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REPORT  
OF THE COMMISSION TO THE COUNCIL  
ON THE APPLICATION OF THE PRINCIPLE OF EQUAL PAY  
FOR MEN AND WOMEN  
IN DENMARK, IRELAND AND THE UNITED KINGDOM  
SITUATION ON THE 31 DECEMBER 1973

(Article 119 of the Treaty establishing the EEC and Resolution  
of the Conference of Member States of 30 December 1961)

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## I N T R O D U C T I O N

1. The latest Report submitted by the Commission to the Council on the "application of the principle of equal pay for men and women - Situation on the 31 December 1972" (Doc. SEC(73) 3000 final of 18th July 1973), dealt only with the way the situation has evolved since 1958 in the six original Member States of the European Community, but added that a complementary report on the situation in the three new Member States would be prepared.

As a matter of fact, Article 119 is, from the 1st of January 1973, applicable to the new Member States which are also, as from that same date, in the same situation as the original Member States, as regards the Resolution of the 30th December 1961 of the Conference of Member States (Article 3 of the Act concerning the conditions of accession and the adjustments to the Treaties). Consequently, it has been deemed necessary not only to draw up an inventory of the existing situation in the public and private sectors, but also to recall the measures taken by the Governments and the social partners to achieve equal pay.

As in the past, the Commission asked for the collaboration of Governments and social partners by forwarding a detailed questionnaire to them. The replies to this questionnaire<sup>(1)</sup> were updated to the 31st December 1973 at a meeting of the "Special Group Article 119" which was held on 29th March 1974.

The report is made up of three parts. Part I analyses first of all the nature and the coverage of Article 119, then recalls the main

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(1) For Denmark, the reply to the questionnaire was prepared by the Ministry of Labour in consultation with the National Confederation of Danish Trade Unions (L.O.) and the Danish Employers Confederation (D.A.); for Ireland, the reply of the Government was approved by the Irish Congress of Trade Unions and the Federated Union of Employers; for the United Kingdom, the answer was agreed between the Government and the Confederation of British Industry.

problems which emerged on its being applied and the results so far. Part II describes the situation existing in the new Member States at various levels (public sector, private sector, collective agreements, orders regarding wages, complementary systems of social security). It also presents some national statistical data on the differences in wage rates and effective earnings together with a summary of some of the more general problems of the employment of women. Part III deals with the recent measures taken at legislative level as well as in collective bargaining to apply the principle of equal pay.

The final part contains the "Conclusions" of the Commission which should constitute the guidelines for future action by all interested parties : public authorities, social partners and the Commission itself.

A. THE PRINCIPLE OF EQUAL PAY

Foreword

2. Since 1 January 1973, article 119 of EEC Treaty is binding for Denmark, Ireland and the United Kingdom. From the same day, the Resolution of the Conference of the Member States of 30 December 1961, and its interpretation of the provisions of article 119, is of application to these States<sup>(1)</sup>. Therefore, it seems useful to recall here the meaning of the principle of equal pay for men and women - as construed by the Institutions of the Community, the Member States and the social partners - and the main legal problems which have arisen since 1958 in the original Member States<sup>(2)</sup>.

I. The application of article 119 and the problems arising therefrom

3. The main question which arose from the very beginning, at the legal level, was whether Article 119 constituted a provision that could be directly applied. Had it done so, in fact, it would have created rights for individuals which national legal authorities were bound to safeguard.

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(1) Art. 3, N° 3 of the Act concerning the Conditions of Accession and the Adjustments to the Treaties : "The new Member States are in the same situation as the original Member States in respect of declarations or resolutions of, or other positions taken up by, the Council and in respect of those concerning the European Communities adopted by common agreement of the Member States; they will accordingly observe the principles and guidelines deriving from those declarations, resolutions or other positions and will take such measures as may be necessary to ensure their implementation".

(2) The paragraphs of this chapter are, in the main, excerpts from the "Report to the Council on the application of the principle of equal pay for men and women - Situation on the 31 December 1972" (Doc. N° SEC(73) 3000 final of 18 July 1973).

The EEC Treaty contains a series of provisions which have been recognised as directly applicable by the Court of Justice of the European Communities. According to this jurisprudence, this character has to be accepted for all those provisions which contain precise, complete obligations and which do not give the States concerned any right to exercise discretion in such a way as to exclude either all or some of the effects of their obligations under the Treaty. Consequently, these provisions can be invoked before a national judge, if the State concerned allows the stipulated deadline to pass by without complying with the obligations imposed upon it by the provisions.

As far as Article 119 is concerned, one finds that it meets with these criteria in a different way according to whether the principle of equal pay has to be put into effect in the relationship between the States and individuals, on the one hand, or in the relationship between individuals, on the other. Whilst in the first instance it is evident that the obligation stemming from Article 119 binds the Member States directly, it seems, on the other hand, that one cannot very well assume that Article 119 is directly applicable to the relationship between individuals. One notes, above all, that the aforementioned jurisprudence of the Court of Justice has been developed through the interpretation of provisions of the Treaty concerning the relationship between States and individuals. In order to be directly applicable to the relationship between individuals, Article 119 would have had to be drafted objectively and addressed to individuals, as is the case for Article 85 of the EEC Treaty, for example. However, Article 119 refers solely to the Member States.

In addition, the problem of disparities in this sphere is very complex and demands various and multiple actions for its solution. The putting into effect of the principle of equal pay ought to be the result of the action which the States are obliged to take or to promote under the terms of Article 119.

A fortiori this conclusion applies to Convention N° 100 of the ILO, which has now been ratified by all the original Member States, by Denmark in 1960 and by the United Kingdom in 1971. In fact, the obligations<sup>(1)</sup> which this Convention imposes on the States which have ratified it are of no greater legal scope than those which result from Article 119 of the EEC Treaty, backed-up by the Resolution of the Conference of the Member States of 30 December 1961.

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(1) Article 2 of the said Convention stipulates that :

1. Each Member shall, by means appropriate to the methods in operation for determining rates of remuneration, promote and, in so far as is consistent with such methods, ensure the application to all workers of the principle of equal remuneration for men and women workers for work of equal value.
2. This principle may be applied by means of :
  - a) national laws or regulations;
  - b) legally established or recognised machinery for wage determination;
  - c) collective agreements between employers and workers; or
  - d) a combination of these various means.



## II. The use of legislation and agreements

4. As we have seen, the only rights which can be invoked before a national court are those following from national laws and statutes or, possibly, from a collective agreement or an individual work contract.

It is clear that, within a country, two methods can be used, either separately or together, by the public authorities :

- through legislation, the worker can be given a personal right to "equal pay", quite independently of the contents of collective agreements;
- signatories of collective agreements can be obliged to include the principle of equality in their agreements and, by this very token, undertake to respect it.

The second method, when used in isolation, is undeniably inadequate : indeed, on the one hand, not all workers are covered by collective agreements and, on the other hand, effective penalties may be, in some countries, difficult to establish and, furthermore, to apply.

This difficulty was, moreover, recognised by the Resolution of the Conference of the Member States of 30 December 1961, in which the signatories declare that they "will take ... the appropriate steps ... in order to ensure that the principle of equal remuneration for men and women is applied to female workers, in such a way that this principle might be protected by the courts. These steps, which will entail either legal and statutory measures or, when this method is organised and adequate, the intervention of compulsory collective agreements, ought to result in the principle of equal pay for men and women being put into effect".

III. "Equal pay" and "equal work"

5. Article 119 is very explicit in respect of the notion of "equal pay" : "for the purposes of this Article, "pay" shall mean the ordinary basic or minimum wage or salary and any other consideration whether in cash or in kind, which the worker receives, directly or indirectly, in respect of his employment from his employer". It is clear that the first part of the sentence refers to basic wage, usually fixed by agreement and that the last part is composed of any other payment made by the employer to the worker by virtue of work carried out i.e. that part of wages which is over and above basic wage (bonuses and other compensations, etc ...). Consequently, until now, with the exception of the instance described in the following point, as far as the definition of benefits paid "indirectly" is concerned, the notion of "equal pay" has never caused any problems, up to now, neither in respect of work paid by the hour, nor in respect of piecework.

Article 119 gives no precise definition of the notion of "equal work". However, it is worth mentioning that a broad interpretation has always been used, not only by the institutions of the Community (Recommendation of the Commission dated 20 July 1960 and Resolution of the Conference of Member States on 30 December 1961), but also by national legislations and by the Courts.

#### IV. Complementary social security systems

6. As has been stated in the previous point, the interpretation of the expression : "consideration ... which the worker receives indirectly" posed a legal problem in connection with only one of its aspects. One might, indeed, easily have taken it to include a reference to "indirect pay", that is, the various benefits stemming from social security systems. The Court of Justice of the European Communities had occasion to give a verdict on this matter on 25 May 1971, in case 80/70. It formally ruled out the possibility of legal social security systems and, in particular, retirement pension systems coming under the field of application of Article 119, but, in principle, accepted the possibility of it including social security systems and allowances comprising "an element of negotiated agreement within the company or the occupational branch concerned".

The reference to complementary social security systems seems clear and, on the basis of available information, they have been included in the present report in the same way as they had been included in the previous report devoted only to the original Member States.

## B. SITUATION IN THE PUBLIC AND PRIVATE SECTORS

### Foreword

7. This section contains a description of the situation in the new Member States of EEC especially before article 119 of the EEC Treaty became of application to them. Of course, pressures and trends towards equal pay existed before the accession to EEC and a number of steps had been taken to introduce equal pay in several instances. In particular the United Kingdom introduced comprehensive equal pay legislation in 1970. However, this does not come into operation until December 1975.

### I. Public sector

#### 1°) Equal pay

8. In Denmark, the Civil Servants Act, 1921, provided for the placing of posts in pay grades which, in principle, implied equal pay for men and women. Nevertheless, the salaries payable to men and women differed, as regards the family allowances, which were payable to married men, and not to married women. That difference was abolished by the Civil Servants (Salaries and Pensions, etc.) Act of 7 June 1958.

9. In Ireland, in the civil service and the teaching profession, which are the main groups involved in the public service, there are three broad categories of salary scales as follows :

#### a) scales differentiated on the basis of marriage

These apply to the teaching profession and in the civil service they apply, in general, to administrative, executive, clerical and similar grades composed of men and women recruited at a fairly young age. Under marriage-differentiation, one scale applies to women and unmarried men and a higher scale to married men. The minima of both

scales are usually the same for recruitment grades but at 1 January 1973 the maximum of the salary for unmarried men and women was about 80 % of that for married men.

b) scales differentiated on the basis of sex

Nearly all professional and technical grades e.g. engineers, architects, draughtsmen, have this type of salary scale. Under sex-differentiation one scale applies to women and a higher scale to men irrespective of whether they are married or unmarried. Again, the minima of both scales are usually the same for recruitment grades and at the maximum the salary for women is 80 % that of men, as in the case mentioned above.

c) scales which are not differentiated

These apply to grades composed entirely of men or women e.g. postmen, clerical assistants. Only one scale applies to each grade.

10. In the United Kingdom, discriminations in pay have been removed in most of the collective agreements of the public sector. For example, non-manual women in the Civil Service, Local Authorities, Post Office, National Health Service and the public utilities had achieved equal pay by early 1960.

2°) Equal opportunities of work

11. Coming now to the access to employment, in Denmark, statutory provision was made in 1921 for women and men to have equal access to all statutory Civil Service posts and offices and equal obligation to accept all civic duties. Only ecclesiastical and military posts and offices were exempted from that rule. Since 1947, the only exceptions are those concerning certain military posts (Army, Air Force and Navy).

12. In Ireland, married women were not, until July 1973, admitted to the Civil Service. Always in the Civil Service a substantial proportion of women are employed in the all-women grade of Clerical Assistant (which carries out typing duties and lower clerical duties). Men are not at present admitted to this grade. However, the possibility of opening up all Civil Service grades hitherto restricted to one sex is under review following a recommendation in the matter by the Commission on the Status of women.

13. In the United Kingdom, there are no statutory obstacles to women having the same access to employment opportunities as men and in the non-industrial civil service the principle of equality of opportunity has long been established.

As far as the rest of the public sector is concerned, Local Authorities (including teachers) have followed the Civil Service example; and in the nationalised industries staffs have either already achieved a similar position or are near to it. Throughout the public sector women have the same conditions of work as men and in principle equal access to jobs. Nevertheless, the number of women occupying senior posts is relatively low compared with the number of men.

## II. Private sector : collective agreements

### 1°) Field of application of collective agreements and nature of the wage rate

14. Denmark has, compared to some other European countries, a relatively high organising percentage. This means that there are no sectors or branches without a collective agreement. Within the single branch there may naturally be firms which are not covered by an agreement; this may among other things hold true of small firms. In fields where collective agreements have been made all the employed in a firm, whether organised or not, are covered. It happens, moreover, that unorganised employers, who

have not entered into an agreement, follow the stipulations in the collective agreements that have been made for the field of trade in question. Collective agreements lay down basic wages either called "standard wage" or "minimum wage". These terms differ in so far as the "minimum wage" is only a lower limit as the wage of each worker is normally and generally fixed for each individual at a higher level, specifically by supplementary payments related to the work done, whereas the "standard wage" is an effective wage such that workers cannot, in principle, demand collective increases. These two types of wages appear in different activities. The "minimum wage" is used in metal and steel works and also for office workers and for salesmen. The "standard wage" is used in other industrial sectors and for civil servants and Local Government Officers whose status is fixed by agreement. Beside a specification of the basic wage (standard or minimum wage), collective agreements contain the payment of a number of bonuses for various work functions, seniority bonuses etc. On the other hand, several wage systems imply the payment of personal bonuses, agreed upon between the single employer and the wage earner. Both in the fields of the "standard wage" and of the "minimum wage" it is estimated that, for skilled workers, half the pay increases are due to wage-drift and half as per the systems provided for in collective agreements. For all employees, in the period 1959-1971, a third of pay increases was per collective agreements, a third was due to wage indexing and a third to wage-drift.

15. In Ireland, since 1970 the National Wage Agreements negotiated by the Employer/Labour organisations have applied to the vast majority of workers. In the absence of any formal system of notification of pay increases it is not possible, however, to give with any degree of certainty the precise number of workers who have had the terms of the National Wages Agreements applied to them. From the information and evidence available it can, nevertheless, be stated that the overwhelming majority of employees in the country have participated in the agreements. No comprehensive information is available on wage rates or on the eventual "wage-gap" or "wage-drift".

16. In the United Kingdom it is estimated that some 13 million manual workers are covered by national collective agreements or Wage Regulation Orders. This leaves between 1 and 2 million not so covered. Many of them are in unorganised i.e. "non-unionised" activities such as private domestic service, office cleaning, etc. Outside the public sector, most non-manual employees are not organised or covered by collective agreements. In many cases salaries are negotiated on an individual basis between employer and employee. It is estimated that about 4 million employees are involved of whom roughly one third are female.

Information is not available on the differences between the rates of pay people actually receive for particular classes of work and the corresponding rates in national agreements or wages regulation orders.

2°) Wage rates for men and women

17. The demand for equal pay is an "in agreement" demand that has been advanced for many years in Denmark. It may be mentioned that equal pay in principle was implemented in the public sector in 1958. On the private labour market equal pay was obtained in the butchering trade during the period 1961-66 and likewise in the field of commerce and salaried employees during the period 1963-65.

The social partners have always realised that equal pay is not a principle that can be implemented all at once from a relatively bad starting position. It is necessary, in fact, to take level of production costs and the competing ability of trade into consideration, and this has especially been of importance for a country like Denmark with a relatively high foreign trade.

In 1961 the difference in the typical wage rates for men and women - here exemplified from the iron and metal industry - was 1,26 kroner or 27 %. During the years the difference has been neutralised in the following way :



<u>Minimum Wage Rate for Men and Women within the Iron and Metal Industry</u>				
Date	Wage Rate		Difference in Øre	Female Rate in pct.
	Men	Women		
1/3/61	461	335	126	72.7
1/3/63	548	429	119	78.3
1/9/64	580	471	109	81.2
1/3/66	703	588	115	83.6
1/3/67	765	660	105	86.3
1/6/68	862	749	113	86.9
1/3/69	955	852	103	89.2
1/3/70	1010	911	99	90.2
1/9/70	1069	965	104	90.3
1/3/71	1170	1085	85	92.7
1/3/72	1280	1210	70	94.5

The national agreement concluded at inter-professional level between the workers' Confederation L.O. and the employers' Confederation D.A. in 1971 and which is the reference point of most collective bargaining in Denmark, fixed different rates for both the "minimum wage" and the "standard wage". These differences were once again present in collective agreements for activities and, at the level of undertakings, in piecework scales. In some activities where female labour is important (for example breweries, tobacco, textile and clothing) the "standard" hourly rate, at 1st of March 1971, was 12.30 Kr for men and 11 Kr for women; in electronics, the "minimum salary" at that same date was 11.70 Kr for men and 10.85 Kr for women.

It must finally be added that a committee was set up between the social partners during the period 1/3/1971-1/3/1973, whose task was to prepare the final implementation of equal pay.

18. In Ireland, wage discrimination is very widespread in collective agreements throughout all activities. The pattern of wage increases since 1959 shows that women have always received somewhat lower increases

than men, although this difference has been significantly reduced.

<u>Wage round</u>	<u>Men (£)</u>	<u>Women (£)</u>
7th (1959)	0.50 - 0.75	0.30 - 0.50
8th (1961)	1.00 - 1.25	0.50 - 0.75
9th (1964)	12% (£1 Min.)	12%
10th (1966)	1.00	0.70
11th (1968)	1.75 - 2.00	1.30 - 1.50
12th (1969-70) <sup>(1)</sup>	3.50 - 4.25	2.80 - 3.40

In the 1970 National Agreement, women obtained, except where there were more favourable provisions in the industry agreements, 85% of the amount paid to men (£2 minimum). In the 1972 National Agreement, the differences in wage increases were once more reduced (9% on the first £30 of weekly wage with a guaranteed increase of £2.50 per week for adult males and of £2.25 for adult females)<sup>(2)</sup>. Moreover, in 1972 the basic rates of pay of unskilled and semi-skilled female workers in several collective agreements in manufacturing industry ranged from 60% to 70% of the basic male rate. In the distributive trades the corresponding figures ranged from approximately 75% to 85% of the basic male rates<sup>(3)</sup>.

19. In the United Kingdom, the Equal Pay Act, 1970, requires discrimination in collective agreements to be removed by the end of 1975. In the meantime the position is fluid. The Department of Employment only has records of national collective arrangements for manual workers; of these,

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(1) The 12th round for the public service gave equal increases for men and women, as did all subsequent rounds.

(2) The 1974 National Wage Agreement gave equal increases to all workers.

(3) Commission on the status of women, Report to Minister for Finance, Dublin, 1972, N° 42.



The low wage policy, pursued since 1963, has to a special degree made allowance for fields of agreement with low wage rates. This has among other things resulted in the low wage limits which were realised at the general negotiations between the main organisations in most cases being transferred to the single agreements which are negotiated between the branch organisations - as regards the skilled as well as the unskilled workers' agreements.

As an example of this, the largest industry agreement, i.e. the agreement within the iron and metal industry, which covers skilled as well as unskilled workers, may be noted. This agreement only contains one minimum wage rate for all workers which is identical with the low wage limit within the field of "minimum wages" which was agreed upon at the general negotiations.

There is no material available for an overall illustration of the extent of job classification in Denmark. Really "scientifically" based systems for job classification are only known in a few instances. It is not normal that agreements about job classification are valid for a whole field of agreement. The exception from this is, however, the cigarette industry. This does not, however, exclude that agreements about job classification may have been entered into locally in the firms.

21. In Ireland, different classifications (tied, of course, to different rates of pay) are fairly common, in collective agreements as well as in Wage Council Orders. Often, skilled jobs are reserved to men and described in many details; non-qualified jobs are reserved to women, whose job is not described or evaluated at all.

22. In the United Kingdom, numerous collective agreements provided for different classifications for men and women (e.g. seed crushing, compound and provender manufacture, rubber proofed garment making, hosiery finishing (Midlands), wallpaper manufacture and furniture manufacture).

### III. The private sector : wages regulations

23. In the three new Member States there is no legal guaranteed minimum wage at national level which would be applicable to all or some economic sectors. In Denmark, there is no intervention of any kind of the public authorities in matter of wages as these are left entirely to the free autonomy of the social partners. Minimum wage rates are however fixed for different professions and according to the level of skill, by Joint Labour Committees in Ireland and by Wage-Councils in the United Kingdom. These Wage-Councils include employers' and workers' representatives and their proposals for minimum remuneration are given statutory effect. This system, particular to these two countries, could, by analogy, be considered to be similar to the system of extending the collective agreements "erga omnes" as practiced in some original Member States of the Community and it protects workers who are not otherwise covered by voluntary agreements. It could also be related to the system of minimum legal wage as the proposal of Wage Councils or Joint Labour Committees can be brought into effect only through an administrative decision.

24. Thus, in Ireland, the minimum rates of pay and conditions of employment of workers in several trades <sup>(1)</sup> are established by Joint Labour Committees through Employment Regulation Orders, the provisions of which are statutorily enforceable. Approximately 42,000 workers (15,000 male and 27,000 female) are covered by the terms of such orders. The Agricultural Wages Board lays down statutory minimum rates of pay

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(1) Aerated Waters and Wholesale Bottling, Boot and Shoe Repairing, Brush and Broom Manufacture, Button Making, General Waste Materials Reclamation, Hairdressing (Dublin, Dun Laoghaire, Bray), Handkerchief and Household Piece Goods Manufacture, Hotels (outside Dublin, Dun Laoghaire and Cork Boroughs), Messengers (various districts), Packing, Provender Milling, Shirtmaking, Tailoring, Women's Clothing and Millinery.

for agricultural workers<sup>(1)</sup>. Different rates for men and women were fixed by these orders. For instance (1973), in the Order for shirt-making, the hourly rate is 53.8 pence for men over 21 years and 41.1 pence for female workers; in packing, the hourly rate for men over 21 years is 54½ pence and 41 pence for women who have been in employment not less than three years after termination of training; in ladies hair-dressing, the weekly rates are £21.40 for male hairdressers and £16.18 for female hairdressers; in hotels, a trained cook receives £24.50 a week if male, £17.60 if female.

25. In the United Kingdom, minimum rates of remuneration, fixed by 72 Wage Councils and three Agricultural Wage Boards on which employers and workers are represented, apply to between 3 3/4 and 4 million employees (about 18 % of the total workforce). It is estimated that two-thirds of these employees are women. These rates are given statutory effect by means of wages regulation orders. Rates are often different for men and women, but progress towards equal pay is being made<sup>(2)</sup>.

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- (1) Under the Agricultural Wage Act 1936, such Board fixes by order minimum wage rates of agricultural workers taking into consideration recommendations made by district committees composed of representatives of the employers and of the workers.
  - (2) Where this is concerned, please see para. N° 19, where the data cover both agreements and wage regulation orders.

#### IV. Complementary social security systems

26. No difference based on sex exists in Denmark.

In Ireland, in the civil service and teaching profession only men are admitted to the schemes of widows and orphans' pensions which are contributory occupational pension schemes<sup>(1)</sup>. However, women have been allowed to remain in Civil Service employment after marriage only since July, 1973.

Until comparatively recent times, occupational pension schemes have been associated mostly with State employment or with employment in some of the larger private companies<sup>(2)</sup>. There has, however, been a rapid increase in such schemes in the private sector over the past decade and they are estimated to have increased to about 2,700 in 1970 and to have quadrupled since 1960. A survey of Irish Pension Schemes<sup>(3)</sup> showed that in the sample chosen, only 27% of female wage earners were in pension schemes as compared with 67% of male wage earners. This position was repeated, but to a lesser extent, among salary earners where 41% of women and 78% of men were covered by a pension scheme. Among wage-earners, 44% of the schemes did not allow females to enter the scheme until they had reached 25 years of age as compared with 3% of schemes having the same provision for males. The corresponding figures for salary earners were very much the same - 51% and 2%. Just as the minimum age at which females may enter pension schemes is generally higher than for males, so also, in many instances, the maximum age at which a woman can become a member of a scheme is lower than for a man. These particular deficiencies do not apply to pensions schemes in the Civil Service and the teaching profession.

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(1) Occupational schemes mainly financed by the employer or by the undertaking.

(2) Report of the Commission on the Status of women already quoted, n° 284-293.

(3) Irish Pension Schemes, 1969. P.R. Kaim-Caudle and J.G. Byrne, Economic and Social Research Institute Broadsheet, N° 5.

27. In the United Kingdom, most social benefits are financed by the state rather than by the employer. The main social security benefits provided by employers in the United Kingdom are sick pay and occupational pensions.

#### Sick Pay

In April 1970, it was estimated that about 10 million men and 5.7 million women in employment were covered by sick pay schemes. The New Earnings Survey 1970 shows that about two-thirds of male manual workers and half of female manual workers were covered by sick pay schemes, compared with 91.6% of male non-manual workers and 82.3% of female non-manual workers. The figures for full-time workers were : males 72.8% and females 72.7%.

In some sick pay schemes, women have to work longer than men before they become eligible for benefit, or the rate of sick pay for women may be lower than that for men.

#### Occupational Pensions

The Government Actuary's fourth survey shows that at the end of 1971, 8.7 millions men and 2.4 millions women were members of occupational pension schemes. It also shows that these schemes often treat men and women differently in one or more of the following respects :

- (a) conditions for membership;
- (b) pension age;
- (c) death benefit cover;
- (d) level of benefits.

The lower pension age, generally provided for women, complements that in the State basic pension scheme, where pensionable age is 65 for men and 60 for women.



V. The situation of women at work and the causes for it

28. In Denmark<sup>(1)</sup>, subject to the reservation that the statistical basis for evaluating the occupational placing of women is considerably more uncertain than in the case of men, it may be established that a substantially smaller proportion of women than of men are gainfully employed. This is true in particular of married women, of whom probably only about one-half are economically active, only about one-third gainfully employed outside their homes, and only about one-sixth full-time employed outside their homes.

The figures show a trend towards increasing gainful employment on the part of women, in particular of married women. The trend is clear, as regards employment in manufacturing industry, crafts, commerce, administration and organised service trades; on the other hand, it is uncertain whether there is a corresponding, or possibly an opposite, trend in fields not fully covered by statistics, i.e. helps of various kinds in private homes : cleaning, child-minding, cooking, washing, etc ...

The gainful employment of women is in large part concentrated in the part of industry which has taken over the manufacture of goods which were formerly produced in the homes : foodstuff, beverage and tobacco industries, textiles and clothing industries, and also in retail trade, clerical work, and various social and other services. In these fields, women are mostly employed as salaried employees and unskilled workers, whereas the independent and leading positions are filled to a larger extent by men; also the skilled workers are primarily men.

29. In Ireland, the employment of women tends to be confined to a comparatively narrow range of occupations with, on the whole, lower levels

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(1) Extract of the report concerning equality submitted by a committee under the committee set up by the Prime Minister concerning the situation of women in society.

of skill and responsibility<sup>(1)</sup>. Granted, however, that equality of opportunity for women in relation to training and promotion and access to certain employments is a very significant element in determining their earning power relative to men, it is nevertheless true that there are other factors which operate to depress women's wages and earnings even where they are engaged on work which is the same or similar to that being performed by men.

Among the more common explanations advanced for the payment of unequal pay to women who are performing the same or similar work as men are :

- tradition and social attitudes,
- concentration of women at work in the relatively low age groups,
- alleged higher "cost" of employment of women,
- absenteeism and turnover rates,
- legal restrictions on women's employment,
- lesser physical strength,
- trade union organisation.

Regarding the last point, a survey carried out by the Irish Congress of Trade Unions during the course of 1970 indicated that there were about 100,000 women trade unionists in the twenty-six county area, representing over one-fourth of all trade unionists. The Congress stated also that while there was no information available about the extent of women's participation in trade union activity, there were strong reasons for believing that their participation was even less than among men. A recent survey had identified only seven women full-time officials who were engaged in negotiating wages and conditions of employment for members, out of a total of 230 such officials. Out of approximately 229,000 women employees at work in 1966, an estimated 90,000 - about two out of every five - were then members of trade unions. Even excluding private domestic service the proportion was still considerably less than one half. The proportion of male employees in trade unions is about two-thirds.

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(1) Report of the Commission on the status of women, N° 47-55.

30. In the United Kingdom, many of the influences which have established the present pattern of women's employment are historical. The industrial development encouraged women to take jobs related closely to their domestic skills - in food preparation and catering, textile and clothing trades, and later retail selling, clerical work, nursing and teaching. A growth of women's employment in the 1950s and 1960s accentuated rather than diminished the uneven distribution of female employees between the main industrial sectors. Most of their jobs were, and many still are, those requiring little formal training, and offering low pay and limited responsibility. Other contributory factors have been the economics of employing short-term labour on straight-forward repetitive work and the particular suitability of many women for work which calls for dexterity and precision.

Out of this situation have developed areas within the labour market of "men's work" and "women's work" and social attitudes and pressures have maintained and reinforced this division so that it has become traditional. As a result many girls and women are not concerned to start a career, but regard employment merely as a stop-gap before marriage.

Production occupations occupy less than a quarter of all females compared with a half of the males, and among production workers less than a quarter of the females are in skilled categories compared with over half the males. Among the professional groups, only in nursing and teaching are women strongly in the majority. Their representation is particularly weak among managers and supervisors, and technologists are almost entirely men.

Evidence at national level suggests that, even in the same named occupation women and girls tend to be employed at a lower level of skill than their male counterparts. For example, in the occupational analyses of the New Earnings Survey 1972 only about 10 per cent of female clerical workers were graded as senior clerks compared with more than 28 per cent males. In an earlier analysis of retail distribution carried out by the Department of Employment in May 1968, less than 7

per cent of all female sales staff were rated section leaders or first assistants; the proportion of males was nearly 20 per cent.

First results from the 1971 Census of Population support other evidence that women do not reach senior positions in employment in any numbers : whereas 38% of all employees were women, only 21% of foremen and supervisors and 17% of managers were women.

In the private sector, there is clear evidence that women are at a disadvantage compared with men in the employment and training fields. In particular far fewer girls than boys enter jobs for which a recognised period of apprenticeship or other training is required.

## VI. Statistical aspects : national data

### Foreword

31. The latest report of the Commission to the Council on the state of application of the principle of equal pay in the original Member States gave an outline of the main results of the survey carried out by the Statistical Office of the European Communities, with the collaboration of the national Statistical Offices, on the structure and distribution of industrial earnings in October 1966. The main purpose of that survey was to provide information on the relation between the level of earnings and individual characteristics of employees (sex, age, qualification, seniority, etc.)<sup>(1)</sup>. It has been possible to analyse the gap between the hourly wages of men and women for relatively homogeneous groups of manual workers. Even if it were not possible to use such data to compute a statistical parameter of wage discrimination, this survey - carried out with common methodology and definitions - made it possible, for the first time, to have a picture of the relative positions of the different countries as to the degree to which the principle of equal pay at the level of effective wages was applied. Unfortunately, no such information is available for the three new Member States but some indications can be obtained from the national statistics of earnings.

It is obvious that such data - and even less than the Community survey abovementioned - do not allow for a statistical analysis of wage discrimination between men and women. Thus statistics based on conventional rates of pay cover, in some branches, very different natures of employment of males and females. Thus it is also that statistics of effective earnings must be handled with great care as all the structural characteristics are present. Furthermore, these national data preclude any comparison between states as a great number of variables would render such comparisons spurious. This is why the Commission formulates the

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(1) A similar survey, but covering salaried employees also, has been carried out for 1972 and the results thereof will be available soon.

wish - shared by the great majority of "Special Group Article 119" - that common statistical enquiries be carried out on the wage structure of all economic activities of the nine Member States of the Community.

32. In Denmark, the wage statistic for the private labour market calculates each quarter the average hourly earnings for main groups, and within main groups for a number of trade groups.

Geographically, the division is: 1) the capital, 2) the provinces, and 3) the whole country.

According to type of wage, the division is: 1) piece rate, 2) hour rate, and 3) added rate (i.e. a weighed average of piece and hour rates). Finally, a distribution on the following main groups is made : 1) skilled workers (men + women), 2) unskilled men, 3) men total, 4) unskilled women, and 5) all covered by the statistic.

There are only few skilled women and as there, at no time in the agreements for the skilled workers, have been special stipulations for these women, they have not been separated as a special group in the statistic. This means that the group "men total" includes skilled women.

Because of the above, a comparison of wage level for men and women is possible only for unskilled workers. It must, however, be underlined, that such a comparison can demonstrate nothing about the extent which the principle of equal pay has reached. The relations are among other things influenced by different structures of employment for men and women within industries and trades, and even within the same trade by different work.

To illustrate the wage level for the main groups calculated in the Danish wage statistic for July quarter of the years 1969, 1971 and 1973, table I has been inserted in the following.

Table 1 : Average Hourly Earnings in Kroner in Industry (including Building and Construction)  
for the Years 1969, 1971 and 1973

	<u>July Quarter 1969</u>				<u>July Quarter 1971</u>				<u>July Quarter 1973</u>			
	<u>The Capital</u>		<u>The Provinces</u>		<u>The Capital</u>		<u>The Provinces</u>		<u>The Capital</u>		<u>The Provinces</u>	
	Piece rate	Hour rate	Piece rate	Hour rate	Piece rate	Hour rate	Piece rate	Hour rate	Piece rate	Hour rate	Piece rate	Hour rate
(a) Skilled workers (men + women)	19.04	16.12	16.20	13.24	24.22	20.31	20.42	16.79	29.95	25.48	26.13	21.72
(b) Unskilled men	17.04	12.99	14.27	11.26	21.58	16.67	17.87	14.45	26.78	21.24	23.00	18.80
(c) Unskilled women	12.24	10.54	10.82	9.27	16.35	13.51	13.94	12.05	23.05	18.22	19.42	16.62
The relation in % : c : b	71.8	81.1	75.8	82.3	76.5	81.0	78.0	83.4	86.1	85.8	84.4	88.4

It appears from the data that unskilled women have had the largest increase in wages during the period, and that a considerable reduction in the difference in wage level between unskilled men and women has taken place.

At an evaluation of the data, it must be taken into consideration that building and construction is included, where hardly any woman is employed, and which traditionally is a field of high wages seen in relation to the wage level of men in other industries.

To illustrate wage levels within trades, where both men and women are employed within the single trade groups of unskilled men and women, the average hourly earnings of unskilled women have been calculated as a percentage of the average hourly earnings of unskilled men.



Table 2 : The Relation : Average Hourly Earnings  
Unskilled Women/Unskilled Men, Calculated per Industry and  
Trade for July Quarter 1973

Workers in	The capital		The provinces	
	Piece rate	Hour rate	Piece rate	Hour rate
<u>Foodstuff + Stimulant ind.</u>				
Bakeries + Biscuit Factories	91.7	90.6	-	95.0
Breweries	98.1	96.4	96.4	103.3
Chocolate industry	97.8	91.6	-	-
Cigar industry	109.4	96.1	102.4	97.4
Cigarette industry	-	98.2	-	-
Canned goods' industry	-	-	100.4	95.2
Milk industry	-	-	-	90.3
Milling industry	-	-	-	103.8
Smoking tobacco industry	-	-	87.4	82.7
Slaughterhouses	98.3	87.8	99.6	98.5
Sugar industry	-	98.1	-	97.4
<u>Textile Industry</u>				
Dyeing industry	-	-	-	88.9
Ropemaking	-	-	90.7	91.3
Textile industry	81.3	85.1	85.7	86.2
<u>Wood + Furniture Industry</u>				
Brushmaking industry	-	83.1	88.4	87.8
<u>Engraving + Paper Industry</u>				
Cardboard + carton ind.	84.4	82.3	93.8	85.6
Paper industry	-	-	92.6	84.0
Paper articles industry	86.5	78.6	93.9	91.1
Printing trade	-	87.9	-	82.0
<u>Leather + Leather Goods' Ind.</u>				
Tanyards	-	-	101.1	95.0
Leather goods' industry	78.1	88.2	85.4	89.3
<u>Chemical Industry</u>				
Colour + lacquer industry	95.0	95.2	93.7	87.4
Rubber industry	95.9	96.3	90.0	83.8
Soap + soda industry	97.8	93.9	-	95.6
<u>Stone, Clay and Glass Ind.</u>				
Glass industry	-	-	97.9	91.6
Lime + brickworks' ind.	-	-	89.6	93.3
Ceramic ware industry (except painters)	90.8	84.9	96.5	89.7
<u>Iron + Metal Industry</u>				
Gold, silver and plate ware	88.4	84.8	83.3	85.8
Iron and metal industry	87.8	88.8	88.6	90.4

There is also a wage statistic for the salaried employees in the private sector -- appearing only once yearly, however.

Table 3 shows the data for October 1972, and the October 1971-1972 development.

It must be underlined that the data includes salaried employees at very different levels of employment, and that there is a very differentiated employment structure for male and female salaried employees.

TABLE 3 - Salary statistics of salaried employees				
	October 72 monthly salary (Kr)			Percentage increase of median (Oct.1972/Oct.1971)
	Lower quartile	Median (1)	Upper quartile	
All workers	3,100	4,026	5,227	10.5 %
Men	3,661	4,534	5,703	10.2 %
Women	2,611	2,905	3,302	9.8 %

(1) The median is a measure of dispersion of the distribution such that half the total population values are below/above it.

It is also possible in Denmark to have an idea of the "wage-drift" or "wage-gap" for men and women separately. The increase in hourly rates can actually be broken down into components : if on one hand the index bound cost of living allowance (including the special increase in cost of living allowance to women) and the wage increases obtained by agreement on the other hand are deducted from the total increase, a "Remainder" is left over. This is shown in Table 4 overleaf which covers the period 1968-1972 and which shows that the "Remainder" (similar to a "wage-drift") over the period was not so significant for women as for men although the total increase for female workers was higher. For example, the total wage increase for skilled male workers in 1971/1972 was 1.96 Kr on average

and 1.73 Kr on average for unskilled male workers, but 1.70 Kr for female workers. The average "Remainder" was about 1.20 Kr for male skilled workers, about 0.90 Kr for unskilled male workers and about 0.75 Kr for female workers.

TABLE 4 - Annual wage increases 1968 - 1972			
	Total wage increase (average) %	Proportion explained by agreement, cost of living allowance index bound %	Remainder %
1968-69 Skilled male workers	11.3	4.7	6.6
1968-69 Unskilled male workers	11.3	6.6	4.7
1968-69 Women	11.0	7.7	3.3
1969-70 Skilled male workers	10.7	3.6	7.1
1969-70 Unskilled male workers	11.3	5.0	6.3
1969-70 Women	11.5	6.6	4.9
1970-71 Skilled male workers	12.4	5.5	6.9
1970-71 Unskilled male workers	13.7	7.4	6.3
1970-71 Women	15.1	9.6	5.5
1971-72 Skilled male workers	10.2	3.9	6.3
1971-72 Unskilled male workers	10.7	5.2	5.5
1971-72 Women	12.6	7.4	5.2

Local negotiations play a very important role in the minimum wage system and thus to a special degree are important for skilled workers and for the whole field of building and construction : this explains why, calculated for skilled men, unskilled men, and unskilled women, the "share of the rest" increase of the total wage increase amounts to a larger sum for the two first groups. Dependent upon the possibility for local negotiations the difference between the basic rate and the average earnings will vary from one field to another. The difference is, naturally, also based on the bonuses to the basic wage contained in the agreement.

33. For Ireland, a few examples of minimum statutory wage rates for male and female workers in certain industries, are shown in Table 5 below :

	Men (adult rates)			Women (adult rates)		
	June 1971	June 1972	June 1973	June 1971	June 1972	June 1973
<u>Button-making</u>	42.8	47.1	48.35	27.5	31.75	33
<u>Packing</u>	36	44	54	25	32	41
<u>Women's clothing and millinery</u>	40.5	47	57.37	-	-	-
Factory branch	-	-	-	26	31.78	40.5
<u>Brush and broom</u>	-	-	-	30	34.5	37.4
Specified operations	-	49.8	53.3	-	-	-
Other	43	48	51.4	-	-	-
Twig making branch	46.8	50.4	53.9	30.4	34.9	37.8

Where earnings are concerned, Table 6 overleaf, covering certain industries over the period September 1972 - September 1973, shows (a) that there are significant differences between men's and women's hourly earnings and (b) that in general women's increases in earnings were higher than men's. When interpreting the gap between men's and women's hourly earnings, the fact that men's working week is longer than women's must be borne in mind (for example 45 hrs as against women's 38.3 hrs in all manufacturing industries in 1972). This affects the level of average hourly earning on account of the incidence of overtime.

TABLE 6 - Average rates of hourly earnings (New Pence)

	September 1972			September 1973			Percentage % Annual Increase 73/72	
	Hourly earnings (new pence)			Hourly earnings (new pence)				
	Men's (b)	Women's (a)	% (a/b)	Men's (b)	Women's (a)	% (a/b)	Men's	Women's
Slaughtering, preparation, etc. of meat :								
Bacon factories ...	62.5	38.7	61.9	77.1	50.7	65.8	23.5	31.0
Other factories ...	61.5	33.9	55.1	75.7	47.8	63.1	23.1	41.0
Creamery, butter and other edible milk products .....	56.1	38.8	69.2	71.1	47.9	67.4	26.7	41.0
Tobacco .....	84.0	54.4	64.8	96.5	61.4	63.6	14.9	12.9
Woollen and worsted (excluding clothing)	60.0	39.7	66.2	75.4	51.9	68.8	25.7	30.7
Clothing (wholesale factories) :								
Men's and boys' ...	66.5	39.8	59.8	80.7	48.7	60.3	21.4	22.4
Shirtmaking .....	55.6	36.3	65.6	67.2	45.0	67.0	20.9	23.3
Women's and girls' .....	59.9	37.6	62.8	71.1	46.1	64.8	19.0	22.6
Miscellaneous .....	58.5	34.1	58.3	69.2	40.3	58.2	18.3	18.2
Manufactures of leather and leather substitute .....	60.7	33.8	55.7	66.7	41.4	62.1	9.9	22.5
Manufacture of electrical machinery and appliances .....	66.5	39.6	59.5	79.2	49.1	61.9	19.1	24.0

34. In the United Kingdom, the evolution of rates of wages for manual workers in the period December 1971 to December 1973 is shown in Table 7 below.

	December 1971	December 1972	December 1973	Percentage Increases	
				72/71	73/72
Men (21 years and over)	95.1	108.3	120.8	13.9	11.5
Women (18 years and over)	93.6	106.9	123.4	14.2	15.4
All workers	94.8	108.1	121.3	14.0	12.2

This table shows that in the two periods under review, the percentage increases in women's rates (14.2 and 15.4) were higher than for men (13.9 and 11.5).

The same conclusion can be drawn from Table 8 below regarding the average hourly earnings of manual and non-manual workers during the period April 1971 - April 1973.

	April 1971	April 1972	April 1973	Percentage increase over previous year	
				72/71	73/72
<u>Manual workers (Full-time)</u>					
Men (b) (pence)	62.2	69.3	79.2	11.4	14.3
Women (a) (pence)	38.1	42.8	49.1	12.3	14.7
Proportion a/b	61.3	61.8	62.0		
<u>Non-manual workers (Full-time)</u>					
Men (b) (pence)	99.5	110.6	121.7	11.2	10.0
Women (a) (pence)	52.9	59.7	66.1	12.9	10.7
Proportion a/b	53.2	54.0	54.3		

(1) The hourly earnings figures for 1973 exclude those whose pay was affected by absence, whereas the hourly earnings figures for 1971 and 1972 include employees whose pay was affected by absence.

For April 1973, estimates are available for full-time women aged 21 and over which are more directly comparable with those for men aged 21 and over :

Average hourly earnings excluding the effect of overtime pay and overtime hours (1)

	<u>Manual</u>	<u>Non-manual</u>
Full-time women	49.71 pence	70.16 pence
As a percentage of the corresponding estimate for men	62.8 per cent	57.6 per cent

(1) The above figures exclude those whose pay was affected by absence.

C. MEASURES TAKEN TO IMPLEMENT THE PRINCIPLE OF EQUAL PAY

Foreword

35. The implementation of the principle of equal pay laid down by article 119 of EEC Treaty has to be the result of various and multiple actions carried out at national level by the public authorities as well as by the social partners, according to their own competences. That's why in this section will be examined the initiatives taken by the public authorities - mainly through legislation - as well as some collective agreements which have introduced equal pay or taken steps towards it.

I. Public authorities

1°) Introduction of the right to equal pay

36. In Ireland, a Bill to provide for equal pay was introduced in the Irish Parliament on 3rd July 1973. <sup>(1)</sup> In February 1974 the contents of the Bill - called Anti-Discrimination (Pay) Act, 1974 - were known. It provides (Section 2) that where a woman is employed by the same employer on like work with that of a man in the same place of employment she will be entitled to equal pay. Section 3 provides that two people will be regarded as being employed on like work where

- (i) both perform the same work under the same or similar conditions or where each is fully interchangeable with the other in relation to the work, or
- (ii) the work performed by one is of a similar nature to that performed by the other and any differences between the work performed occur only infrequently or are of small importance in relation to the work as a whole, or
- (iii) the work performed by one is equal to that performed by the other in terms of the demands it makes on each person.

<sup>(1)</sup> The Bill was passed by Parliament on 25th June 1974 with some amendments.



The effect of section 4 is that the terms and conditions of a woman's employment shall include a term expressed or implied giving an entitlement to equal pay. Section 5 provides for the appointment by the Minister of equal pay officers to the Labour Court. The section also sets out the powers of equal pay officers. These include :

- (i) power to enter premises at all reasonable times,
- (ii) power to require the production of records, documents, etc.,
- (iii) power to inspect and take extracts from any such records,
- (iv) power to inspect any work in progress.

It will be an offence for any person not to comply with the legitimate request of an equal pay officer. Section 6 provides that a dispute between an employer and an employee in regard to equal pay may be referred by one of the parties to an equal pay officer for investigation and recommendation. This section also provides for the reference of cases to equal pay officers by the Minister where it appears to him that an employer has failed to comply with the provisions of the Act and where it is not reasonable to expect the employee concerned to refer the case to an equal pay officer. Section 8 provides that it will be an offence for an employer to dismiss a woman for the sole reason that she sought equal pay. In a prosecution for an offence under this section the onus will be on the employer to satisfy the court that the dismissal did not arise from the making of the claim for equal pay.

The Act will come into operation on 31st December, 1975.

On the other hand, since July, 1973, women are no longer required to resign from the Civil Service on marriage and married women are eligible for recruitment to the Civil Service in accordance with the National Agreement, 1972 (see paragraph 46). 17½ % of marriage and sex differentiation of pay scales in the public service has been removed with effect from 1st June 1973. The National Agreement, 1974, provides for a further instalment of equal pay by way of removal of 33 1/3% of differentials.

37. In the United Kingdom, an Equal Pay Act, was passed on 29th May 1970. Its purpose is to eliminate discrimination between men and women in regard to pay and other terms and conditions of employment. This it does by establishing the right of women to equal treatment when they are employed on work of the same or broadly similar nature as that of men, or when they are employed on work which, though different, has been given an equal value under a job evaluation scheme. The Act also requires the removal of discrimination in collective agreements, wages regulation orders and employers' pay structures (i.e. any arrangements adopted by an employer fixing common terms and conditions of employment which are generally known or open to be known by his employees).

A cornerstone of the Act is the provision relating to "the same or broadly similar work", which extends equal pay to women in jobs where there are no differences of practical importance between men's and women's work. For women whose work is different, the "equal value" provision gives a right to equality to the extent that their work is rated as equivalent to that of men under a job evaluation scheme; there is however no requirement to introduce such a scheme. The Act applies both to men and women and its provisions with regard to the rights of women to equal treatment with men apply conversely to the treatment of men relatively to women, though matters relating to childbirth, statutory controls on women's hours of work, retirement ages and pension arrangements are excluded from its scope.

The effective date for complete equality in wages, according to the Act, will be 29th December 1975. From that date, an individual woman who believes she has a right to equal treatment will be able to refer her claim to an industrial tribunal for a decision. Such a reference may be made within six months of the date of termination of the employment to which the claim relates, as well as during the period of the employment. A woman may claim arrears of remuneration, but not for a period longer than two years before the date on which she refers her claim to a tribunal. She may claim damages in respect of non-cash benefits up to the same limit of two years. There is no claim to arrears before 29 December 1975. Questions about the removal of discrimination

from collective agreements, employers' pay structures and wages regulation orders may be referred to the Industrial Arbitration Board (IAB) (formerly the Industrial Court) from the same date.

It is interesting to recall the impact of the Act on job classification. After 1975, the Act will prevent employers from using different criteria for assessing the worth of men's and women's jobs under a job evaluation scheme, in order to avoid an equal pay claim. There may be discrimination on grounds of sex in the process of evaluation if two jobs, making the same demand in terms of, say, effort, are nevertheless valued differently because one job is carried out by women and the other by men. In such a case, the results of the exercise must be adjusted so that, to the extent that the two jobs make the same demand on the worker, they are valued equally.

38. In the United Kingdom, in the field of occupational social security schemes, the Social Security Act 1973 goes some way towards achieving equality of treatment for women by :

- a) requiring the provision of earnings related pensions for both men and women if they are over 21 years of age and are earning enough to pay basic scheme contributions. Where employers do not have a recognised occupational scheme they must contribute for this purpose to the reserve pension scheme;
- b) ensuring that the benefits in the reserve pension scheme, and those required in the recognition conditions, are at least actuarially equivalent for men and women; that is equivalent taking into account that women retire earlier and may well live longer;
- c) requiring recognised schemes, and the reserve scheme, to pay a higher pension where payment is postponed beyond 65 for men, 60 for women (e.g. because the employee is still working), so that women who choose to defer receiving their pension until 65 will receive a benefit broadly equivalent to that for a man retiring at the same age;
- d) improving the widowhood cover available to the majority of women;

e) permitting recognised schemes to reduce the level of personal pension payable to women in order to provide dependency cover where this is necessary.

39. In September 1973, the then Government published a consultative document "Equal Opportunities for Men and Women" in which it set out its proposals for introducing legislation which would make unlawful discrimination in employment on grounds of sex (excluding retirement, marriage and death). This would have had the effect of requiring employers to provide their men and women employees with equal access to potential benefits and equal protection against acts to their possible detriment. The new Government has stated that it intends to present proposals before the end of 1974 for securing equal status for women.

40. In Denmark, seeing that the determination of wages and other conditions of work is traditionally left to the social partners, the government has through recommendations called upon the central organisations to promote the efforts to apply the principle of equal pay for men and women workers for work of equal value.

In November 1970 a Draft Parliamentary Resolution was laid before Parliament concerning the introduction of equal pay for men and women, inviting the government to introduce a bill on the subject. The Draft Resolution provided for the pay of women to be brought on a level with that of men for similar work in the course of the years 1972 to 1976, so as to steadily increase women's pay over that period; the rate of the annual increase should be determined by a committee appointed by the Minister of Labour and including representatives of the central organisations of social partners. During the Parliament debates it was pointed out that the problem of equal pay should be solved by the social partners in conformity with the tradition in the labour market. The initiative was then dropped.

2°) Enforcement of the right to equal pay

41. In Denmark, there is no government control whatsoever on collective agreements and their application.

In Ireland, inspectors of the Department of Labour enforce legislation in regard to such matters as safety, health and welfare of workers, statutory provisions concerning hours of work and holidays. These inspectors are also responsible for the enforcement of the terms of Registered Employment Agreements and Employment Regulation Orders<sup>(1)</sup>.

42. In the United Kingdom, the Government does not accept responsibility for securing compliance with collective agreements. This is a matter for the parties to the agreements. The Equal Pay Act will, however, give the Secretary of State the power to refer discriminatory collective agreements to the Industrial Arbitration Board for amendment.

Factory inspectors are responsible for enforcement of the safety and health legislation. In Wages Council Industries, Wages Inspectors are responsible for seeing that the Wages Regulation Orders are complied with. Wage Inspectors have been instructed to draw employers' attention to the requirements of the Equal Pay Act where appropriate.

It is considered however that individual women's right to refer an equal pay claim to an industrial tribunal and the provision for reference to the Industrial Arbitration Board will afford them adequate protection, and that further controls are not therefore necessary.

The Secretary of State for Employment may make a reference to a tribunal where it appears to him that a woman has a claim to equal treatment, but that it is not reasonable to expect her to take steps to make the reference herself. It is intended that conciliation should also be provided to try and resolve cases before they are heard by tribunals.

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(1) For the enforcement of the anti-discrimination (Pay) Act, 1974, see para. 36.

3°) Studies and reports

43. In Ireland, on 31st March 1970, the Government established a Commission on the Status of Women, with the following terms of reference: "to examine and report on the status of women in Irish society, to make recommendations on the steps necessary to ensure the participation of women on equal terms and conditions with men in the political, social, cultural and economic life of the country and to indicate the implications generally - including the estimated cost of such recommendations".

The Commission in its Report recommended the abolition of all forms of discrimination against women. The Government, which is committed in its 14 Point Programme to introduce legislation to end all forms of existing discrimination against women, has already implemented a number of the Commission's recommendations and committed itself to action in relation to others.

44. In the United Kingdom, the Office of Manpower Economics (OME)<sup>(1)</sup> - set up by the Secretary of State for Employment in January 1971 as an independent non-statutory organisation - was asked as part of its research programme by the Secretary of State to carry out a study of equal pay. This formed the subject of a report entitled "The Implementation of the Equal Pay Act 1970", which was published in August 1972.

The report made a detailed study of progress towards equal pay. It also considered however the problems which firms were encountering in implementing the Act, and made some suggestions for dealing with these problems. The report was prepared after discussions with a large number of employers' associations, trade union officials and others.

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(1) Office of Manpower Economics, The Implementation of the Equal Pay Act, 1970, London HMSO, 1972.

## II. Collective Agreements

45. In Denmark, as already mentioned, the "National Agreement" drawn every two years between the Workers' Confederation L.O. and the Employers' Confederation D.A., plays an important part in collective agreements. Its provisions are, as a matter of fact, binding for all the member unions of D.A. (which employ about 450,000 workers out of a total of about 1,900,000). The national agreement also contributes a major element in the negotiations undertaken by L.O. and the other Danish syndicates with the employers who are not members of the Employers' Confederation. The 1973 national agreement has, in fact, abolished all discrimination between men and women which existed in the previous agreement, whether they were in sectors using the "standard wage" or in those using the "minimum wage". It stipulated that the industry agreements should abolish all discrimination in daily, weekly and monthly wages and it called upon undertakings to abolish differential scales for piecework based on sex. It furthermore did away with any restriction to equal opportunities of work that was based on sex.

An agreement of similar content and portent, was concluded at the same time between the L.O. Confederation and the agricultural Employers' Confederation (SALA).

Following these agreements, the industry collective agreements, which are also renewed every two years and were renewed in 1973, have followed the principles laid down by the national agreement for fixing wage rates. Thus in the industries previously mentioned as big employers of women, the "standard wage" has been put up to 14.50 Kr per hour for both sexes, and the "minimum wage" to 13.80 Kr per hour. For piecework, the national agreement had provided for a deadline of 1 July 1973 for ending discriminations.

The notion of "equal pay" adopted in these collective agreements was defined according to skill (skilled or not skilled). The national agreement also stresses that supplementary payments, as laid down in the collective agreements, should be paid without any discrimination due to sex and negotiations have been carried out on that subject at the level of undertakings.

In this regard, a special chapter of the national agreement dealt with the implementation of equal pay within the largest field of "minimum wage", i.e. the iron and metal industry, with a view to eliminating possibilities for discrimination in the wages agreed upon locally. A committee was to be set up immediately. The task of this committee was to work out main lines of direction, according to which the local negotiations in the firms were to take place, among these directions about the wage determination in the cases where men and women in the same firm perform the same work. These local negotiations were to be finished by July 1, 1973.

The national agreement also deals with collective agreements which concern only unskilled female workers, viz agreements concluded by the K.A.F. trade union (whose members are all women). The wage-rate (standard) laid down is the same as that used in agreements covering men and women.

In the public sector, the principle of equal pay has, following the 1973 National Agreement, been applied to all those not enjoying the status of "civil servant".

46. In Ireland, the Employer Labour Conference, an independent body representative of trade unions and employers including the Government in its capacity as employer negotiated a National Pay Agreement in July 1972. The majority of workers are covered by the terms of this agreement. Clauses 5-16 of the Agreement provide for the submission by trade unions of claims aimed at narrowing or eliminating the differences in the rates of pay of men and women in certain circumstances, that is when the job performed is the same, or has equal value or when pay is differentiated



on a marriage basis. These claims have to be negotiated at industry and/or company level. In November 1972, an Equal Pay Commissioner was appointed to the Labour Court to deal with disputes arising from the negotiation of these claims.

In accordance with the terms of the National Agreement, a reduction of 17½ % of the differences between the rates of pay of the civil service and the teaching profession<sup>(1)</sup> differentiated on the basis of marriage, took place, with effect from 1st June 1973.

47. In the United Kingdom, 45 of the 155 national collective agreements and wages regulation orders showing some discrimination have clauses guaranteeing phased movements towards equal pay within the time limit laid down in the Equal Pay Act, 1970. In addition 90 agreements show movements towards equal pay in that they specify increases for women which are greater in percentage terms than those for men.

Equal Pay has been introduced in a number of cases, e.g. Retail Co-operative Societies, retail multiple grocery and retail meat. Most clearing banks and insurance companies also have equal pay for women.

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(1) Cf. Para. 36.

### III. Difficulties met

48. Denmark is the only country where - according to the joint declaration of the Government, the National Confederation of Danish Trade Unions (L.O.) and the Danish Employers Confederation (D.A.) - no difficulties exist any more, because the principle of equal pay has been acknowledged and implemented in the Danish labour market - for the private as well as for the public sector - since the conclusion of the national agreement in April 1973<sup>(1)</sup>.

49. In Ireland, the estimated cost to the Exchequer as at January, 1973, of the full application of equal pay in the Civil Service, the teaching profession, local authority services and health services and of consequent pay adjustments in the army was in the region of £14.5m. However, the Equal Pay Bill at present before Parliament<sup>(2)</sup> provides for the full application of equal pay by the 31st December, 1975.

50. In the United Kingdom, the main difficulties being encountered by employers in introducing equal pay were, in short, the complexities of adjusting agreements and pay structures, the problems of altering established differentials, collective bargaining arrangements, effects on costs, ignorance of the Act and uncertainty about its interpretation.

The pace at which particular industries have progressed towards equal pay has largely reflected the relative complexity of the problem involved.

Section 9 of the Act enabled the Secretary of State for Employment to introduce a statutory order providing for women's rates of pay to be raised to at least 90 % of men's rates by 31 December 1973, if it appeared expedient to him to do so to secure orderly progress towards equal treatment for men and women. The White Paper "The Programme for Controlling

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(1) For the position of the Commission, on this point, see "Conclusions", Para. 51.

(2) The Bill was passed on 25th June 1974

Inflation : The Second Stage" (Cmnd 5205), published in January 1973, announced the Government's intention not to introduce such an order.

The TUC has consistently urged on the Government the desirability of introducing an order under Section 9. This reflects their view, expressed while the legislation was being enacted, that it provided too long a period for implementation. The C.B.I., on the other hand, has opposed an order.

The Pay Code for Stage 2 of the Government's Counter-Inflation Policy, which was in operation up to 6 November 1973, provided however that the gap between men's and women's rates could be reduced by up to one-third. The Pay Code for Stage 3, which operated from 7 November, provided for the differential to be reduced by up to one half. In both cases, the amounts involved did not count towards the amount available for general increases in pay allowed by the policy, provided that no other increase affecting the group concerned had the effect of widening the differentials between men's rates and women's rates in percentage terms. Although the Codes put employers under no obligation to make progress towards equal pay, these provisions were intended to encourage employers to make orderly progress : between 2 April 1973 and 30 November 1973, 1519 agreements which included movement towards equal pay were reported to the Pay Board.

Indeed the Government has consistently emphasised its commitment to the introduction of full equal pay by the target date of December 1975. As part of a campaign to remind employers of their obligations, the Department of Employment published on 11 June 1973 a leaflet entitled "Equal Pay - What Are You Doing About it?" which offers advice on how to set about implementing the Act's provisions. The leaflet was distributed to some 400,000 employers, all the Wage Councils and others. The Department's Manpower Advisers are also available to advise firms on the implementation of the Act, and have been giving an increasing amount of attention to equal pay.

C O N C L U S I O N S

51. At the end of this first period of the application of the Treaty of Accession, the Commission acknowledges the due value of those efforts already undertaken and the results already obtained - although at different degrees - in the three new Member States towards implementing the principle of equal pay for equal work for men and women. However, it is clear that the situation in each of the three countries is not yet completely satisfactory and particularly, as might be expected, where the situation was more difficult at the start. Consequently, it appears that a set of initiatives is needed both by the public authorities and by the social partners so that this principle of equal pay may be fully implemented as soon as possible. Thus, the Commission can only confirm, in respect of the new Member States, the guidelines presented in the "Conclusions" of its latest "Report to the Council on the application of the principle of equal pay for men and women - Situation on the 31 December 1972" (doc. SEC(73) 3000 final of 18th July 1973).

As a matter of fact, if one considers the field for which public authorities are directly responsible, it is found that only the United Kingdom possesses an Act which has introduced the principle of Article 119 into its domestic legal system to take completely effect at the end of 1975. In Ireland, the Government has introduced a Bill in the DAIL which provides for the application of this principle by the end of 1975 as well.<sup>(1)</sup> In Denmark, no intervention in law is being considered at present in this field which is deemed to be the sole responsibility of the social partners. Wage discrimination towards women still exists in the public service in Ireland and in Wage Regulation Orders in the United Kingdom and Employment Regulation Orders in Ireland.

This situation is reflected in collective agreements : examples of direct discriminations not only on the level of rates of pay but also on the level of job classification are still numerous in Ireland and even in the United Kingdom where, as previously mentioned, there exists

(1) The Bill was passed by Parliament on 25th June 1974

a state of transition. Compared to these two Member States, the situation in Denmark is undoubtedly better and especially so since the National Agreement of 1973, but in the absence of legislation of general application which would allow any worker whatsoever to take judicial action, some problems can still be posed : that of workers (although there are few of them) not covered by collective agreements; that of legal guarantee of respecting the principle of equal pay where effective earnings are concerned (the wage-gap and the wage-drift are, in fact, important in that country); and finally, the problems which might occur due to the fact that no detailed professional classification exists.

In view of this situation, the Commission therefore invites the new Member States to take or to further the necessary measures to bring into effect the obligation contained in Article 119 of the EEC Treaty. In particular, it would like to recall that it submitted to the Council a proposal for a Directive on the approximation of legislation in Member States concerning the application of the principle of equal pay (Doc. COM(73) 1927 final of the 14th of November 1973) which purports to effect a generalisation of certain standards of minimum protection, in fields where public authorities have direct responsibility. It also recalls its intention of inviting the social partners to meet at the European level in order to negotiate a framework agreement which would cover aspects not catered for in the proposal for a directive and in particular those regarding classifications of occupations in view of the application of equal pay.