Equal pay for equal work
or work of equal value:
Swiss practices

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European Bank of Reconstruction and Development (EBRD)

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www.equality-switzerland.ch
1) Legal basis
2) Wage gap in Switzerland
3) One main tool and a few measures
   • LOGIB
   • Control in public procurement
   • Dialog on Equal Pay
   • Equal salary certification
   • Websites and campaigns
Art. 8 Equality before the law

3 Men and women shall have equal rights. The law shall ensure their equality, both in law and in practice, most particularly in the family, in education, and in the workplace. Men and women shall have the right to equal pay for work of equal value.
Art. 3 Prohibition of discrimination

1. Employees must not be discriminated against on the basis of their sex, whether directly or indirectly, including on the basis of their marital status, their family situation or, in the case of female employees, of pregnancy.

2. This prohibition applies in particular to hiring, allocation of duties, setting of working conditions, (pay) basic and advanced training, promotion and dismissal.
Wage gap in Switzerland

- In 2010, in Switzerland, the wage gap is of 18.4% (standardized median salary) for the private sector.
- According to studies carried out on behalf of the Federal Statistical Office FSP and the Federal Office for Gender Equality FOGE, approximately 60% of the wage gap between women and men is attributable to objective factors (education, professional position, professional experience, etc.).
- The remaining 40%, however, cannot be explained by objective factors and is consequently to be considered as wage discrimination, according to the Gender Equality Act.
Difference and discrimination

A. Individual factors
- Objective factors (A-B-C)
  - Education, training, potential professional experience
  - Job, function, seniority
  - Night work, shift work

B. Job-related factors
- Objective factors

C. Others factors
- Gender factors

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Tool and measures to eliminate gender pay discrimination

• **LOGIB** – Self-analysis tool, free of charge
• **Controls in public procurements**
• **Dialogue of Equal Pay** - Agreement between the social partners and the government
• **Label equal salary** – Private certification
• **www.equality-salary.ch** – Information, teaching material
• **www.equalpayday.ch** – International campaign
Strongest points

1) Employers can themselves check their wage policy and see whether the principle of equal pay for women and men is actually being complied with;

2) It doesn’t need to have both a woman and a man in the same position with the same qualifications and competencies to evaluate the salary level each person is entitled to;

3) This standardized tool relies on a well-founded scientific basis, the regression analysis, statistical method recognized by the Federal Supreme Court in 2003.
Technical characteristics

- Simple data gathering;
- Same data as required in Swiss official payroll statistics;
- Five variables:
  1) education and training
  2) potential professional experience
  3) seniority (personal qualification characteristics)
  4) function
  5) job profile (job-related qualifications)
- Based on Excel software;
- Transparency and traceability;
- Results at a glance;
- Suitable for businesses with a minimum staff of 50 employees;
- Versions in German, French, Italian and English;
# Logib: Data

## 2. Indications individuelles:

- Veuillez insérer les indications pour chaque personne occupée (exceptions, voir Questionnaire p. 3).
- Faire de nombreux accords avec les applications figurant dans le document Questionnaire.
- Les colonnes signalées par un Trait sont obligatoires.
- Toutes les autres peuvent être laissées vides, elles serviront à des analyses supplémentaires.
- Après une imputation, veuillez compléter les données signalées en codes avant de demander l'analyse.
- Démarrer l'analyse.

### 19. Notes, caractéristiques personnelles, lieu de travail, formation, caractéristiques de la logistique de référence

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Logib : Results at a glance
Equal pay and public procurements

Definition
• Purchase by governments and state-owned firms of goods, services and works;
• Major economic activity.

Why to consider pay equity in public procurements?
- Respects the Federal Act on Gender Equality;
- Prevents unfair market advantage and distortion of competition between companies.

Public procurement accounts for a large slice of economic activity in most OECD countries.
Equal pay in public procurement

Legal Basis

- **Art. 8, para 1, c, Federal Act on Public Procurement (FAPP)**
  The following principles shall be respected in awarding public contracts:
  
  *c. Contracts shall only be awarded to suppliers that guarantee equal treatment of men and women in respect of pay for workers performing services in Switzerland.*

- **Art. 6, para 4, Ordinance on Public Procurement**
  
  *The awarding authority may call for checks in respect of equal treatment of women and men. The task of conducting such checks may be assigned to federal, cantonal or local authority gender equality offices.*
Equal pay in public procurements

Implementation instruments

• Confirmation form: suppliers confirm, when submitting bids, that they and their subcontractors observe pay equality.
• General terms and conditions: reference to monitoring options and to contractual penalties
• Inspections: since 2006, the FOGE has performed random inspections in consultation with the Swiss Federal Procurement Commission.
• Sanctions: exclusion from ongoing tender procedures, revocation of orders awarded, contractual penalties
Equal pay in public procurements
Principal bodies

• **Swiss Federal Procurement Commission (BKB):** the Confederation’s interdepartmental body for strategic and coordination issues; responsible for imposing sanctions in cases of pay discrimination.

• **Federal Office for Gender Equality (FOGE):** responsible for inspections, including monitoring methods, dissemination of information and heightening awareness of companies and procuring parties, plus training of specialists.
Equal pay in public procurements
Monitoring procedure

1) Random samples taken from the Swiss Commercial Gazette;
2) Contract obtained from the procuring party;
3) Individual pay data for all employees obtained from company;
4) Analysis of data by specialists;
5) Discussion of results with the company;
6) Further analysis conducted where necessary;
7) Procuring party and Swiss Federal Procurement Commission informed of the result;
8) Change or sanction imposed where necessary.
Dialogue on Equal Pay (2010-2014)

- Tripartite agreement between the employer and employee associations and the government to encourage companies to voluntarily check their pay conditions;
- Companies work together with an employee organization or internal employee representation to draft an individual agreement;
- This agreement defines the structure of the dialogue within the company;
- A support group is appointed to assist with the dialogue;
- In case of inequality, companies have a maximum of 4 years to rectify these problems.
Achieved with success

Novartis Pharma AG, Basel
Swiss Post, Bern
Syngenta AG, Basel
VCS Verkehrs-Club der Schweiz, Bern
Administration Canton Bern
Swisscom AG, Bern
Ergon Informatik AG, Zürich
Administration Bern City
RWD Schlatter AG, Roggwil

On-going

Tornos SA, Moutier
Audemars Piguet, Le Brassus
Federal Administration, Bern
McDonald’s Switzerland
Honegger AG, Köniz
Ericsson AG Schweiz, Zürich
upc cablecom GmbH, Zürich
Huber+Suhner AG, Pfäffikon ZH
Suva, Luzern
Swiss International Air Lines, Zürich
Swiss Railway SBB, Bern (since 2012)
Label equal salary

- Certification which proves - without publicly divulging confidential information - that a company applies a fair wage policy between women and men.

- Management tool.

- Two phases:
  - Statistical evaluation (with LOGIB)
  - On site audit

- Financially supported by the government
Wage equality - A public issue
Thank you for your attention

Much has been done, a lot still remains.
Tool and measures to eliminate gender pay discrimination

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- **Controls in public procurements**
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www.equality-switzerland.ch
Switzerland - A few facts and figures

- 88.4% of the male population and 76.5% of the female population (age 15 to 64) are employed or looking for a job (FSO 2011);
- 87% of men and 42% of women work full time (FSO 2009);
- 27% of women work less than 50% (FSO 2009);
- There is still a very stark division between male and female professions. Salaries are lower in typically female professions compared to male professions;
- Women are poorly represented at management level. Only 3% of managers and 4% of directors in Swiss listed companies are women.