

Closing the Gender Pay Gap in public services: union action -14th January 2021

**Collective Bargaining, Equal Pay Legislation and the Gender
Pay Gap during austerity
Central and Northern Europe**

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Case Studies Overview

Countries	Finland	Ireland	Netherlands	Germany	Sweden	UK1	UK2
Organisation	TEHY	SIPTU	FNV	Ver.di	Kommunal	Prospect	UNISON
Sector	Health and Social Care – assistant nurses	Public Broadcasting	Health and Social Care - homecare	Education – childcare (Kita)	Health-assistant nurses	Civil Service	Local Government

The relationship between Equal Pay and the GPG

'much of the discussion around the pay of senior journalists is far from the experience of the vast majority of women'

(Irish Congress of Trade Unions)

Ireland- RTÉ, Ireland's public service broadcaster began as an equal pay case arising from the differences in the pay of male and female 'on-air' presenters, but through trade union intervention raised the wider issue of the GPG. This led to an independent review on gender equality and a report that went some way to calculate the overall pay differential.

In some cases unions report that women in lower grades did not see the principal of equal work of equal value as relevant to them – despite an overall GPG.

Austerity and divergent outcomes – Recruitment freezes

Ireland RTÉ - recruitment freezes for directly employed staff led to the informal recruitment of freelancers or contractors on an ad hoc basis. This has blocked career progression for permanent staff and circumvented grading systems contributing to the GPG in the organisation.

The significant use of self-employed contractors suppresses the formal advertisement and recruitment of positions and subsequent promotion to higher paid positions within the organisation.

Industrial action by women in occupationally segregated sectors

2009 & 2015 German childcare workers (kita) – Ver.di

National industrial action by childcare workers in municipal childcare centres in 2015 over pay - paid € 50 less than median salary of all employees – demand for 10% increase;

Industrial action to upgrade social and educational professions predominantly female and part-time – the value attached to their work;

Faced cuts and increased demands including increased worker to child ratios;

The strike succeeded in that Kita workers were placed in a new, higher pay group, from which younger professionals benefited in particular.

Industrial action by women in occupationally segregated sectors

2015 Dutch homecare workers (thuiszorg)

Budget for homecare to be cut by 75%, 100.000 forced dismissals. FNV was the only union that refused to sign off on the 2012 austerity policies. The union started to halt the casualisation (zero-hours contracts or Alfahulp) of homecare workers;

Unionisation in homecare is not strong historically since it is difficult to organise workers in this sector.

Workers have no shared workspace through which to organise: 'Homecare workers didn't have a shared space at work, you couldn't walk in and start organising them. They didn't know each other'.

Industrial action by women in occupationally segregated sectors

2015 Dutch homecare workers (thuiszorg)

Action against one contractor – Sensire - using a big marquee tent in front of contractor's headquarters and occupation of city halls. Demonstrations - Amsterdam 2015 (30,000);

Care-agreement 2015 with Ministry of Health and different unions including the FNV:

- Austerity cuts of 25% instead of 75% to homecare budget.
- Reducing alfa-hulp to a minimum
- Minimum rate in homecare sector based on CLA-wage

Reform of collective bargaining structures that reinforce gender segregation

Sweden - 2016 union confederations agree an increase of 2% for all blue-collar workers with an understanding that Kommunal (represents municipal workers) demanded additional increase for assistant nurses - if unsuccessful metalworkers union would join Kommunal in strike action;

A 3 year deal signed for an additional wage increase for assistant nurses 2016-18;

Reform of collective bargaining structures that reinforce gender segregation

- BUT 2017 and 2018, buoyant economy caused a labour shortage pushing private sector blue collar wages up at a higher percentage than the negotiated minimum. Public sector wages, however, only increased according to the negotiated deal. Hence, the impact of the deal was reduced.
- Nevertheless its impact remained real; the gap would have been bigger without the negotiated additional wage increase for assistant nurses.

Reform of collective bargaining structures that reinforce gender segregation – Equality Allowances

TEHY in Finland, and their sister union SUPER, are aiming for

An Equality Allowance for members working in female-dominated fields - an additional 1.8% salary increase in the health and social care sector in a 10-year programme of increases above the average for the technology sector, which is seen as a key benchmark.

The unions argue that this strategy could contribute to narrow, and potentially end, the GPG in Finland in 10 years;

Removal of an extra 24 hours annual working time introduced under austerity (that some male dominated fields have abandoned).

Separate agreements?

“a separate agreement would allow for better consideration for the special characteristics of nursing work in terms of working hours and wages, such as shift work and being on call, wage system and renewals in job descriptions due to future health and social care reform already in the agenda. This will be absolutely necessary in case of a reform in the sector.”

(TEHY)

A separate collective agreement for the 170,000 health and social care workers who are currently part of the general agreement.

The only way to “*lift the salaries and make the pay system just in the sector*”. Teachers and doctors were part of a general collective agreement in the 1990s and moved to having separate collective agreements, resulting in improved pay;

Can collective bargaining structures that underpin occupational segregation be reformed?

Austerity and divergent outcomes – wage systems based on seniority and pay freezes

UK Civil Service - Met Office pay matrix designed to reduce the equal pay gap with the aim to progress staff to an appropriate 'rate for the job'.

Subsequently the proportion of female employees increased from 25% to 32% although as at February 2014, over 60% of females had less than 5 years' service.

However, pay rates at the Met Office remained at 2008 levels and by 2014 70% of people were still in the 'development zone', despite their experience, widening the pay gap. The ad hoc use of recruitment and retention allowances had also distorted the pay system.

The use of the law

Pay freeze 2010-2014.

2015 equal pay audit – GPG 11%. Union launches legal case for equal pay by 77 women. First industrial action in the Department. Offer of new pay system pre-empted Employment Tribunal.

2017 a new pay and grading structure with all existing jobs allocated to one of seven pay groups with new minima and maxima.

Included reductions in allowances, weekend premia and performance related pay, which the employer insisted on to make the offer affordable. Pay increases of over 20%; for 70% of employees. Some loss of earnings creating tensions between employees. The new pay package aims to lead to equal pay between men and women by 2020

Targeted pay increases to the lowest paid, with repercussions for the GPG

- UK - Despite budget cuts and low pay settlements, two thirds of councils implemented the independent Foundation Living Wage (FLW) by 2018 – a higher level of pay for the lowest paid workers than NJC pay. This distorted job evaluated differentials and caused ‘bunching’ of pay points at the lower end of the pay scale.
- The 2018-2020 NJC pay agreement established a universal rate of pay equal to the FLW as the bottom pay point, re-structured the pay spine and equalised gaps between pay points. This ensures that job evaluated differentials reflecting equal pay for work of equal value can be maintained into the future and that points on the pay spine – at least up to the middle - are equal. As a result, the GPG has narrowed from 5.3% to 2.7 %.

Job Evaluation

UK - Collective agreement by the National Joint Council (NJC) for Local Government 2018-2020 enshrines equal pay for work of equal value The job evaluation scheme was designed to apply to all jobs within local authorities and the trade unions wanted national grades for large job families. The employers insisted each council undertake its own job evaluation exercise.

The Government would not provide extra funding for councils to establish equal pay. This led to 'levelling down' of men's pay, rather than 'levelling up' of women's pay by many employers and mass litigation at a total cost of over £2 billion to local authorities. A weakness of equal pay legislation is that it does not require 'levelling up' of women's pay to that of men doing work of equal value

Conclusions

Attempts by unions to reform collective bargaining structures that reinforce gender segregation by negotiating higher rates for sectors dominated by women in low-paid jobs or Equality Allowances can help to close gaps, but the longer-term goal should be effective gender-neutral collective bargaining arrangements.

Knowledge and expertise in utilising equal pay legislation to close the GPG through collective bargaining, legal action or the design of gender-neutral job evaluation schemes needs to be substantially improved across European trade unions, governments and public sector employers.



Thank you