

# **Celebrating International Equal Pay Day 2022**

# Can pay transparency measures help reduce the gender pay gap?

#### Context

Even though most governments all over the world have legislated to guarantee equality of treatment between men and women in remuneration, and even though the ILO Equal Remuneration Convention, 1951 (No. 100) enjoys a 93 per cent ratification rate, the gender pay gap persists. Globally, women on average, are paid about 20 per cent less than men. While individual characteristics such as education, working time, occupational segregation, skills, or experience explain part of the gender pay gap, a large part is due to discrimination based on one's gender or sex. In addition, women have been among the worst affected by the COVID 19 pandemic, including in terms of their income security, representation in sectors hardest hit, and gendered division of family responsibilities. All of these have led to a negative impact on women's employment, threatening to reverse decades of progress made towards gender equality. Taking action to address these setbacks on gender equality as countries emerge from the pandemic is not only relevant and timely but also critical for an inclusive, sustainable, and resilient recovery.

As such, the importance of closing gender pay gaps is now more than ever recognized by governments, employers', and workers' organizations. Over the past few years, more and more governments are proposing to address the gender pay gap through transparency and information sharing. Half of the 38 OECD member countries, for example, mandated systematic, regular gender wage gap reporting by private sector firms by 2021, together with the public sector leading by example. This is expected to reduce the gender pay gap, even though the implementation, and in particular the operationalization of the concept of equal pay for work of equal value, may pose significant challenges. Since most pay transparency policies are relatively new, there has been limited research carried out evaluating their effects on wage and employment outcomes.

Nonetheless, recent research, albeit limited, has shown that pay transparency measures, depending on how they are put in place, can serve as an effective tool in identifying existing pay differences between men and women, and as such can be vehicles to address the gender pay gap and reduce broader gender inequalities in the labour market. Some research has shown that pay transparency measures have resulted in a reduced pay gap among new hires through a large boost in female wage and no effect of male wages, while other research has shown that the gap reduced through a slower wage growth among men.

<sup>&</sup>lt;sup>1</sup> Böheim & Gust, 2021, The Austrian pay transparency law and the gender wage gap.

<sup>&</sup>lt;sup>2</sup> Bennedsen et al, 2019, *Do Firms Respond to Gender Pay Gap Transparency?* and Duchini, Simion & Turrel, 2020, *Pay Transparency and Gender Equality.* 

The Equal Pay International Coalition (EPIC) would like to use the occasion of International Equal Pay Day 2022, to highlight some of the pay transparency measures being implemented in different parts of the world, including various tools and responses to key questions. Leaders from different countries, as well as representatives of employers' and workers' organizations will come together to discuss the pros and cons of some of the pay transparency measures currently in place, its potential and actual effectiveness on reducing the gender pay gap, and consequently, broader gender inequalities in the labour market.

### Key information at a glance

Date: Friday 16 September 2022

Time: 15:30 -16:45 CEST

Language: English with interpretation in French, Spanish, IS and captioning

Platform: Zoom

*Host*: <u>Cairo Eubanks</u> - New Future Foundation International Civil Society Youth Representative and Member to the United Nations, as well as a United Nations Department of Global Communications Civil Society Youth Representatives Steering Committee Member.

**Event hashtag: #EQUALPAYDAY** 

Chairperson EPIC Steering Committee: Mr. Rakesh Patry, Director General of International and Intergovernmental Labour Affairs for the Government of Canada's Department of Employment and Social Development and Chair of the EPIC Steering Committee

**Panellists TBC:** Five panellists (including both women and men and ensuring geographic representation):

- 1. Ms. Sandra Hassan Deputy Minister of Labour of Canada (Confirmed)
- 2. Ms. Carmen Ávila Director of Organizations and International Conferences, Ministry of Foreign Affairs of the Republic of Panama (Confirmed)
- 3. Ms. Irena Moozova Director for Equality and Union Citizenship, European Commission, (Confirmed)
- 4. Ms. Anne Vauchez Managing Director of European and International Affairs for MEDEF, Chair of IOE's policy working group on gender, equality and diversity (Confirmed)
- 5. Ms. Karen Palma Vice president, CUT Chile (Confirmed)

#### **Run of Show:**

15:30–15:33- Moderator opens the panel, welcoming, briefly sharing housekeeping rules with attendees and introducing the issue and the speakers.

15:33-15:34- Curtain-raiser on pay transparency

15:34-15:39- Interview with Chairperson of EPIC

15:39-15.49- Overview of findings of ILO and OECD reports/monitors on pay transparency

15:49-16:30- Interactive panel discussion.

16:30 -16:37- Q&A

16:37-16:42 – Distilling the key messages (UN Women)

16:42-16:45 – Thank you and closing by host.

### Interview with EPIC Chairperson (5min)

The host will interview the EPIC Chairperson on questions related to the role of EPIC, the importance of Equal Pay, and link between equal pay and pay transparency measures

#### Overview of key findings of ILO and OECD reports on Pay Transparency Measures (10 min)

Representatives of the ILO and OECD will have 5 minutes each to highlight the key findings of their recent reports/monitors on pay transparency measures.

- Monika Queisser Senior Counsellor to the Director of Employment, Labour and Social Affairs Directorate and the Head of Social Policy Division at the OECD
- Manuela Tomei Director, ILO Conditions of Work and Equality Department

### Panel discussion followed by an interactive session (48min)

The host will ask each of the 5 panellists two questions giving them between 3 minutes to respond to each of the questions. EPIC Secretariat to develop questions, which will be shared in advance with the panellists. Following the responses, the host will invite the audience to direct questions to the guest speakers, filtering as needed.

### Distilling the key messages (5 min)

A representative of UN Women (Seemin Qayum, Policy Advisor, Sustainable Development and OIC, Economic Empowerment, UN Women) will draw conclusions concerning the key messages emanating from the event based on the presentation of the findings from the reports on pay transparency measurers by the two agencies and the panel discussion

## Closure (3 min)

The host will thank the panellists and audience, recalling key messages. In thanking everyone for their active participation, she will encourage them to reach out to their respective governments/organizations to join EPIC and encourage all members to contribute to the online discussion that will be launched on the same topic through the EPIC community portal, following the event.