



European
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COUNCIL OF EUROPE



**EUROPEAN COMMITTEE OF SOCIAL RIGHTS
COMITÉ EUROPÉEN DES DROITS SOCIAUX**

1 February 2018

Case Document No. 7

University Women of Europe (UWE) v. Finland
Complaint No. 129/2016

**RESPONSE FROM THE UWE TO THE GOVERNMENT'S
SUBMISSIONS ON THE MERITS**

Registered at the Secretariat on 11 January 2018

Versus : Finland

I. PROCEDURE

University Women of Europe, UWE / le Groupe Européen des Femmes Diplômées des Universités, GEFDU, lodged a collective complaint against Finland on 24 August 2016 regarding two violations of the European Social Charter:

- Firstly, concerning the lack of equal pay for women and men for equal, similar or comparable work,
- Secondly, concerning the under-representation of women in decision-making posts in private companies.

The European Committee of Social Rights set 15 December 2016 as the deadline for submission of the respondent state's observations on admissibility.

The respondent state, Finland, represented by Ms Krista Oinonen, Government Agent, Director of the Unit for Human Rights Courts and Conventions in the Ministry for Foreign Affairs, requested by letter dated 15 December 2016 that the European Committee of Social Rights declare the collective complaint by UWE inadmissible.

By letter dated 31 January 2017, Mr Henrik Kristensen, Deputy Executive Secretary of the European Committee of Social Rights, invited UWE to submit a response to the states' observations by 28 February 2017. The same day, UWE requested equal treatment with the states in terms of receiving translations of the observations so as to avoid any misinterpretations. On 7 February, UWE was notified that the deadline for submitting the responses was extended to one month after transmission of the translation of the observations.

UWE submitted its response to the respondent state's observations on admissibility on 19 March 2017. The latter submitted its last observations on the admissibility of the complaint on 19 May 2017. Under the applicable procedure, the applicant cannot reply to them.

On 4 July 2017, during its 293rd Session, the European Committee of Social Rights "declare[d] the complaint admissible in respect of Articles 1, 4, 20 and E of the Charter".

The European Committee of Social Rights "invite[d] the Government to make written submissions on the merits of the complaint by 13 October 2017". This deadline was extended to 3 November 2017 by letter dated 21 September 2017.

On 12 October 2017, Finland, represented by Ms Krista Oinonen, Government Agent, held in its submissions on the merits of the complaint that the collective complaint by UWE should be declared unfounded, that Finland complied with the provisions of the Charter, and rejected UWE's claim for compensation of €10 000 excluding tax for the time spent and expenses incurred in the current proceedings.

The European Trade Union Confederation, ETUC, intervened in the procedure on 3 November 2017 and submitted substantive observations on the merits:

“This collective complaint – as all the other 14 complaints concerning the same issues – is of great importance for the full realisation of the very fundamental right of women to non-discrimination. In particular, the continuous denial of equal pay for work of equal value is one of the fundamental problems which still remain in European societies. From the ETUC’s point of view it is necessary to come to the following conclusions of a violation of Article 20 of the Charter in relation to:

- the Gender pay gap in its substantive (see above II.C.1.a)) and procedural dimensions (see above II.C.1.b)) as well as in relation to
- the under-representation of women in decision-making bodies also in its substantive (see above II.C.2.a)) and procedural (see above II.C.2.b) dimensions.

The Committee might thereby also in particular consider to take account of the recommendations/observations/concerns expressed by the international bodies referred to in II.A. addressed to the respondent state” (ETUC, § 112 to 114).

UWE takes account of these observations and refers to them. UWE also reiterates the points in its complaint of 24 August 2016.

The deadline for UWE to lodge its response on the merits was set at 12 January 2018.

In view of the observations in response, the European Committee of Social Rights will find violations of the Social Charter in respect of the aforementioned Articles 1, 4, 4§3, 20 and E on account of the lack of equal pay for women and men for equal, similar or comparable work and the under-representation of women in decision-making posts in private companies.

II. THE OVERALL ARGUMENTS OF THE RESPONDENT STATE

The European Committee of Social Rights regularly reiterates the following:

“The Charter was envisaged as a human rights instrument to complement the European Convention on Human Rights. It is a living instrument dedicated to certain values which inspired it: dignity, autonomy, equality, solidarity and other generally recognised values. It must be interpreted so as to give life and meaning to fundamental social rights” (FIDH v. France, Complaint No. 14/2003, 8 September 2004, § 27, 29; DCI v. the Netherlands, Complaint No. 47/2008, 20 October 2009, § 34).

It was in this spirit of promoting dignity, autonomy, equality and solidarity so as to give life and meaning to fundamental social rights that UWE lodged this collective complaint concerning female workers in Europe and, more particularly, in the respondent state. These women are still waiting for equal pay for women and men and to be able to hold decision-making posts in line with their abilities on an equal footing with men.

There is total unanimity among all information sources and academic publications, all public and private research conducted at national, European or international level and communicated in whatever form, the statistics produced by the respondent states themselves and those from other states, and the reports by the ILO, the CEDAW, the various national, European and

international institutions, as well as various forums and colloquies, that pay for women and men is unequal in all countries and that women are under-represented in decision-making posts.

The outlook of the world in which European men and women currently live is still, as ever, exclusively masculine.

Even though equality in wage terms is a driving force for the economy, even though the now-quantified cost of the violence against women in terms of unequal pay may represent a very large share of national budgets and even though remedying this would help to empower women and to combat this terrible scourge in our societies, equal pay for equal work and equal representation in decision-making posts are both sorely lacking in Finland.

The Global Gender Gap Report (2017) estimated that it would take 217 years to close the global economic gender gap (http://www3.weforum.org/docs/WEF_GGGR_2017.pdf , p. VIII).

[In 2016](http://www3.weforum.org/docs/GGGR16/WEF_Global_Gender_Gap_Report_2016.pdf), Finland was ranked second on the global gender gap index (http://www3.weforum.org/docs/GGGR16/WEF_Global_Gender_Gap_Report_2016.pdf, p.10; <http://www.ecardshack.com/c/global-gender-equality-gap/>).

[In 2017](http://www3.weforum.org/docs/WEF_GGGR_2017.pdf), it fell back to third place (http://www3.weforum.org/docs/WEF_GGGR_2017.pdf, p. 10).

No country in Europe meets the requirements of the Social Charter, in terms either of equal pay for women and men for equal, similar or comparable work or of the representation of women in decision-making posts, according to an analysis from July 2017 by the European Network of Legal Experts in Gender Equality and Non-Discrimination entitled “The enforcement of the principle of equal pay for equal work or work of equal value” (<http://www.equalitylaw.eu/downloads/4466-the-enforcement-of-the-principle-of-equal-pay-for-equal-work-or-work-of-equal-value-pdf-840-kb>).

Even though some countries have better results than others, inequality is, unfortunately, the rule.

On 20 November 2017, the European Commission communicated to the European Parliament, the Council and the European Economic and Social Committee its “EU Action Plan 2017-2019: Tackling the gender pay gap”, (ec.europa.eu/newsroom/just/document.cfm?doc_id=48424) setting out eight strands of action:

- “1. Improving the application of the equal pay principle
2. Combating segregation in occupations and sectors
3. Breaking the glass ceiling: initiatives to combat vertical segregation
4. Tackling the care penalty
5. Better valorising women’s skills, efforts and responsibilities
6. Fighting the fog: uncovering inequalities and stereotypes
7. Alerting and informing about the gender pay gap
8. Enhancing partnerships to tackle the gender pay gap”.

The 1919 Versailles Treaty, on which the League of Nations was founded, provided the following (Article 427, § 7): “The principle that men and women should receive equal remuneration for work of equal value”

(https://en.wikisource.org/wiki/Constitution_of_the_International_Labour_Office#Article_427)

In 2017, this principle is still not respected for all female workers in Europe.

You have to be very far removed from the reality of life in a private company to be unaware of the sense of betrayal felt by women who are underpaid on account of their gender. The vast majority of these women end up resigning themselves to the violations of their fundamental rights because criticising the violations is not well received in the companies themselves, in their families, among their friends or, in many cases, by the judicial system. When women workers actually notice pay gaps (although they are hardly ever able to prove them), the differences are often presented to them as being linked to them as individuals, their more limited performance, their more limited ability, their more limited flexibility or their more limited communication – always something more limited. Accordingly, very few women decide to bring legal proceedings against their employers.

Any attempts to bring such proceedings usually come up against refusal by the employers to answer requests for information, a lack of testimonies from colleagues and a lack of support from staff representatives. The relevant information is only very rarely sought out by the authorities which have the power to do so. While proceedings may be successful, this will be after years of painful, time-consuming, costly and uncertain struggles. In the event of successful proceedings, employers are usually annoyed at having to pay out potentially large sums and harbour grudges against female employees who dared to bring proceedings. That is a fact. It is therefore necessary to warn women workers who are willing to bring such proceedings about the future risks of dismissal, usually for other reasons, as penalties generally apply here in the various respondent states. That is common knowledge and denying it shows how wide the gap is between governments and practices on the ground.

“Individual proceedings are hard to bear psychologically. Women who do go ahead take great risks and they must be protected” (Rachel Silvera, article in French, http://www.lemonde.fr/societe/article/2014/03/06/rachel-silvera-la-peur-de-la-sanction-est-un-axe-de-lutte-fort-pour-l-egalite-salariale-hommes-femmes_4378483_3224.html#3EeScStlwyXdOyTd.99).

With regard to equal pay and treatment, a Belgian flight attendant, Gabrielle Defrenne, was one of the first women to bring such proceedings, demonstrating great courage and perseverance. She appealed to the Brussels Employment Tribunal in 1970; the proceedings finally ended 10 years later (Cass. 3^e ch., 5.5.1980, Pas., 1980, 1095; R.W., 1980-1981, 1267; R.D.S., 1980, 254). The case went through the domestic and European courts. Is that what states expect from the millions of short-changed women workers? Must they bring proceedings lasting ten years at their own expense?

At best, states tell women that they have all the rights they need but fail to assert them, so it is their fault if their pay is lower than their male counterparts’. This is a ruthless syllogism.

2.1. The conclusions of conformity

FINLAND

The respondent state seeks to rely on the conclusions of conformity issued regarding its policy by the European Committee of Social Rights during recent supervision cycles in 2016 and 2012. The fact that the European Committee of Social Rights did not during those supervision cycles find that the policies implemented failed to comply with the Charter does not mean that its analysis covered all the aspects raised by this complaint, in particular because it did not have adequate information for that purpose and for the cause to be heard. Accordingly, the European Committee of Social Rights may acknowledge that the standards in question are in line with the Social Charter but that the practices are disappointing or inadequate and are therefore unacceptable.

Moreover, the respondent state emphasises that it responded satisfactorily to the three or four requests by the Committee for more information. However, the Committee did not request additional information regarding other subjects where that was necessary. The submissions by Finland in this respect must therefore be regarded as irrelevant.

2.2. The nature of the respondent state's obligations

The respondent state against which UWE has lodged a complaint based on Articles 1, 4 §3, 20 and E of the Social Charter reiterates in its submissions, probably on a concerted basis with other respondent states, the idea already put forward in the observations on admissibility, and which did not achieve the desired aim at that stage, whereby the Charter does not impose an obligation of results but merely of means – or, to put this another way but with the same effect, only imposes an obligation of results in terms of passing legislation that meets the requirements of the Charter and possibly setting up institutions to ensure its enforcement, but not in terms of achieving the objectives set.

This is completely at odds with the established case law of the European Committee of Social Rights, which incidentally is cited by some countries, whereby the Social Charter is only complied with, admittedly subject to some exceptions, if legislation in line with its requirements is introduced. That is not enough, however.

In this connection, it is only necessary to refer to the European Committee of Social Rights' well-established case law (*International Commission of Jurists v. Portugal*, Collective Complaint No. 1/1998, 9 September 1999; *European Federation of National Organisations Working with the Homeless (FEANTSA) v. France*, Complaint No. 39/2006, 5 December 2007, §54; *International Federation for Human Rights (FIDH) v. Ireland*, Complaint No. 110/2014, 23 October 2017).

States also know that they must provide the means of ensuring steady progress towards achieving the goals laid down by the Charter (*Autism-Europe v. France*, Complaint No. 13/2002, 4 November 2003, §53). The Committee wishes to emphasise that implementation of the Charter requires states parties not merely to take legal action but also to make available the resources and introduce the operational procedures necessary to give full effect to the rights specified therein. It points out that states parties must take steps to achieve the objectives of the Charter within a reasonable time, with measurable progress and making maximum use of available resources.

The Committee further stresses that the rights recognised in the Social Charter must take a practical and effective, rather than purely theoretical, form (International Movement ATD Fourth World v. France, Complaint No. 33/2006, 5 December 2007, § 60 to 67):

“This means that, for the situation to be in conformity with the treaty, states party must:

- a) adopt the necessary legal, financial and operational means of ensuring steady progress towards achieving the goals laid down by the Charter,
- b) maintain meaningful statistics on needs, resources and results,
- c) undertake regular reviews of the impact of the strategies adopted,
- d) establish a timetable and not defer indefinitely the deadline for achieving the objectives of each stage,
- e) pay close attention to the impact of the policies adopted on each of the categories of persons concerned, particularly the most vulnerable”.

The fact that a set of relatively formal legal documents (constitution, laws, etc.) prohibit all gender discrimination and provide that equal treatment must be ensured in practice does not mean that the relevant provisions are actually implemented. Likewise, explicit or implicit references to integrated policies, synergies or networks do not mean that approaches of that kind take hold. Vagueness is not acceptable.

(http://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/75131/Act_on%20Equality_between_women_and_men_2015_FINAL.pdf?sequence=1; <http://julkaisut.valtioneuvosto.fi/handle/10024/79305>).

The legislation must therefore produce sufficient effects, through appropriate monitoring and administrative supervision mechanisms that are reasonably regular and effective and judicial remedies that are accessible and reliable, i.e. which are not too expensive and do not involve excessively complex proceedings and are based on rules of evidence consistent with the provisions of the EU directives on discrimination, which the European Committee of Social Rights has held should be regarded as applicable for meeting the requirements of the Charter, in the same way as the concept of indirect discrimination, the provision of evidence for which requires applicants to have access to comparative information that does not identify individuals but provides sufficient insight into the treatment of colleagues or other categories of workers, in order to provide the courts with enough indications for the burden of proof to be placed on the defendants.

Those bringing proceedings must also be protected against any kind of retaliatory measures. Discounting these very ordinary and routine day-to-day retaliatory measures means being very unfamiliar with these issues in the daily lives of women workers.

At the same time, there must be systematic awareness-raising for all parties concerned with the issue of gender equality in employment, pay and positions of responsibility, and the necessary funding must be provided for support measures, in particular, childcare options and all work-life balance measures capable of compensating for the stickiness in representation and the distribution of social roles. It would have been interesting to have analyses concerning efforts to combat segregation in student counselling (respondent states' submissions, § 71).

Lastly, irrespective of the indicators showing the final outcomes in terms of gender equality of all the strategies implemented, the results achieved by the various mechanisms must give rise to reliable statistics concerning the action taken: number of checks performed, cases processed by the courts, offences found, penalties imposed and compensation measures

ordered by administrative or judicial bodies such as employment tribunals and civil and criminal courts. Neither reducing matters to criminal law nor going too far in the direction of decriminalisation is acceptable. Training for judges, police officers, labour inspectors and other groups is also vital. The EU has produced best practice guides in this connection. (http://www.equineteurope.org/IMG/pdf/handbook_on_equal_pay_-_electronic_version-2.pdf).

In the present case, the information provided by the respondent state – and it is odd that the submissions made regarding the complaints in question criticise the general nature of the complaints while the state itself mostly only makes general comments – still merely takes the form of a description of the legal and institutional framework, there being a general lack of clarifications which could serve to determine the conformity of the policies followed with the requirements of the Charter. This prevents proper assessment regarding the following:

- the relevant powers, staffing levels, numbers of checks, funding, administrative supervisory bodies
- the efficiency of judicial regulation, proceedings, costs, independence, reliability
- the scale of supporting and awareness-raising policies and their proportionality in relation to the seriousness of the stereotypes to be eradicated
- the relevance and accuracy of the figures and statistics supplied, if any, which are mostly too broad or too limited whereas there are public documents from another source which provide more sophisticated or more extensive information
- the lack of a timetable for the measures introduced, the expected evaluation of the results within given timeframes
- case law in the country is not mentioned in the submissions; it would appear not to have the expected impact.

The Committee should be interested in the doctoral thesis by Paula Koskinen Sandberg from 2016, which explains the various forms of resistance to change, “The Politics of Gender Pay Equity: Policy Mechanisms, Institutionalised Undervaluation and Non Decision Making” (<https://helda.helsinki.fi/dhanken/handle/10138/167165>).

And also in this critical analysis of Finland’s policy by Milja Saari in 2016, (<https://helda.helsinki.fi/bitstream/handle/10138/165108/samapalk.pdf?sequence=1>, p. 4).

The wide range of relevant bodies between which powers that in any case are limited are shared in a manner probably unclear to the women workers concerned is less a sign of dynamism than of dispersion of the efforts made.

It is accordingly in vain that the respondent state, having failed to provide the above-mentioned clarifications either directly or by making specific reference to other accessible and informative sources, refers insistently to the recent adoption of a new body of rules and the recent setting up of new institutions.

However promising they may be, these initiatives do not allow the conclusion that the state concerned has succeeded in meeting the requirements of the Charter. The European Committee of Social Rights has always held that it could not regard the introduction of new rules or new institutions – for which it cannot be predicted whether or not they will produce

significant effects within a reasonable time – as contributing from the outset to the conformity of states' policies with the Charter.

2.3. The impact of the crisis

The European Committee of Social Rights has, admittedly, consistently acknowledged that states could not all achieve the objectives set out in the Charter and, as appropriate, any national legislation for that purpose without regard being had to their social conditions, degree of economic prosperity or any adverse circumstances.

However, in the case of gender equality as in other areas, the crisis cannot serve as a pretext for totally or partially giving up the implementation, and still less the pursuit, of the objectives set out in the Charter or legislation passed to implement it, or for placing limits on the efforts involved.

In view of these requirements, the respondent state manifestly fails to meet the specific obligations of the Social Charter; there is a clear lack of resource planning and result measurement. The Social Charter is clearly violated in respect of both complaints.

III. THE COMPLAINT OF UNEQUAL PAY FOR EQUAL WORK

3.1. The lack of appropriate measures

In its reply, the respondent state merely refers to the applicable legislation and the major public policy exercises such as the various equality plans which are vital in mobilising the various stakeholders. However, there is no sign of gender mainstreaming in the policies concerned, decision-making, access to resources, procedures and practices, methodology, implementation, monitoring or evaluation. There is no monitoring body and, above all, no checks are provided for or carried out. These are significant shortcomings.

Little or no account is taken of many areas, for instance, the courses of study chosen by women, which all too often are non-scientific and unambitious, the greater number of vocational training courses of a higher standard available for men, the large number of benefits in kind for men and the small number for women, horizontal and vertical segregation in employment, the centuries-old division of roles in the family, with no economic value being attached to the time spent on housework, forced part-time working, and failure to ensure proper work-life balance.

Given the inadequacy of the conventional tools for combating discrimination and protecting victims, the respondent state has failed to take appropriate measures, in particular with regard to a number of points examined below.

- **The employment equality policy** mainly involves collective bargaining at company level; however, the latter is not always possible, given inadequacies in terms of staff representatives and their lack of interest and of information. The policy is also disparate in nature and inconsistent. The various bodies are not provided with basic training in gender mainstreaming to enable them to implement internal plans or measures. There is no general

framework. The respondent state must therefore introduce one, as an overall change is needed to eradicate inequality and discrimination.

- **The measures introduced in companies with at least 30 employees** since the 2015 Equality Act: “the employer must prepare a gender equality plan dealing particularly with pay and other terms of employment (Section 6a) and conduct a pay survey (Section 6b). The pay survey is used to ensure that there are no unjustified pay differences between women and men who are working for the same employer and engaged in either the same work or work of equal value” (...) “The representatives of the personnel must have sufficient opportunity to participate and influence the preparation of the gender equality plan, so the Act now stipulates that employees must be informed about the plan” (respondent state’s submissions, § 35, 36).

Small firms are therefore excluded from these measures. We see formal requirements for the achievement of plans but little actual follow-up.

The ETUC’s observations point out that the official statistics exclude small enterprises, making it possible arbitrarily to indicate better wage equality figures: “From a substantive perspective, there are at least the following elements which should (at least in combination) lead to a violation of Article 20 ESC:

“Statistical evidence (see above para. 100) shows that there is still a gender pay gap. Even if it might have been reduced during the last time **any** Gender pay **gap** does not fulfil the non-discrimination requirement based on sex. The official statistics are still excluding **small (micro) sized enterprises**. It is therefore most probable that the Gender pay gap is even higher in these enterprises.

From the point of view of the ETUC this illustrates that there is a violation of Article 20 of the Charter from the substantive perspective” (ETUC, § 103 & 104).

- **Lack of supervision:** The respondent state does not indicate whether it has stepped up the powers of the labour protection authorities and the Ombudsman in terms of detecting discrimination in companies. No details are given of who performs internal supervision of company equality plans. What checks are carried out, in which bodies? How many investigations are carried out into which disputes?

The ETUC states: “Moreover, from a procedural perspective, it appears evident that there is also a violation as the result of eliminating the gender pay gap is not achieved. In particular, it is obvious that the general framework for the supervision of the satisfactory application of the principle of equal pay is insufficient:

- in principle, the **labour inspectorate** should (be able to) ensure the satisfactory application of this important principle; despite the fact that the respondent State has ratified ILO Convention No. 81 on labour inspection it is obvious that this is not the case (in particular taking into account the nearly total lack of supervision in the SMEs);
- all **other means** to ensure the satisfactory application of the principle of equal value have proven insufficient. From the point of view of the ETUC this illustrates that there is a violation of Article 20 of the Charter also from the procedural perspective” (ETUC, § 105 & 106).

UWE agrees with the ETUC.

3.2. Statistical data

While acknowledging in its submissions that significant gender pay gaps can clearly be seen in the overall statistics for all sectors taken together, the respondent state maintains in its submissions that the gaps are much narrower in the case of the statistics by sector. It is probably to be understood that they are wider in some sectors than in others.

UWE has referred to women who may wish to make complaints finding it hard or impossible to obtain comparative data concerning the wages paid. The respondent state pretends not to understand the nature of the complaint and presents irrelevant arguments concerning the risks of breaches of the principle of the confidentiality of personal data or powers which labour inspectorates allegedly have to obtain the necessary information. However, what these powers actually involve remains obscure and no figures are provided on cases where they are used.

The principle of confidentiality which the country apparently wishes to employ at least in part, but to an extent that is hard to assess, has never prevented the prohibition of discrimination between workers, the punishment of such discrimination by various procedures, the nullity of contracts which breach the prohibition or appropriate compensation.

It is no more acceptable, whether with regard to the gender pay gap or balanced participation of women and men in decision-making in private companies or indeed public bodies, for a country to use the pretext of being well placed in relation to the European average for not having to make improvements in areas where its performance is only average.

The issue which all the complaints lodged by UWE seek to raise very deliberately is the persistence of an inadequate level of practical results, in spite of the protestations of good will by Finland, in respect of which the complaint is calling for the situation to be reviewed.

The same difficulties occur in all countries. “There is a difficulty in all countries in terms of objective measurement of income inequality. All tools are constructs based on standards set by statisticians. Is that to say that you can make figures say what you like? Certainly not, but if a social phenomenon is to be fully understood, it is necessary properly to grasp the tools used to measure it, including their upsides and downsides. Yet there is usually a great poverty of public debate on this subject. Of course, the tools have a political dimension, which is sometimes not properly mastered, but that is another story”, conclusions of an article in French (Observatoire des Inégalités, 29 August 2016, “Comment mesurer les inégalités de revenus”; <https://www.inegalites.fr/Comment-mesurer-les-inegalites-de-revenus>).

While the pay gap in Finland is below the EU average, the country does acknowledge the existence of wage inequality in its submissions: “The Government notes that at the moment, the average gender pay gap in the entire Finnish labour market is 16.3%” (respondent state’s submissions, § 30).

The respondent state acknowledges that there is gender pay inequality; that has to be noted.

3.3. Structural effects and stereotypes

Whatever the case, the existence of structural effects, the impact of stereotypes that are hard to change or the complexity of the reasons for the persistent pay gap or differences in career development between men and women cannot serve as excuses for lack of progress towards meeting the requirements of the Charter.

From this point of view, the concentration of female and male workers in different sectors, with particularly large numbers of women in the education and health and social sectors, is not acceptable as an argument for justifying the pay gaps noted when the Charter refers to equal pay for equal work or work of equal value.

It is clear that a key issue when it comes to meeting this obligation is that of classifications. Several, but not all, countries refer specifically to the issue, although in unfortunately obscure terms. What are the criteria for the classifications and for which occupations are non-neutral classifications accepted? We are left in the dark.

- **Classification systems:** With regard to classifications, it is necessary to underline the importance of the number of non-neutral classifications. The country refers to encouragement to negotiate classifications, but not a requirement to establish them or checks on existing classifications by the employment service based on a reliable instrument developed by experts. Finland says nothing about the component elements or characteristics of this instrument, or about the pay gap calculation method for firms, thereby making it impossible to assess the latter's relevance in terms of exonerating itself for SMEs escaping the legislation that applies to larger companies. There would therefore appear to be a violation of the Charter in their case: "This segregation of the labour market accounts for a significant proportion of the gender pay gap. There are differences in the labour market position of women and men, and atypical employment relationships are more common for women than for men" (respondent state's submissions, p. 5).

"According to the results gained, gender-based professional segregation has remained strong in spite of the changes in the professional structure. In the private sector, the change in the professional structure has had no positive effect on the narrowing of the gender pay gap" (respondent state's submissions, p. 14).

This is confirmed by the statistics for the Nordic countries (<http://norden.diva-portal.org/smash/get/diva2:790696/FULLTEXT02.pdf> , p. 26).

And by the coalition of national associations which drew up the shadow report for the CEDAW Committee in 2014: "As stated in the previous chapter on education, the division of labour in Finland is based on gender segregation and stereotypical role expectations. Women earn lower wages than men, participate in fixed-term and part-time work, and experience horizontal and vertical discrimination in the labour market. Horizontal discrimination refers to the gendered segregation between different occupations and sectors, reflected already in educational choices. For instance, social and health care, the cultural sector and the humanities are female-dominated, while the building sector and technical occupations are male-dominated. Female-dominated occupations tend to suffer from low wages. On the other hand, vertical discrimination refers to the unequal representation of women and men in professional hierarchy in the workplace. In spite of their higher education, women have

difficulties in advancing to managerial posts. Men are overrepresented in high posts, while women's salary and career development is limited. In addition, violence in the workplace has increased in female-dominated sectors such as trade, and health and social care. More research data has to be gathered as regards the phenomenon" (http://tbinternet.ohchr.org/Treaties/CEDAW/Shared%20Documents/FIN/INT_CEDAW_NGO_FIN_16086_E.pdf, p. 35).

The consequences of these inequalities are highlighted: "The Finnish NGOs would like to point out the vulnerability of certain groups of women with regards to employment and discrimination. Firstly, the status of elderly women in Finland requires special attention. The lower wages and cost of maternity leaves of women backfire during the years of retirement. Almost 20% of people with low income in Finland consist of elderly women. The elderly women who receive earnings-related pension, earn approximately €28/month, whereas elderly men earn €1 530/month on average. Approximately 270 000 elderly women do not have earnings-related pension at all. These women have either worked without pay at home in domestic service, or their wages have been insufficient to offer satisfactory economic support later in life. In Finland, the lowest guarantee pension benefit is €714/month" (ibid., p.36).

Gender bias is omnipresent. For instance, the workers of a municipal parks department, who are all male, are paid a bonus, but not the employees of a municipal welfare centre's kindergartens and nurseries, who are all female; the same could apply in a big private company. An employer of good will who was aware of classifications and their harmful effects would have been able to ensure balance in the physical or mental strain experienced by his or her employees. Nobody would have had a bonus or everybody would have had one.

There would appear to be a lack of occupational categories with clearly defined classification criteria, and the pitfalls here have not yet been properly addressed. This issue should not just be dealt with through collective bargaining if major progress is to be made. It is clearly a responsibility of governments.

Two other key issues regarding equal pay are the overall pay gap and the context in which the gap is assessed.

- **The pay gap:** the respondent state advances an argument which is in part intrinsically contradictory and in part incompatible with the arguments put forward by the other countries. Some of the statistics available, including the figures for the Nordic countries (<http://norden.diva-portal.org/smash/get/diva2:790696/FULLTEXT02.pdf>) and, in particular, the Eurostat indicator, group together – under conditions which must be clear, failing which confusion is generated – three separate phenomena: pay gaps proper; the number of hours worked during a period of employment and hence part-time work; and the consequences of stopping work for various reasons, including bringing up children, with the periods out of employment varying depending on the duration of and level of compensation for parental, maternity and paternity leave.

In February 2017, the Eurostat figures for the EU-28 for contributions to the gender overall earnings gap were as follows (Eurostat, Gender Statistics, Statistics explained http://ec.europa.eu/eurostat/statistics-explained/index.php/Gender_statistics_Table2.PNG):

- The gender pay gap: 37.4%
- The gender hours gap: 30.5%
- The gender employment rate gap: 32.1%

In February 2017, in the case of Finland:

- The gender pay gap: 73.7%; this figure is surprising, but is the one given in the above-mentioned table.
- The gender hours gap: 18.4%
- The gender employment rate gap: 7.9%

Another report reaches a similar conclusion: “The enforcement of the principle of equal pay for equal work or work of equal value”, European Network of Legal Experts in Gender Equality and Non-Discrimination (ec.europa.eu/newsroom/just/document.cfm?doc_id=48052).

The ETUC notes: “However, despite this existing regulatory framework, (recent) statistics show that there still exists a gender wage gap in Finland: According to the Commission, based on Eurostat 2014 figures, in Finland the gender pay gap stands at 18.4% (the average gender pay gap in the EU is 16.7%) and the gender overall earnings gap in Finland stands at 24.5% (the average gender overall earnings gap in the EU is 39.8%)” (ETUC, § 96).

The respondent state’s Ombudsman states the following: “The gender pay gap on the labour market: The gender pay gap on the Finnish labour market is currently approximately 17 percent. This figure is reached when we compare the average salaries paid for regular working hours (Source: Statistics Finland, Index of Wage and Salary Earnings 2013). This pay gap is not the same issue as discrimination regarding pay, as referred to in the equality legislation” (<https://www.tasa-arvo.fi/web/en/pay-discrimination>).

To assess the reality of this pay gap, it must therefore be corrected or refined with other indicators and data, as the European Committee of Social Rights systematically points out in its conclusions.

The indicator which the government relies on is calculated on the basis of hourly wages and therefore does not show the wage inequalities relating to the fact that women are much more likely to be confined to part-time work than men, which is very true in Finland (<https://www.tasa-arvo.fi/-/blogi-sukupuolten-palkkaeron-kitkemiseksi-olisi-kaytettava-rohkeasti-tuttuja-ja-uusia-keinoja>).

It surely does not have to be repeated that in almost half the cases workers do not choose voluntarily to work part-time; it is forced on them. There has been stagnation in relation to this indicator in recent years.

It is worth noting that in recent pay rises, men’s rises were higher than women’s (https://www.stat.fi/til/ati/2017/03/ati_2017_03_2017-10-12_tau_011_en.html).

- **The impact of parental leave:** The Finnish government also does not analyse the impact on the pay gap of its choices in terms of the duration of and levels of compensation for parental leave, even though it is aware of the issue (respondent state's submissions, § 73); it seems recently to have introduced measures aimed at increasing the length of parental leave actually taken by fathers. Studies show that extending paternal leave is a key alternative to the traditional methods of combating wage discrimination (OECD, Policy Brief, March 2016; <https://www.oecd.org/policy-briefs/parental-leave-where-are-the-fathers.pdf>). However, there has been no real impact in Finland yet.

Recent studies, including by the OECD, show that there is a link between the length of paid maternity leave and parental leave and the size of the pay gap (<https://www.nytimes.com/2017/05/13/upshot/the-gender-pay-gap-is-largely-because-of-motherhood.html>).

A look at the following is sufficient here:

- A chart showing the link between the length of paid parental leave and the pay gap (<https://utopiayouarestandinginit.com/2014/11/09/the-link-between-paid-parental-leave-generosity-and-a-larger-gender-pay-gap/>)
 - An article by O Thévenon and A Solaz, "Labour Market Effects of Parental Leave Policies in OECD Countries", published in OECD Social, Employment and Migration Working Papers No. 181, 2013; <http://www.oecd-ilibrary.org/docserver/download/5k8xb6hw1wjfen.pdf?expires=1512122805&id=id&accname=guest&checksum=0607E498F60AD5CC8648E59B0C051980> ; <http://paa2012.princeton.edu/papers/121481>
 - 2016 RAND study on the impact of paid parental leave, including paternal leave, on wage equality (https://www.rand.org/pubs/research_reports/RR1666.html)
 - The 2016 OECD statistics on the total length of paid maternity leave and parental leave (in weeks), which confirms this analysis (<http://stats.oecd.org/index.aspx?queryid=54760&lang=en>).
- **Measurement of the pay gap** is also based solely on monthly wages and does not take account of fringe benefits. However, the pay gap in fringe benefits is wider than in the case of wages themselves. It is also unclear whether a distinction is made between the public and private sectors. Once again the data are not reliable. Lastly, women are over-represented in the lowest full-time gross monthly wage categories, while the proportion of men is higher in the highest categories.
 - **The assessment base:** Clearly, the assessment base must not just be an individual company but must be extended to entities forming a working environment or a technical unit for a group of workers employed by several companies, including subcontractors. The respondent state seems to be unaware of the concept of technical unit, as a result of which the scope of the regulations is very limited. Nothing is said about checks on the implementation of company reports. Likewise, the size of companies is a key assessment base and the whole range of issues is still to be addressed in many companies not covered by the legal provisions on equal pay.

It is worthwhile referring to the Committee's conclusions setting out the principles which apply to all the respondent states (Conclusions 2016, Portugal):

“The Committee recalls that it examines the right to equal pay under Article 20 and Article 4§3 of the Charter, and does so therefore every two years (under thematic group 1 “Employment, training and equal opportunities”, and thematic group 3 “Labour rights”).” Articles 20 and 4§3 of the Charter require that it be possible to make pay comparisons across companies (Conclusions 2010, France). At the very least, legislation should require pay comparisons across companies in one or more of the following situations:

- cases in which statutory rules apply to the working and pay conditions in more than one company
- cases in which several companies are covered by a collective works agreement or regulations governing the terms and conditions of employment
- cases in which the terms and conditions of employment are laid down centrally for more than one company within a holding (company) or conglomerate (Statement of Interpretation on Article 20, Conclusions 2012)”.

Other key variables were not taken into account in the respondent state's submissions, although they have been covered in the work done by the ILO for forty years.

In assessing a particular job, it is necessary to employ assessment grids that take account of neutral classifications and to focus on:

- The problems relating to the choice of assessment criteria and their significance
- The problems relating to the omission of certain criteria
- The problems relating to certain aspects being overemphasised
- The problems relating to the interplay of the levels and weighting of the criteria
- The problems relating to the lack of transparency in the assessment process
- The problems relating to career advancement in different employment sectors

Examples of indirect discrimination bias have been identified in job assessment and classification methods, but nothing has been done to take account of them effectively in policies:

- The criteria employed to assess jobs
- The application of these criteria in the weighting and ranking of jobs.

For instance, the responsibility recognised in a particular job is often financial or relates to line management. However, other types of responsibility exist and are not taken into account, including responsibility in relation to persons who are not subordinates, to products or to data confidentiality. Other examples are problem resolution, which is neither visible nor of strategic importance, and daily issues to be resolved, with none of these being covered in classifications. While reference has already been made to physical or mental strain, there is also the issue of the multiskilling required in posts held by women not being taken on board positively, unlike the specialisation of their male colleagues' posts.

It is clear what has to be done, so why is no corresponding action being taken? The grids included in the various plans on the initiative of the authorities are not binding.

Gender mainstreaming in all cross-cutting activities is required under the European Social Fund programme for 2015-2020 and the Council of Europe Gender Equality Strategy for 2014-2017, in which the respondent state was involved. On the basis of the information supplied by states, a report was issued on 19 October 2017: “Activities and measures in member states towards the achievement of the objectives of the Council of Europe Gender Equality Strategy” (<https://rm.coe.int/gec-2017-10-implementation-ge-strategy/168075df26>).

The country has also drawn up a strategy for 2016-2019, showing that results were expected but had not been actually achieved in 2017 (<http://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/75231/STM%20raporttipohja%20sampa.pdf?sequence=1>).

Segregation in the labour market has now been identified by sector, by occupation, by company size and by the gaps in high and low wages; this is a key element in combating wage inequalities and discrimination. The relevant gaps are recognised in the country.

- **Economic losses relating to the violations of the Charter:** There is no justification in law for this inequality or this discrimination, and no economic justification either.

For some fifteen years now, studies have agreed that the various types of discrimination on the labour market are ruinous and cause huge economic losses. Reducing them would generate an increase in growth and income of roughly 3% to 4% of GDP. Putting men and women on a strictly equal footing would accordingly inject billions of euros into the economy and generate billions of euros in additional tax receipts for governments because of the collection of higher levels of employee and employer contributions and taxes. And women workers would also benefit directly in terms of their living standards.

Unfortunately, the pay gap at present is such that in 2017 female employees in Europe worked for free from 3 November to 31 December.

Female workers in Finland worked for free from 25 October to 31 December 2016 (<http://www.slate.fr/story/127622/infographie-ecart-salaires-europe>). The country is ranked 8th in terms of the widest pay gaps in Europe. Finnish women who experience this inequality on a daily basis cannot but be disillusioned on hearing the country’s declarations of intent concerning social progress.

This ranking shows the major contradictions between the respondent state’s submissions and the actual situation regarding equality and discrimination in Finland.

Since 1 January 2018, one Council of Europe member state, Iceland, has prohibited unequal pay for women and men and imposed harsh financial penalties for non-compliance. This is an example to be followed in that it both respects women’s rights and benefits everybody.

In any case, EU member states are covered by EU directives and hence the rule prohibiting indirect discrimination, breaches of which play a large part in wage gaps.

The European Committee of Social Rights will accordingly uphold the complaint and declare UWE’s action well-founded.

IV. THE UNDER-REPRESENTATION OF WOMEN IN DECISION-MAKING POSTS

At issue here are access by women to positions of responsibility and the promotion of genuine equality in the occupation of those posts, as well as the elimination of pay gaps. Although most countries have provided much information here in terms of listing the institutions involved and the meetings held in this connection, it is not possible to determine the extent to which the relevant strategies are actually conclusive or achieve the desired objectives in reasonable proportions and within short timeframes.

4.1. Women on company boards of directors

A 2016 analysis of parity on boards by Ofi Management (“La parité au sein des conseils, un enjeu de diversité”) shows that Finland ranked third in the EU in this respect, (<http://www.morningstar.fr/fr/pro/api.aspx?path=cache/documentdownloads/files/8379/revisions/1/>; p. 3).

In its submissions, Finland indicates that “the average proportion of women among the board members of listed companies was 27%” in 2017 (submissions, § 82). The figure would appear to have fallen, as it was 29.2% in 2016.

The number of women on boards is not even in line with the requirements of the law, although clearly it should be. Women are highly trained and there are pools of very capable women, so there is no reason for them not to be on an equal footing with men on boards.

Moreover, the target is narrow, as only listed companies are concerned (<https://kauppakamari.fi/wp-content/uploads/2017/05/naiset-porssiyhtioiden-hallituksissa-2017-9.5.2017-17-04.pdf>). Why are other firms excluded from these legal requirements?

In addition, Finland does not indicate what practical steps have been taken to remedy the situation, what supervision takes place or whether any penalties have been imposed and produced results. It fails to state whether women on boards receive the same pay as men for the same posts.

The situation is far from the goal of parity, as Finland acknowledges. That has to be noted. And it must be held that the respondent state does not comply with the Social Charter.

Clearly, progress is slow and is confined very narrowly to the largest companies in the country and to boards of directors, which again shows the responsibility of the respondent state, as also stressed by the ETUC in its observations:

“Concerning the (under-)representation in decision-making positions within private companies this problem has only been addressed in more recent years. As developed in Part I.B.2., this is covered by Article 20 of the Charter. If there is not sufficiently clear and wide-ranging legislation and/or if the practice shows that this equality principle is not implemented sufficiently this leads from the point of view of the ETUC to finding a violation of Article 20 of the Charter.

a) *Substance* Statistical evidence (see above para. 98) shows that there is still an under-representation of women in decision-making bodies within private companies (and that even the 40% quota fixed by the national legislation is not reached). Even if there might be relevant legislation and even if the degree of representation of women would have increased it is not to

be disputed that women are not sufficiently represented within these bodies.

From the point of view of the ETUC this illustrates that there is a violation of Article 20 of the Charter from the substantive perspective.

b) Procedure It would appear that there are no effective legislative measures in order to ensure the sufficient representation of women in decision-making bodies within private enterprises. In practice, there is even less supervision and enforcement.

From the point of view of the ETUC this illustrates that there is a violation of Article 20 of the Charter also from the procedural perspective” (ETUC, § 107 to 111).

UWE agrees with the ETUC’s observations.

4.2. The legislation does not apply to management boards

In its submissions, Finland does not address the issue of women in decision-making posts other than on the boards of listed companies. The Committee will note that women are largely absent from management boards, senior posts and executive posts in companies, as has already been shown.

They would appear to account for only 20% of executives, which is a low figure (<https://www.tasa-arvo.fi/-/blogi-sukupuolten-palkkaeron-kitkemiseksi-olisi-kaytettava-rohkeasti-tuttuja-ja-uusia-keinoja>). Finnish women come up against “a double glass ceiling and a perimeter wall” and “a sticky floor”, these being the graphic terms used to describe the difficulties they encounter in being appointed to positions of responsibility in companies.

The collective complaint must be upheld on both claims.

V. THE COSTS INCURRED

With regard to the claims for a state whose policy is found to be in breach of the Social Charter to meet the costs incurred in bringing the collective complaints, the objection by all the respondent states, including Finland, is based on the idea that the European Committee of Social Rights is not a judicial authority and that there is no explicit provision in the Charter for the costs to be met. Although there is indeed no such provision, the payment of the winning party’s legal costs, as is the rule in cases before domestic courts, would be consistent with the spirit of the Charter.

Otherwise, there will be a real indirect dissuasive effect on organisations which theoretically are entitled to lodge collective complaints – as demonstrated by the fact that so few have succeeded in doing so, regardless of how much they wanted to – to put an end to numerous well-known violations of the Charter which may or may not be noted during the supervision cycles.

In addition, the collective complaints before the European Committee of Social Rights are similar in many respects to the appeals against regulatory decisions on grounds of abuse of authority which are heard in some states by administrative courts or bodies with related powers and where the public authorities are not awarded costs if the applications by natural or

legal persons are dismissed. The only exception involves fines for abuses of the right of application. The claim for costs is therefore maintained.

VI. STATEMENT BY THE COMMISSIONER FOR HUMAN RIGHTS

It should be noted that the texts of the various pillars of the Council of Europe enshrine effective gender equality, member states have adapted their legislation and the actions, strategies, recommendations and resolutions of the Council of Europe pursue this goal.

The respondent state's replies concerning the two complaints are not sufficiently precise. However, as it has signed up to the Charter, it falls to the respondent state to indicate what measures are taken in the country and the reasons for the persistent inequalities, the underrepresentation of women in decision-making posts, the random statistics, the plans which do not produce results and the lack of reports and assessments.

There is a lack of political will and practical action on the part of the respondent states of the kind women have been waiting for for so many years.

It is worth referring here to the statement by Nils Muiznieck, Council of Europe Commissioner for Human Rights, dated 20 December 2017 and entitled "Gender equality in employment is still a distant promise in Europe", which reads as follows:

"This year once again women in Europe effectively worked without pay during the last two months in comparison to men. In addition they continued to face underrepresentation in decision-making bodies and positions. This is a gross injustice and a human rights violation. European states must tackle it much more forcefully than has been the case so far".

"Although the situation varies from country to country, it is clear that women suffer everywhere on our continent from unequal treatment and opportunities in the workplace. It would be wrong to believe that this situation is the result of employment dynamics only. In reality, discrimination against women, be it direct or indirect, in this sphere of life results from deep-rooted societal attitudes that keep women in a subordinate role. Tackling this problem therefore requires a comprehensive approach from Council of Europe member states, from laws to be changed to political, cultural and economic measures to be implemented".

"The role of state authorities, in particular governments and parliaments, is crucial. They must lead by example and fully implement the gender equality standards set out in international and European human rights treaties. Among them, **the European Social Charter requires that state parties guarantee the principle of equal pay for work of equal value by legislation that should be implemented effectively.** This includes providing for appropriate sanctions and remedies in case of gender discrimination in the workplace. Both within the public administration and in the labour market, state authorities must make

more efforts to bridge the gender pay gap. They should also remove barriers that prevent women from reaching top level posts”.

“The current situation is not only harmful for women and the economy. It is deleterious for society as a whole. Even where the gender pay gap is narrowing, this is happening very slowly. If states do not step up their efforts now, it will take several more decades before full equality is achieved. We cannot afford to wait such a long time. **European states must show more resolve in upholding the obligation to ensure gender equality in the employment sphere”.**

(<https://www.coe.int/en/web/commissioner/-/gender-equality-in-employment-is-still-a-distant-promise-in-europe>).

ON THESE GROUNDS

AND SUBJECT TO ANY THAT MIGHT BE RAISED IN ADDITIONAL MEMORIALS OR MENTIONED AT A HEARING

The European Committee of Social Rights is asked:

- to declare the action by University Women of Europe, UWE / Groupe Européen des Femmes diplômées des Universités, GEFDU, well-founded;
- consequently, to hold that Finland’s failure to ensure in practice equal pay for women and men for equal, similar or comparable work and the under-representation of women in decision-making posts in Finland breach the provisions of the revised European Social Charter, particularly Articles 1, 4, 4§3, 20 and E;
- to draw any factual and legal conclusions therefrom,
- consequently, to order Finland to pay University Women of Europe, UWE / Groupe Européen des Femmes Diplômées des Universités, GEFDU, and its counsel the sum of €10 000 excluding tax by way of an initial estimate to cover the time spent and the costs incurred in connection with these proceedings.

