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Or. Fr.

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WORKING PAPER

Social Affairs and Industrial
Relations Division

MS/S/74.7

WORKING PARTY ON THE ROLE OF WOMEN IN THE ECONOMY

(26th-29th November, 1974)

Item 9 on the Agenda: Application of the principle
of equal pay for work of equal value

(Note by the Secretariat)

1. In accordance with document MS/S/74.3 "Working Party: Convocation", item 7, the discussions on the application of the principle of "equal pay for work of equal value" will be held on 29th November, as provided under item 9 of the Agenda.
2. The International Labour Office has authorised the O.E.C.D. to communicate the report of the meeting of experts on Equal Pay (see the attached document MEER/1974/3) to the members of the O.E.C.D. Working Party. The latter are requested to study this document which will assist the discussion of this item.
3. This note is, therefore, intended:
 - (a) to inform members of the Working Party of the results of the meeting of experts on Equal Pay held at the International Labour Office at Geneva from 6th to 15th May, 1974 (see I.L.O. report in Annex);
 - (b) to identify any questions on which members of the Working Party might wish to provide additional information;
 - (c) to select the particular topics which might be the subject of recommendations by the O.E.C.D. Working Party.
4. It is clear from the I.L.O. report that it is difficult to isolate the element of "equal salary" from the wider context of equality of opportunity which implies the total absence of sex discrimination; in other words, in tackling the question of applying the principle "equal salary for work of equal value", all problems connected with the employment of women have to be taken into account because these factors, by their added effect, determine the irregularities in women's earnings, whether such factors consist of:

(a) basic education, access to technical and scientific education, vocational training, recurrent education and continuous training, and thus the level of qualifications of the female labour force;

(b) the traditional segregation in so-called women's jobs, a consequence of prejudices which differentiate between male and female roles;

(c) (more especially in industry) confining women to subordinate and lesser paid jobs;

(d) recruitment practices which bar women from certain occupations, or promotion practices which most often give preference to men even if their qualifications are not as good as those of women or which, without any reason, exclude women from high level positions (middle and top management);

(e) the laws, often misinterpreted which, in seeking to protect women workers, distort the content of their jobs so that the latter can no longer be considered as work of "equal" value;

(f) the eternal question of children of working mothers (or parents) and the periodic and often inevitable interruption by some women of their professional activities in order to fulfil their family duties, there being a lack of community services for the care of children of pre-school or school age;

(g) the extent of women's participation in trade union activities and the support which they can expect from the unions;

(h) the systems and institutions responsible for the objective surveillance of application of the principle "equal pay for work of equal value". Lastly, social security benefits and tax systems may also have a bearing on the effective equality of men's and women's remuneration.

New Zealand recently forwarded to the Secretariat a study entitled "Discussion of the social implications of equal pay" which highlights the importance and complexity of the subject. This working paper is being circulated separately under reference MS/S/74.6.

5. In their conclusions the I.L.O. experts state that it is impossible "to separate the problem of equality of remuneration from the wider question of equality of opportunity and treatment". The pursuit of "equal pay" may, therefore, be seen as a powerful means of acting upon other conditions of employment which affect the level of women's earnings by emphasizing their inequality in comparison to men's earnings.

6. The members of the Working Party might:

- firstly, review the conclusions of the I.L.O. experts while bearing in mind the other items appearing on the Agenda for the first session: e.g. statistical data, care of children, recurrent education, working hours and working life, and so on.

- secondly, consider how these various factors might contribute to the improvement of women's earnings;

- thirdly, consider which particular aspects deserve more detailed study in order to promote the effective application of the principle of equality in the various economic sectors, and

- fourthly, describe what innovations have been tried (successes and failures) in their respective countries to implement the principle of equal pay.

The experts might wish to describe what has been accomplished with respect to:

(i) The evaluation of men's and women's jobs, i.e. the criteria used for treating work as being of equal value, although such work need not be absolutely similar; it becomes increasingly evident that certain jobs mainly filled by women are often under-classified and consequently are never remunerated at their fair value. Jobs of this kind are to be found in all sectors: industry, services, professions. It is not merely a question of describing jobs but of examining the ability and aptitude required for a given job: the necessary training, the level of skills, the nimbleness and deftness, for instance (thus certain fine work in the nylon industry can only be performed by women who have the fingers required for such work, while certain heavy work can only be allocated to hefty men who often are paid bonuses for heavy or dangerous work). A comparison of job requirements should therefore take into account all factors including the scarcity of skills or aptitudes which should entitle women, as well as men, to special bonuses.

The Working Party should base itself on the various national experiments to determine the most effective methods of arriving at a meaningful definition of "work of equal value". It would be interesting to look at certain specific cases of job classification in relation to the pay scales for the trade or occupation concerned and also to the pay differentials between men and women, and analyse the reasons given for the differences.

(ii) Statistical data: on this question, the Working Party should refer to paragraphs 20 to 23 and to paragraph 8 of the Conclusions in the I.L.O. paper (MEER/1974/3). It might direct more particular attention to the gap to be filled in order to improve the data on equal pay for men and women and on the causes of pay differentials such as: working hours, age, (although here there may be another form of discrimination), level of education, extent of women's participation in manual and intellectual (e.g. teaching) jobs; matrimonial status and fringe benefits also play a part because the female labour force consists of more unmarried persons (who often have dependent parents) than the male labour force (heads of household being the main beneficiaries of family allowances and of social insurance benefits payable in respect of their wives and children, etc.).

In its conclusions on item 5 of the Agenda: "statistical data", the Working Party might include more specific proposals for the improvement of statistical data on equal pay.

(iii) Legislative aspects (e.g. special laws regulating certain types of night work) are often the cause of distortion between women and men's pay because despite ratifications to the I.L.O. Convention 100 and despite the guarantees provided by collective bargaining agreements as regards wages actually paid, the appeal procedures, the means of supervision and the penalties differ enormously, and it would be of interest to have detailed information on them.

(iv) The disparities in remuneration between occupations and regions, the inadequacies of occupational classifications and job evaluation. Representatives from some countries will be able to relate their experience in these matters.

7. Careful consideration of the working paper presented by New Zealand on the Social Implications of Equal Pay, (MS/S/74.6) will enable the Working Party to approach the problem from a new angle and to see whether the conclusions and recommendations proposed in the study (paragraph 132 and 137) might be acceptable to other Member countries of the O.E.C.D., or whether it should make different or additional proposals.

8. The I.L.O. paper and the New Zealand note will have enabled the Working Party:

(a) to study the factors which affect the application of the principle of "equal pay for work of equal value",

(b) to expose the obstacles to the application of the principle and the legal and economic difficulties to which it gives rise, and also the social repercussions which the objective of equality, once attained, would have not only on the economic situation of women but also on the family and the respective behaviour of its members, on job supply and demand on the labour market, on changes in attitudes and roles, and on social policies as a whole which should aim at introducing the reforms necessary to suit the new modes of life of workers, both men and women, of all ages and in all occupations.