

Nordic expert meeting on pay equity, October 31st 2024

Keynote Sonja Yr Thorbergsdottir

Dear guests,

For more than 100 years, women's rights movements have fought for equal pay for work of equal value. In the fall of 1919, the first annual International Labour Conference (ILC) was held. There were no female delegates at the ILC, so a few women went to the conference in Washington and held a side meeting where they presented their demands to the male delegates. Among the demands was a provision for equal pay for men and women for work of equal value, which was much more radical than the demand for equal pay for equal work.

Their demand was based on the fact that women and men have been working in different jobs from the beginning, but they knew that women's jobs are no less valuable than men's. When they were successful with their demand on an equal pay provision - and can be found in ILO's constitution, they thought they had won a great victory. I imagine their hopes were that the gender pay gap would be eliminated in the next few years. But here we are - a century later – still making the same demand.

At that time, trade unions showed little interest in women's wages or rights in the labor market, and the story goes that the male breadwinner idea originally came from unions who negotiated higher wages for their all-male members because of their family responsibility. An idea that still looms over us today as an unconscious bias – many generations later even though almost everything else in our societies has changed since then.

Here in Iceland, like in many other countries, it can be said that until after the second world war, both the legislature and the labor movement were

either opposed or indifferent to equal pay for women and men. The women's rights movement in Iceland followed international developments closely and referred to them when the opportunity arose. Female workers here therefore benefited from the struggle of women elsewhere in the world. But they also lost and continue to lose their rightful earnings because of the indifference of employers, politicians and union leaders towards their rights and biased ideas of the role of women here, and in societies all over the world.

Throughout history we can see how the fight for equal pay became the main issue for a certain time – creating hope for a real change – we saw it after the second world war, we saw it in the 70's during the second wave of feminism and radical feminist movements, we saw it again after the Covid epidemic and so on. Unfortunately, years and decades of stagnation have lasted much longer.

Although the wages of feminized jobs have of course risen steadily over time just as they have for other occupations, the wages have been unjust from the beginning. Therefore, the wages of traditional female occupations are still considerably lower than the wages of traditional male occupations - and the gendered labor market is the main explanation for the wage gap that still exists. Women are less likely to be financially independent than their husbands, and the gender pay gap plays a big role. Wage inequality and gender-based violence are therefore two sides of the same coin.

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For years, research has shown that the gender segregated labour market is the main reason for the gender pay gap. That means that the biggest leap we can take towards pay equity is re-evaluating feminized occupations.

We maintain that the progress towards wage equality has been so slow because up until very recently, the main emphasis has been placed on equality within the workplace, but not across workplaces. Little or no emphasis has been placed on working against the wage gap caused by the gendered labor market, e.g. to appreciate the aspects of women's work that are often underestimated, such as the creation of intangible values, emotional stress, responsibility for the well-being of people and a demanding work environment.

BSRB has learned that by prioritising we have a better chance of succeeding. And of course, a very thorough preparation and a handful of patience. It took us eight years to shorten the work week within the public sector, after we made it one of our main objectives, and we are using the same blueprint for this long overdue societal change to ensure pay equity.

First step is awareness raising – the second step is to get both politicians and employers on board in changing the system. The gender pay gap is systematic discrimination and therefore the system needs to change.

When we were closing our collective agreements that ensured a shorter work week and 30 days of holiday allowance for all in 2020 - we got the government to declare that they would appoint a tripartite working group whose role was to put forth proposals on how to re-evaluate feminized jobs.

Although the declaration did not get much attention - it is historical - since the Icelandic government declared, that actions must be taken to eliminate the wage gap caused by the gendered labor market. And that those actions should be guided by correcting the systematic underestimation of jobs where women are in the majority. The working group started its work – let's call it group number one – and the representatives had quite different ideas on what should be done.

So, we at BSRB knew that we had to find the key to the solution and lead the way within the working group. We looked for role models and best practices throughout the whole world. We went through the EPIC database - the Equal Pay International Coalition led by the ILO, UN Women, and the OECD. We searched for scholarly articles and writings, what NIKK, ETUC, EPSU, ITUC and ILO had published or done, we had discussions with gender studies experts (some of them are in the room now) and so on. We ended up finding our biggest inspiration on the other side of the world – in New Zealand which have done tremendous work towards pay equity.

After vast research we finally reached the aha moment – we knew the way forward – we knew what to promote. Job-evaluation system and/or changes in collective agreements.

We also learned that with the ILO's Equal Remuneration Convention from 1951, the organization immediately recommended that a systematic methodology should be established to objectively assess requirements for work, e.g. through gender-neutral job evaluations or similar methods. The ILO has since then regularly issued instructions on how to create such systems.

Furthermore, the ILO's Committee of Experts has pointed out to the Icelandic government that when the labor market is highly gendered and the majority of women work in the public sector, there is an even more urgent need for action to ensure correct application of the equal pay provision. I also want to point out that the scope of the European equal pay rule includes the right to compare jobs in different workplaces, if the origin of the wage payments is the same – a single source. The Committee of Experts of the ILO has made recommendations to the government to take action to enable people to compare jobs across companies or organizations.

That means that to re-evaluate feminized jobs, the way forward was either by creating a job evaluation system and/or through collective agreements.

So, the government appointed Working group (group number one) made its proposals in September 2021. They were, amongst other things, that a tripartite action group on pay equity would be established and have the tasks of analyzing the problem by establishing a pilot project on job evaluation to identify those factors that characterize women's work and may be undervalued and develop tools to encompass the Pay Equity approach.

Research indicates that factors that characterize women's jobs are less valued for remuneration than factors that characterize men's jobs. That systemic discrimination calls for pro-active measures. That we need to address institutional and structural causes of inequality for systematic change.

At this point the Prime Minister had made pay equity one of the governments priorities and emphasized it preparing for the presidency of the Nordic Council of Ministers in 2023 and the NIKK report. Shortly after that NFS started the exciting work that will be discussed here today.

In December 2021, shortly after group number one published its report, the Prime Minister appointed group number 2. A tripartite Action group, amongst other tasks constructed a pilot-project with four government agencies and further information gathering and learning by doing. The Action group published its report in February this year and one of its main suggestions is that a comprehensive job-evaluation system should be established.

This way of building a shared understanding and common goal led to the government declaring once again the next steps would entail creating a job-evaluation system for all the occupations within the state. The declaration was made in connection with the conclusion of collective agreements in June this year between BSRB affiliated unions and the state.

This project that is still in its early days, will also be a tripartite collaboration between the social partners and the government – hence we are now working together on the third group – a steering committee for the establishment of a job-evaluation system.

This system will make us able to compare different jobs across different workplaces and institutions run by the state and the system is supposed to be ready in 2026. We will be able to compare health care workers to those working in finance in the Central Bank. We will be able to compare nurses' assistants to police officers. We will be able to compare lawyers to welfare workers. And so on.

Our former prime minister, Katrín Jakobsdóttir, who has been instrumental in this journey has said that when the job-evaluation system is implemented it will ensure a real recognition of the importance of women's work.

One caveat – the system that we are creating is subject to only basic pay and we must ensure that a system is created for additional salary so we can compare the total salary of employees working jobs of equal value. There is not a tripartite consensus on that – yet. We are still working on it.

History shows us that gender equality will not come by itself. It's not only time that is on the side of change. We have seen long periods of stagnation – indifference – and backlash.

The most important changes towards gender equality will come about because many people from different backgrounds with broad knowledge have pushed them forward. Where there is a will – there is a way.

The objective of the work ahead is to create a movement and a revolution against outdated ideas about the value of women's work. In this regard I want to mention that New Zealand has conducted research of what pay equity means for women who have had their wages re-evaluated. The results show a significant positive impact on socio-economic indicators such as ability to afford groceries, rent or mortgage payments, health care and clothing. They believe they are fairly paid for the work they do and there is a drastic decrease in employees feeling the strain of their pay on relationships and family life.

We must keep in mind that the majority of undervalued workers – women - mostly work in the public sector, for the state and the municipalities. In our welfare states we on the one hand have support and benefits such as for children, housing etc. to create equity. And on the other hand, we have employees whose employers are giving themselves a discount of women's work. The benefits and the wages come from the same pocket. But with a great cost for women.

I am very much looking forward to the discussion here today and hope this will be just one of many steps we will take together to ensure pay equity. We must take progressive measures to eliminate discrimination in the system. We owe it to the women of the past, present and future. Let's ensure that this will not be a topic of discussion a hundred years from now.

Thank you!