperation with the employees

- Pay survey, analysis and action plan for equal pay are to be carried out in collaboration with the employees
- Unions are entitled to have access to whatever information they need to be able to cooperate

The Equality Ombudsman monitors the provisions

- By scrutinising employers pay surveys, analyses and action plans for equal pay
- In the first place the Equality Ombudsman shall persuade employers to voluntarily comply with the provisions
- The Ombudsman can apply to a special committee (legal board) for a default fine

Results from an inspection, almost 600 employers

- 60 percent had introduced pay adjustments or other measures
- 44 percent had identified unjustified pay differentials
- Pay adjustments totalled 7 million euro
- Concerned at least 5 800 employees (90 percent women)
- 1/3 of the employers had taken steps other than pay adjustments to achieve equal pay:
 - Professional development for staff members
 - Training for pay-setting managers
 - Recruitment measures to install more women in senior positions

Experience and conclusions

- The provisions on pay surveys are a valuable instrument for achieving equal pay at individual workplaces
- Preventive work has proved more effective than both dispute negotiations and legal proceedings
- The pay survey process helps draw attention to other gender equality measures
- A lot of education, information and counseling are needed, –best practice, webtools and Industry-specific advisory material
- The social partners have to take a greater responsibility for achieving equal pay

Advantages deriving from the work with pay surveys emphasized by employers

- Better and more transparent application of the terms of pay
- Better basis for the individual waging process
- Increased awareness and more discussions of gender equality in the organisation
- Opportunity to cooperate with the trade unions
- Serious, credible and attractive employer

Applicability of the method for other discrimination grounds

- There is a measurement problem in relation to some discrimination grounds
 - The method is applicable in relation to age as a discrimination ground
 - The first step, to survey and analyse terms of pay and the implementation, is adequate for all discrimination grounds
 - Clearly defined pay criteria (demands and skills)
 - Other measures to ensure objectively based wages
 - training for pay-setting managers to raise awareness of discrimination
 - employee surveys about self-perceived wage discrimination due to different discrimination grounds
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