

## REPORT

### Article 22 of the Constitution of the International Labour Organisation

Report for the period 1 June 2022 to 31 May 2025

made by the Government of Finland

on the **EQUAL REMUNERATION CONVENTION, 1951 (No. 100)**

(ratification registered on 14 January 1963)

#### Observation, 2022

*The Committee encourages the Government to take steps towards clarifying the meaning of ‘equal remuneration for work of equal value’ and ensuring that a wide scope of comparison is being applied in all activities which affect the application of the principle of equal remuneration for men and women for work of equal value, including equal pay surveys. It also asks the Government to provide information on whether and how it assesses the ‘equal value’ of public employment jobs. The Committee asks the Government to continue providing information on the evolution of the gender pay gap and any measures aimed at its reduction, especially how the issue of occupational gender segregation is being addressed. It also asks the Government to provide information on the results of the overall assessment of the equal pay measures launched by the Ministry of Social Affairs and Health on 1 September 2022, as well as on the concrete outputs produced by the following projects: ‘Work of Equal Value 2021–2022’, ‘Dismantling segregation – Tools for a more equal working life (2021–2023)’, and ‘Working careers and occupational segregation behind the gender pay gap (2022–2024)’.*

**Response:** The clarification of the concept ‘equal work and work of equal value’ is sought in the context of the EU’s Pay Transparency Directive, where the proposal for the national implementation of the Directive proposes bringing the definition of ‘equal work and work of equal value’ into legislation. In addition, according to the proposal, criteria that employers would have to take into account would be introduced for the assessment of ‘work of equal value’. Job evaluation systems are extensively in use in the public sector in Finland. Around 20% of the collective agreements use an analytical model for the assessment of the complexity of duties that can be used to identify work of equal value. So far, however, the capacity of the majority of pay systems and job analysis tools to identify work of equal value is rather poor.

The results of equal pay measures and the overall assessment of the previous Equal Pay Programme are described above under Equal Pay Programme 2020–2023. Outputs of the above-mentioned projects are also described above. So far, the concrete impacts of the projects have been minor, except from the Dismantling Segregation project which, for example,

created good workplace practices for the reduction of gender segregation of work and a regional cooperation network that is still operational.

### **Direct Request, 2022**

*The Committee asks the Government to provide information on the measures taken or envisaged: ·(i)to support employers in improving the quality of their gender equality plans and pay surveys (including their scope of comparison); and ·(ii)to monitor and provide results on their impact on the gender pay gap in the workplace.*

**Response:** Under the Equality Act, an employer who has at least 30 employees must prepare a gender equality plan that also includes a pay survey. According to a 2020 study on workplace gender equality plans and pay surveys [*Työpaikkojen tasa-arvosuunnitelmat ja palkkakartoitukset 2020*, in Finnish, abstract in English], the majority of organisations draw up a gender equality plan and pay survey, but there is considerable variation in their scope and quality. The biggest problems were observed especially in the prevalence and quality of pay surveys. In the private sector, around half (50%) of the enterprises to which the legislation applies draw up a pay survey.

The results of the study were utilised in negotiations towards the latest Equal Pay Programme, for 2024–2037, where a measure was included in the programme to improve the coverage and quality of workplace gender equality plans and pay surveys. The following measure is included in the programme: *Improving the prevalence, coverage and quality of gender equality plans and pay surveys by drawing up practical guidelines. Communicating about the guidelines and organising training in gender equality planning.* According to the Action Plan for the programme, easily available step-by-step guidelines on how to prepare a gender equality plan and pay survey will be produced to support employers. The guidelines will be made as practical as possible and will include examples.

In addition, the working group preparing the national implementation of the EU's Pay Transparency Directive has proposed, in line with the Directive, that an obligation be added to legislation for employers with at least 100 employees to report data on the gender pay gap and an obligation to carry out joint pay assessments in cooperation with personnel representatives.

### **Article 2(2)(c). Collective agreements.**

*Therefore, the Committee asks the Government to indicate any steps taken, in cooperation with the social partners, to: ·(i)promote the inclusion of provisions implementing the principle of equal remuneration for men and women for work of equal value in local or industry-level collective agreements;*

·(ii)remove any provisions which, directly or indirectly, result in discrimination; and ·(iii)evaluate the results achieved.

Response: Direct measures or provisions in accordance with i–iii have not been put in place. The obligation under the Equality Act to pay equal remuneration for the same work and work of equal value does, however, also apply to collective agreements, and the parties to collective agreements are encouraged to pay attention to the matter in bargaining rounds. The Equal Pay Programme for 2024–2027 includes a measure whereby private-sector unions are invited to discuss by which kinds of measures they could participate in equal pay measures in the future. These discussions are not, however, scheduled precisely to take place during collective agreement bargaining rounds.

According to gender impact assessments, collective agreements, job evaluation criteria or pay systems rarely contain direct discrimination. Instead, indirect discrimination and non-equal remuneration for work of equal value are more difficult to identify and combat, and it is assumed that these are included in current pay systems. This is stated in documents including the labour market organisations' recommendation concerning gender impact assessments of collective agreements from 2021.

### ***Article 3. Objective job evaluation***

*The Committee asks the Government to provide information on the measures taken to ensure that job evaluations carried out to determine rates of pay, in the public and private sectors, are objective and free of any gender bias.*

Response: There is no nationally developed system or toolset for job evaluation in Finland. There are, however, many kinds of well-established job evaluation models and pay systems based on these in the labour market. These include both models built into collective agreements and commercial models.

Collective agreements use a variety of pay systems based on job evaluations and job-specific pay. Some are analytical systems assessing the complexity of duties and some are systems based on job title. The occurrence of systems relating to job-specific pay components is as follows: analytical assessment of complexity of duties 20%, placement in general description of job grades 27%, general description of job grades plus example titles/duties 20% and title hierarchy/titles/duties 31%. Systems based on general descriptions of job grades were used most commonly in collective agreements. Title- or role-based pay systems still accounted for more than a third, however.

The different models detect equal value of work with different levels of accuracy. Systems based on analytical job evaluation have been found to be best suited for the identification

and assessment of work of equal value, and systems based on job title and duty hierarchy as the worst. Most analytical evaluation systems can be used for the evaluation of duties in different sectors and a broad range of duties at different levels of complexity.

Under the EU's Pay Transparency Directive, Member States shall take the necessary measures to ensure that analytical tools or methodologies are made available and are easily accessible to support and guide the assessment and comparison of the value of work in accordance with the criteria set out in the Article. Those tools or methodologies shall allow employers and/or the social partners to easily establish and use gender-neutral job evaluation and classification systems that exclude any pay discrimination on grounds of sex.

The working group preparing the national implementation of the Directive has proposed that measures be taken in Finland to provide employers with analytical tools or methodologies to support the evaluation and comparison of the value of work. A study project is being planned for use in the work.

## I – V

The report describes the key changes since the submission of the previous report, presents the latest statistics on the gender pay gap and responds to the observations of annex 2 concerning Convention No. 100. [Sections from the previous report describing the general background and, for example, legislation that still remains relevant here are highlighted in blue in this report.](#)

There are no major differences in Finland in the average employment rate, length of career or retirement age between women and men, but the average gender pay gap is significant even by international comparison. The gender pay gap is larger in Finland than the average of the EU countries and in any of the other Nordic countries.

The gender pay gap in Finland is on average 16% in the labour market as a whole (Statistics Finland, Index of wage and salary earnings, 2023). Changes in the pay gap are monitored regularly with the Statistics Finland index of wage and salary earnings, which measures the development of the average earnings of full-time wage and salary earners. According to Statistics Finland, women's average monthly earnings were 83.9% of those of men. The pay gap is in favour of men in the public as well as private sector.

Most of the pay gap is explained by structural factors. Even by international comparison, the Finnish labour market is exceptionally segregated. Women and men are divided into different sectors, industries and occupations. Women often work in low-paid care and education fields of the public sector, while men work in export-driven fields of the private sector. Men are overrepresented in leadership positions, where pay differences are large. Women's earnings development is weakened by longer periods of absence from working life, especially family leaves. Some of the pay gap is unexplained, and direct pay discrimination also occurs to some extent. The pay gap also varies between sectors, industries and occupational groups.

Finland promotes pay equality with different methods. The legislation prohibits pay discrimination and obligates employers to promote gender equality in pay. Employers with more than 30 employees must draw up pay surveys as part of the workplace gender equality plan. Equal pay is promoted by means of legislation and a tripartite Equal Pay Programme.

In the reporting period, there was a key focus on the links between structural factors in working life and the gender pay gap in different sectors, eradication of gender segregation, and increasing pay transparency. The objectives were supported with measures under the Equal Pay Programme and with research and development programmes of the Ministry of Social Affairs and Health.

## **LEGISLATION AND REGULATIONS**

### **Equal pay legislation**

Equal pay is a basic condition for a fair, rewarding and productive working life. In Finland, gender equality and equal pay are governed by the Constitution of Finland (731/1999) and the Act on Equality between Women and Men (609/1986). The Constitution prohibits gender-based discrimination and obliges public authorities to promote gender equality in working life, particularly in terms of pay. The provision includes an obligation for public authorities, and legislators in particular, to take measures and provide protection actively. This is further specified by the provisions in the Equality Act. These provisions include the duty of authorities to promote gender equality, employer's duty to promote gender equality and the provisions on the employer's gender equality plan and pay survey.

The Equality Act expressly prohibits direct and indirect discrimination in working life based on gender, including pay and other terms of employment. In addition, the Act requires all employers to promote gender equality in the terms of employment, especially in pay. If the workplace has at least 30 employees, the employer must prepare a gender equality plan and conduct a pay survey. 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 Equality Act also includes provisions on conducting the pay survey and dealing with its results. The representatives of the personnel must have sufficient opportunity to participate. If the pay survey reveals clear pay differences between women and men, the employer must analyse the reasons. If there is no justification for the differences, the employer must take appropriate measures to rectify the situation.

All employers that regularly employ at least 30 people must draw up a gender equality plan. (Sections 6a and 6b of the Equality Act). A pay survey must include details of the employment of women and men in different jobs and a survey concerning the classification of jobs, the rate of pay for those jobs and the differences in the rate of pay by gender. All of the pay components, including allowances, are counted in the pay examined. The survey covers all of the employee

groups and employees employed by the employer regardless of their type of pay. As a general rule, the gender equality plan and the pay survey must be drawn up at least every two years.

The personnel grouping may take place according to groups based on complexity level or on duties or some other criteria. Examining the differences in pay by simply dividing the entire personnel into women and men is not sufficient in itself. If the employer applies several different collective agreements, comparing the pay for work of equal value/of equal complexity across collective agreements is also recommended. For each group considered in the pay survey, the mean value is calculated for women's pay and men's pay. If the workplace has established pay systems in which pay consists of pay components, the central components are inspected in order to clarify the reasons for the differences noted.

Compliance with the Equality Act is overseen by the Ombudsman for Equality and the National Non-Discrimination and Equality Tribunal (Act on the Ombudsman for Equality, 1328/2014, Act on the National Non-Discrimination and Equality Tribunal, 1327/2014). Anyone who suspects discrimination due to gender, gender identity or gender expression can receive instructions and guidance from the Ombudsman for Equality. Most of the contacts concern discrimination in working life. The Ombudsman for Equality may take measures to reconcile a discrimination matter referred to in the Equality Act (915/2016).

The aim of the pay survey is to make sure that the rates of pay are not in conflict with the prohibitions regarding pay discrimination laid down in the Equality Act. 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. If a pay survey reveals clear gender differences in the rates of pay, the employer must analyse the reasons and grounds for them. If there is no justification for the pay differences, the employer must take appropriate measures to rectify the situation.

One of the challenges in the promotion of the equal pay principle has been to identify work of equal value. Pay differences occur particularly between work that is different but equal in value, that is, identical in terms of complexity. In Finland, 'work of equal value' is not defined directly in legislation. The situation may, however, change following the national implementation of the EU's Pay Transparency Directive<sup>1</sup>. The impacts of the Directive are described in more detail below.

The new section 11(2) of the Act on the Mediation of Labour Disputes and the Conditions of Certain Industrial Actions (420/1962) entered into force on 1 January 2025. A provision was added to the Act that, in order to secure the overall benefit of the national economy, the mediator must act in a mediation action in such a way that wage formation works as well as possible and the functioning of the labour market is not compromised. The legislative reform also applies to the Conciliation Board.

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<sup>1</sup> Directive (EU) 2023/970 of the European Parliament and of the Council to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms.

The starting point for mediation is the requirements of the parties to the labour dispute. The mediator may submit a written settlement proposal to the parties to the labour dispute if the mediator is unable to negotiate or otherwise settle the labour dispute. The mediator must also comply with the new obligation when submitting the settlement proposal.

The parties are not obliged to accept the mediation proposal of the Mediator or the Mediation Board.

The possibilities of influencing pay equality between sectors through labour dispute mediation are limited. As explained in the report, there are a number of structural reasons for the wage gap. Secondly, the system of mediation supports wage-setting based on collective agreements, and the social partners play a key role in the development of collective wage systems under their collective bargaining rights.

Legislation on the mediation of labour disputes enables consideration of sector- and task-specific special characteristics, earnings development and wage equality issues as part of the overall benefit of the national economy, ensuring the functionality of wage formation and the statutory fairness and appropriateness consideration of the mediator. The obligation of an authority to promote equality laid down in section 4 of the Act on Equality between Women and Men also applies to mediation activities. The mediator must therefore, in all his or her activities, promote equality between women and men in a goal-oriented and systematic manner, within the limits of his or her powers and duties as defined by law.

### **Information on the practical application of the Convention**

The gender pay gap has narrowed slowly. This is why new means of increasing pay equality are required in Finland, too. One solution is to improve pay transparency. The national implementation of the EU's Pay Transparency Directive is underway in Finland, and a draft government proposal by a tripartite working group puts forward several amendments to the Equality Act. In addition to legislative changes, pay transparency, pay systems and job evaluation methods can be developed through measures by the social partners, in collective bargaining and in workplaces. Under Finnish legislation, pay data of public sector employees is in the public domain.

At the same time, the pursuit of equal pay is affected by new challenges, such as changes in collective bargaining in the labour market. The parties to collective agreements should be encouraged to participate actively in the promotion of equal pay. Gender equality planning, pay surveys and pay awareness should be increased accordingly in workplaces.

The Programme of Prime Minister Petteri Orpo's Government 2023–2027 states that the Government will promote the principle of equal pay. The information produced by experiments on anonymous recruitment will be utilised and compliance with the obligations laid down in the Equality Act will be monitored more effectively in order to promote equality in working life. The tripartite Equal Pay Programme between the Government and the labour market organisations will continue. The Government will explore measures to reduce gender segregation in professional sectors.

Further according to the Government Programme, the Government will promote pay transparency in accordance with the minimum provisions of the EU Directive. Directive (EU) 2023/970 of the European Parliament and of the Council to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms (*Pay Transparency Directive*) entered into force in June 2023. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with the Directive by 7 June 2026.

In spring 2024, the Ministry of Social Affairs and Health appointed a tripartite working group to support national implementation. The mandate of the working group ended at the end of May 2025. The working group was tasked with preparing a proposal for legislative changes to implement the Pay Transparency Directive. The working group had representatives from the Ministry of Social Affairs and Health, the Ministry of Economic Affairs and Employment, the Ministry of Justice and the labour market confederations the Confederation of Unions for Professional and Managerial Staff in Finland (Akava), Suomen Yrittäjät (Federation of Finnish Enterprises), the Finnish Confederation of Professionals (STTK), the Central Organisation of Finnish Trade Unions (SAK), the Confederation of Finnish Industries (EK), Local Government and County Employers (KT), the Office for the Government as Employer (VTML) and the Commission for Church Employers.

The working group completed a draft government proposal in May 2025. The working group was not unanimous in its work. Next, the matter will proceed to a consultation round. The Government plans to submit its proposal to Parliament in autumn 2025. The working group puts forward 18 May 2026 as the date for the entry into force of the changes. The proposal puts forward legislative amendments that would promote equal pay particularly by strengthening the requirements concerning pay transparency.

It is proposed that the definitions of ‘work of equal value’ and ‘category of worker’ as well as the minimum criteria to assess whether employees perform equal work or work of equal value be added to the Equality Act. Provisions would be laid down for employees to have the right to access information on the average pay levels for categories of workers who perform equal work or work of equal value. Provisions would be laid down for job applicants to know the pay range during the recruitment process. In addition, there would be an obligation for employers with at least 100 employees to report data on the gender pay gap and an obligation to carry out joint pay assessments in cooperation with personnel representatives. According to the proposal, all employers should have a pay system ensuring equal pay for equal work or work of equal value.

## **Equal Pay Programmes**

Since 2006, the Government and the labour market confederations have implemented tripartite Equal Pay Programmes. The Equal Pay Programme brings together measures by the Government and the labour market confederations to reduce the gender pay gap and to promote equal pay.



Since the first Equal Pay Programme, the pay gap between women and men has been narrowing slowly. During the previous programme period in 2020–2023, the average pay gap reduced from 16.3% to 16%.

### **I) Equal Pay Programme 2020–2023**

The Equal Pay Programme for 2020–2023 included measures concerning pay and collective bargaining policy and pay systems, such as the gender impact assessment of collective agreements. The programme also focused on enterprise-specific gender equality plans and pay surveys, and its aim was to reduce gender segregation in education, training and the labour market and to support the reconciliation of work and family life.

An overall assessment of the Equal Pay Programme for 2020–2023 was commissioned from an external, independent rapporteur, and the report was completed in 2023 (Kostiainen 2023). The overall assessment states that the equal pay debate in Finland is characterised by the pay gap narrowing more slowly than set as the target and by the related frustration, a change in the collective bargaining environment and the transfer from a centralised system to enterprise-specific agreements. At the same time, all parties recognise the need to reduce the pay gap between women and men, and all social partners also regard it as necessary to continue the Equal Pay Programmes. It is, however, hoped that the programme be amended to reflect the circumstances.

The rapporteur put forward a number of recommendations. With regard to the main objective, the rapporteur recommended making a long-term economic impact analysis to examine the effects of various factors on changes concerning the difference in average earnings between women and men over the long term. In addition, the rapporteur recommended that, due to changes in collective bargaining in the labour market, efforts be made to encourage parties to collective agreements to participate actively in the Equal Pay Programme. It was further recommended that, in addition to an external assessment of the Equal Pay Programme, a measure-specific ex-ante assessment be made when agreeing on measures.

The previous Equal Pay Programme 2020–2023 made a strong commitment to dismantling the traditional gender segregation. Two research and development programmes relating to this were implemented under the programme:

- **Dismantling segregation - tools for a more equal working life 2021–2023**

The purpose of the Dismantling segregation – tools for a more equal working life project was to reduce gender-based segregation in working life by developing practices and network cooperation for a more equal working life. It produced a policy brief for decision-makers on the more permanent methods of dismantling segregation, a toolbox for workplaces and a report on the practices of dismantling segregation. The project also created new type of regional cooperation between pilot organisations, working life actors, education providers and education authorities.

- **Working careers and occupational segregation behind the gender pay gap 2022–2024**

The research project on working careers and occupational segregation behind the gender pay gap studied the career development of women and men and changes in occupational structures. In particular, it examined how career changes and changes in duties are connected to the gender pay gap. The study was conducted by Statistics Finland and contained an extensive statistical analysis.

The project shed light on when the working careers of women and men become segregated and how gender-segregated career paths, for example changes in duties, affect their pay. The review provides information about the placement of women and men in different occupations, changes in this placement and the effects of such changes on their pay.

The report on changes in working life, the position of the genders in the labour market and equal pay [*Työelämän muutokset, sukupuolten työmarkkina-asema ja samapalkkaisuus*, in Finnish, abstract in English)] was published in October 2024 (Laine 2024). The report discusses the impact of structural changes in working life on the gender-specific labour market position and the gender pay gap in Finland between 2013 and 2020. The research material covers the central government, municipal and private sectors.

The study found that gender-based segregation is still strong in all sectors in Finland. This means that women and men tend to enter different educational and occupational fields and different skill levels, which is linked to the pay gap. The public sector is dominated by women, whereas the private sector is slightly more male-dominated. Men are overrepresented in leadership positions.

On average, men earn more than women in all sectors. On the municipal and central government levels, the gender pay gap shrunk by almost two percentage points in 2013–2020. This reduction is explained by the fact that the number of women in better-paid occupations requiring higher levels of skills grew relatively more than that of men. The change in the occupational structure benefited women working in the public sector. In the private sector, the pay gap also narrowed, but widened again with the COVID-19 pandemic.

The pay level in the female-dominated sectors is lower than in the male-dominated sectors. The gender pay gap is more prevalent in the most female-dominated occupational groups. The pay gap is also larger in occupations requiring high skill levels than in any other professions. Especially the gender pay gap in leadership positions is noticeably wide (about 24%), and the gap has only grown in some cases.

During the previous government term, the Ministry of Social Affairs and Health also funded other research and development projects:

- **Work of Equal Value 2021–2022**

The research and development project on work of equal value focused on how equal pay could be promoted in work of equal value. It examined legislation, collective agreements and the criteria of a pilot organisation to assess requirements of work.

The final report of the project was published in December 2022. It recommended that legislation be specified with regard to the definition of 'work of equal value' and clarified with regard to the role of collective agreements and cooperation between labour market organisations. In the authors' view, the assessment of work of equal value at workplaces would be promoted if pay systems covering the whole organisation were introduced into broader use. Workplaces should also place greater emphasis on gender equality plans and the related pay surveys. In addition, they should raise awareness and provide more information about pay systems and the grounds for pay. Improving equality in pay requires cooperation between labour market organisations. It would be important that collective agreements clearly enable the creation of pay systems covering the whole organisation.

- **Gender impacts of collective agreements 2022-2023**

The 'Gender impact of collective agreements from the perspective of equal pay' project (2022–2023), which is funded by the Ministry of Social Affairs and Health, examined collective agreements from the perspective of gender equality. The research focused particularly on the impact that collective agreements have on the achievement of equal pay.

The project conducted a survey among labour marker organisations to examine the role of gender impact assessments in collective agreements and bargaining. Based on the survey, some agreements were selected for a more detailed analysis. For each of these agreements, the project assessed wage formation and pay systems and examined how provisions are applied at workplaces.

The study concluded that there are development needs also in such agreements that are advanced with regard to the promotion of pay equality, such as those included in the survey. These relate to increasing pay transparency and to all pay and other financial benefits being included in the examination of equal pay. Regulations concerning matters such as family leaves also have impacts on the situation regarding equal pay. The collective agreement bargaining culture should be developed so that objectives relating to gender equality be taken better into account, which in turn requires increasing gender equality competence in the assessment of the gender impacts of agreements.

## **II) Equal Pay Programme 2024–2027**

The Equal Pay Programme 2024–2027 was negotiated in a tripartite working group from autumn 2023 to spring 2024. The Ministries of Social Affairs and Health, Economic Affairs and Employment and Education and Culture as well as key labour market confederations were represented in the group.

The objective of the programme is to reduce the gender pay gap to a maximum of 14.5% by the end of the government term. There are 13 measures under the programme, focusing on pay awareness, equality planning and pay surveys in workplaces, dismantling of the gender-based segregation in education and working life, and the reconciliation of work and family life. In addition, the programme includes for the first time discussions between private-sector unions about potential participation in future Equal Pay Programmes. This was one of the recommendations of the overall assessment of the previous programme and results from changes in labour market agreement activities towards industry-specific and local agreements.

As part of the programme, an economic study will be conducted on the effects of factors affecting the gender pay gap over the long term. A research project on changes in the gender pay gap in Finland analyses the impacts of Equal Pay Programmes, legislative changes, economic cycles, structural changes in the labour market and labour market measures on changes in the difference between the average earnings of women and men since 1995. The project begins in June 2025.

The implementation of the Equal Pay Programme commenced in autumn 2024 and is monitored by a tripartite expert group consisting of the parties to the programme. The targets are monitored with a variety of indicators. In addition, an ex-ante assessment was conducted for the first time on the effectiveness of the programme measures. As on the previous ones, an external overall assessment will be conducted on the latest Equal Pay Programme.

## Statistics

**Table 1.** Number and share of all wage and salary earners of wage and salary earners working in equal occupations in 2016–2022

Year	All wage and salary earners, number	All wage and salary earners, excl. missing occupations, number	Men/women in even occupations, excl. missing occupations, number	Share of those in even occupations, %
2016	2,039,099	1,966,214	182,931	9.3
2017	2,097,703	2,032,585	181,536	8.9
2018	2,135,347	2,071,308	190,989	9.2
2019	2,133,398	2,074,652	205,254	9.9

<b>2020</b>	2,046,297	2,000,524	190,781	9.5
<b>2021</b>	2,133,908	2,067,653	209,413	10.1
<b>2022</b>	2,180,180	2,122,207	189,681	8.9

Source: Statistics Finland, employment statistics Equal occupation = 40–60% of women/men.

**Table 2.** Share of women's earnings of men's earnings in various sectors 2023

<b>2023</b>							
Sector	Number Total	Share		Regular wages and salaries			Women's earnings / Men's earnings, %
		Men, %	Women, %	Average Total	Average Men	Average Women	
<b>Total</b>	1,469,578	47.6	52.4	3,929	4,296	3,596	83.7
<b>Enterprises and financial and insurance corporations</b>	884,734	61.0	39.0	4,085	4,343	3,683	84.8
<b>Local government</b>	400,050	21.5	78.5	3,516	3,853	3,424	88.9
<b>On-budget entities</b>	74,992	49.2	50.8	4,366	4,640	4,100	88.4
<b>Non-profit and others</b>	109,802	33.6	66.4	3,875	4,293	3,664	85.3

\* Statistics Finland 2025; index of wage and salary earnings

**Table 3.** Gender placement according to Classification of Occupations at level 1 and share of women's earnings of men's earnings at Classification of Occupations 1-digit level in 2022

<b>Year 2022</b>							
	Number		Share	Regular wages and salaries			Women's earnings /

Category	Total	Men, %	Women, %	Average Total	Average Men	Average Women	Men's earnings, %
<b>0</b> <b>Total</b>	2,423,548	50.4	49.6	3,765	4,101	3,448	84.1
<b>1</b> <b>Armed forces</b>	8,779	94.7	5.3	4,852	4,896	4,035	82.4
<b>2</b> <b>Managers</b>	89,122	66.6	33.4	7,791	8,514	6,621	77.8
<b>3</b> <b>Professionals</b>	561,211	48.2	51.8	4,598	4,963	4,269	86.0
<b>4</b> <b>Technicians and associate professionals</b>	434,222	40.9	59.1	3,660	4,061	3,369	83.0
<b>5</b> <b>Clerical support workers</b>	127,004	29.2	70.8	3,003	3,148	2,949	93.7
<b>6</b> <b>Service and sales workers</b>	480,808	29.3	70.7	2,763	2,968	2,678	90.2
<b>7</b> <b>Skilled agricultural, forestry and fishery workers</b>	47,960	68.2	31.8	2,625	2,670	2,571	96.3
<b>8</b> <b>Craft and related</b>	235,792	91.5	8.5	3,211	3,246	2,831	87.2

trades workers							
8 Plant and machine operators, and assembler s	198,337	82.7	17.3	3,166	3,246	2,811	86.6
9 Elementar y occupatio ns	160,339	44.5	55.5	2,424	2,645	2,271	85.9
X Unknown	79,974	55.1	44.9	2,888	2,889	2,885	99.9

**A copy of this report has been sent to following labour market organizations:**

1. The Confederation of Finnish Industries (EK)
2. The Central Organization of Finnish Trade Unions (SAK)
3. The Finnish Confederation of Salaried Employees (STTK)
4. The Confederation of Unions for Academic Professionals in Finland (Akava)
5. The Commission for Local Authority Employers (KT)
6. The State Employer's Office (VTML)
7. The Federation of Finnish Enterprises (SY)
8. The Commission for Church Employers

**The Central Organisation of Finnish Trade Unions (SAK), the Confederation of Unions for Professional and Managerial Staff in Finland (Akava) and the Finnish Confederation of Professionals (STTK) comment as follows:**

**Statutory export-driven model of Petteri Orpo's Government**

The Programme of Prime Minister Petteri Orpo's Government states that, to boost Finland's long-term competitiveness, the Government will strengthen the export-driven labour market model. According to the Government Programme, provisions will be laid down in the Act on Mediation in Labour Disputes so that the general level

of pay adjustments cannot be exceeded by a settlement proposal issued by the National Conciliator's Office or a conciliation board.

The legislative amendments relating to this entered into force on 1 January 2025.

When the Act was drafted, the entry in accordance with the Government Programme was amended to read as follows: In order to safeguard the overall benefit of the national economy, the conciliator must act in the conciliation work in a way that does not jeopardise the functioning of the labour market while ensuring that the wage formation process operates as well as possible. In addition to the conciliator, the conciliation board is bound by the provision and its objective.

Although the wording of the provision was changed from that in the Government Programme entry, its objective still remains the same as it was originally in the Government Programme. The objective is that the general level of pay adjustments cannot be exceeded by a settlement proposal issued by the National Conciliator's Office or a conciliation board. The proposal has now sought to legislate by means of the rationale for the Act in order to achieve an outcome set out in the Government Programme.

In the opinion of the central organisations of wage and salary earners, the entry concerning the export-driven model in accordance with the Government Programme is contrary to ILO Conventions. The proposal has sought to circumvent this violation of international law by using more general wordings in the provisions. It is likely for this reason that the proposal has also sought to avoid expressing what the purpose of the provisions is in the first place.

In Finland, the National Conciliator institution is part of the collective agreements system, the core structure of which should be agreed upon between the social partners while also taking into account other elements that are materially related to the agreements system. In this way, the functioning of the labour market system can be supported in a sustainable manner. This also corresponds to the objectives of the ILO Conventions.

The purpose of the Government was and is to restrict, through legislation, the opportunities of the National Conciliator to present draft settlements.

Accordingly, during this government term, the Government intervened, through legislation, in regard to the principles that have to be followed in the negotiations and what the draft settlement provided by the conciliator may be like. This in turn has a significant de facto impact on the autonomy and freedom of contract of the social partners and on the independence of conciliation. One of the negotiating parties – the employer's side – benefits disproportionately from the legislation. This set of matters creates a conflict and tensions with fundamental rights and obligations under international conventions binding on Finland.



**In addition, the statutory export-driven model of Prime Minister Orpo's Government is extremely problematic with regard to the promotion of gender equality and the principle of equal remuneration.**

Finland has ratified ILO Convention No. 100, and the Convention obligates the ratifying states to promote equal remuneration. As regards promotion, the state's responsibility also applies to the private sector in addition to the public sector. It is absolutely vital for the promotion and implementation of the principle of equal remuneration that the labour market agreements system does not cement the existing pay gaps. In the view of the central organisations of wage and salary earners, such regulation may be in conflict with the obligation laid down in ILO Convention No.100 concerning the promotion of equal remuneration.

When the Ministry was drafting the so-called statutory export-driven model, it refused the request made by the employee side to consult gender equality experts during the drafting. The Ministry did not provide any justifications for the refusal. It is likely for this reason that the government proposal provides an incomplete description of the national gender equality regulation and its potential effects on the official activities of the National Conciliator.

The Finnish labour market is very strongly segregated by gender. According to the 2022 employment statistics of Statistics Finland, 8.9% of wage and salary earners work in gender-equal occupations, that is, in occupations where the different genders account for 40–60%. In female-dominated fields, the pay level is often lower than in male-dominated ones. In addition, female-dominated fields are found particularly in the public sector, where there are hardly any pay drifts, that is, pay rises exceeding those under collective agreements. In the event that public-sector fields do not have the opportunity to bridge the pay gaps compared with the private sector, the average pay gaps between women and men will increase.

At the same time, the gender pay gap is around 15%, which is above the EU average. Restricting the activities of the National Conciliator adversely affects the situation and the obligation under ILO Convention No. 100 to promote pay equality even further, since the opportunities to eliminate the pay gaps are weakened. Pay levels will lag further behind due to both structural aspects of pay and to women's lower average pay level and due to pay rises being given as percentage increases.

### **Finland's Equal Pay Programme**

There has been a tripartite Equal Pay Programme in place in Finland since 2006. The Equal Pay Programme brings together the measures of the Government and of the central organisations of wage and salary earners to bridge the pay gap between men and women. The latest period is in effect until the end of the government term, that

is, until 2027. The objective of the Equal Pay Programme is for the pay gap to reduce to a maximum of 14.5% in 2024–2027.

Despite its long duration, the results of the Equal Pay Programme have been modest. The average gender pay gap in Finland is around 15%, which is higher than the average of other European countries. Since 2006, the pay gap has been reduced in Finland by an annual average of 0.3%, which cannot be regarded as anywhere near sufficient.

The effectiveness of the Equal Pay Programme has been assessed regularly. The most recent assessment provided 11 recommendations. One of these was that, due to changes in collective bargaining in the labour market, efforts should be made to encourage parties to collective agreements to participate actively in the Equal Pay Programme. The changes were due to the Confederation of Finnish Industries (EK) amending its by-laws so that EK no longer enters into comprehensive incomes policy settlements, that is, agreements affecting pay formation. The amendment to the EK by-laws and the resulting restriction on the EK mandate concerning agreements has weakened the opportunities to promote pay equality.

Despite the changes described above, EK has still participated in the Equal Pay Programme even though its mandate does not include negotiating on pay. Pay negotiations are currently carried out by employers' associations, but these are not parties to the Equal Pay Programme. This is a major problem affecting the efficiency of the programme.

An ex-ante assessment has also been conducted on the programme for the new programme period, indicating that the effectiveness of the measures planned is satisfactory. It has been the objective of the central organisations of wage and salary earners that trade unions and employers' associations should participate in the implementation of the Equal Pay Programme since they have an actual opportunity to negotiate on pay. The new Equal Pay Programme states the following:

'As collective bargaining in the labour market is evolving, it is appropriate to carry out, between the national associations of employers and employees ('the unions') representing the private sector, discussions on which manners of participation and in which areas of measures the unions could, going forward, potentially be included in Equal Pay Programmes. The unions will decide how the discussions will take place. The discussions will take place by 31 December 2025 at the latest. The outcome of the discussions may be an agreement or disagreement on the matters discussed. The unions will record the outcomes of the discussions and submit them to the steering group (expert group) of the Equal Pay Programme. The steering group will note the outcomes of the discussions and report on them to the Minister responsible for equality issues by 28 February 2026. Following the above-mentioned discussions, the central organisations of public sector employers will assess the need to carry out

corresponding discussions with the main contracting associations of the side of wage and salary earners.'

The central organisations of wage and salary earners aimed to include a more binding entry in the Equal Pay Programme, but unfortunately this remained too vague and there is a risk in the worst-case scenario that no agreement will be reached on the matter and, consequently, no progress will be made in pay equality. In addition, the employers on the public side did not want to participate in the programme. This can be regarded as a highly problematic solution considering the explicit objective of the Equal Pay Programme and, in addition, the international obligations to promote equal remuneration that are binding on Finland. There is a significant risk that the Equal Pay Programme will fail to have an actual impact towards the objective of the programme, that is, to reduce the gender pay gap.

The central organisations of wage and salary earners find that the changes in the labour market are not reflected in the programme and that this contributes towards the weakening of the effectiveness of the programme. The programme should take more extensive account of the diversification of the labour market, working life and forms of employment and of the change in the agreement and bargaining system. Failure to take the above-mentioned changes into account poses a risk to the objective of reducing the pay gap between women and men and to the effectiveness of the programme. *The pay gap between women and men must be solved more rapidly and effectively than is currently the case. The central organisations of wage and salary earners call for more effective measures by the Government to promote equal remuneration.*

### **Unexplained pay gaps, pay discrimination and legislation**

There are problems relating to the detection and investigation of unexplained pay gaps and pay discrimination situations in Finland. Insufficient pay transparency namely enables unjustified pay gaps and pay discrimination in working life.

The Equality Act prohibits gender-based pay discrimination. Under the Equality Act, it constitutes discrimination to apply terms of pay in such a way that 'one or more employees find themselves in a less favourable position based on their gender than one or more other employees in the employer's service performing the same work or work of equal value' if there is no acceptable reason for the action.

In practice, a case of pay discrimination may be as follows:

Person A and person B are of different genders and have started in the service of the same employer at the same time. They perform the same work.

A's monthly salary is EUR 2,000.

B's monthly salary is EUR 2,500.

The employer has not provided any acceptable reason for the pay gap of EUR 500.

In this case, the employer has discriminated against A in violation of the Equality Act. A has the right to claim compensation for discrimination from the employer in accordance with the Equality Act.

In this example case and in general in Finnish working life, the problem relates to access to information and poor pay transparency. Consequently, discrimination cases currently often remain unresolved due to lack of information. In the example case, poor pay transparency means it is possible that person A may not necessarily know that they are being discriminated against. This is because, in order for them to find out whether discrimination is taking place, A would need to know B's salary, as in most cases the identification of pay discrimination requires a reference person. The assessment of pay discrimination usually requires the pay of the person suspecting discrimination to be compared with the pay of an employee representing the other sex. This is impossible if open access to pay figures is not available in workplaces. The identification of cases of pay discrimination is therefore regrettably often based on chance.

It is very difficult to address pay discrimination if there is no access to pay information. Due to poor pay transparency, cases of discrimination often remain undetected, and the poor transparency and comparability of pay systems make it difficult to address discrimination. Legal remedies available to individuals are currently not sufficient to prevent pay discrimination. If an employee suspects pay discrimination, their access to reference data is too limited. The situation will not be rectified by the national implementation of the Pay Transparency Directive. The issue would require national amendments to legislation so that the opportunities to address pay discrimination would not remain merely at the theoretical level.

Finland is currently implementing the EU's Pay Transparency Directive. This, however, will not fully rectify the problem described above. Finland should therefore take national measures to rectify the situation. This would enable unexplained pay gaps and pay discrimination to be addressed effectively. The Finnish Government is unfortunately not making any improvements on its own initiative in this respect, as the Government has, with regard to pay transparency, stated in its Government Programme that pay transparency will only be promoted in accordance with the minimum provisions of the EU Directive.

A proposal based on the minimum provisions threatens to make legislation unclear and subject to interpretation. The legislation should be made clearer by, for example, establishing uniform boundaries for the application of the Equality Act to apply to workplaces with at least 30 employees for pay surveys, joint pay reporting and pay assessments as well as by setting the time limit for action for compensation at three years for all forms of discrimination.

## **Work of equal value**

Finland has received the following request from the Committee:

*The Committee encourages the Government to take steps towards clarifying the meaning of ‘equal remuneration for work of equal value’ and ensuring that a wide scope of comparison is being applied in all activities which affect the application of the principle of equal remuneration for men and women for work of equal value, including equal pay surveys.*

The central organisations of wage and salary earners note that the concept of ‘work of equal value’ is not defined more specifically in Finland’s national legislation. This fact is likely to have a significant impact on how the concept is understood in workplaces in the first place. The concept is very often understood too narrowly as only covering employees performing the same work. This in turn results in significant problems in the de facto realisation of ILO Convention No. 100 in Finland.

The central organisations of wage and salary earners have already for a long time called for a more specific legal definition of the concept of ‘work of equal value’. The Finnish Government has not, however, taken any independent corrective measures in this respect.

## **Observations of the central organisations of wage and salary earners on the Committee’s direct requests concerning Finland**

Finland has received the following request from the Committee:

*‘Articles 1 and 2 of the Convention. Equality plans and equal pay surveys. According to the Equality Act, if the number of staff in the service of the employer is regularly 30 or more, the employer is to draw up an equality plan at least once every two years. The equality plan pays attention particularly to wages and other terms of employment, determines the equality promoting measures at the workplace and includes a pay survey (in 2021, there were 7,000–8,000 employers and 3,000 educational institutions under the obligation to draw up a gender equality plan). The Committee notes the Government’s indication in its report to the United Nations (UN) Committee on the Elimination of Discrimination against Women (CEDAW) that inspections carried out by the Ombudsman for Equality reveal that there is still a need for improvement in the quality of pay surveys and in gender equality planning in its entirety (CEDAW/C/FIN/8, 1 April 2021, para. 229). It further notes from the Government’s report that, according to a survey undertaken by Statistics Finland in 2020 focusing on the prevalence and quality of employers’ gender equality plans and pay surveys, the majority of organizations draw up such plans and surveys but that there is considerable variation in their scope and quality: improvements are needed in relation to cooperation with staff, pay comparisons (too limited in scope), processing*

*of pay data and concrete measures included in plans. The Committee asks the Government to provide information on the measures taken or envisaged:*

*·(i) to support employers in improving the quality of their gender equality plans and pay surveys (including their scope of comparison); and*

*·(ii) to monitor and provide results on their impact on the gender pay gap in the workplace.'*

In this regard, the central organisations of wage and salary earners note that Finland has not implemented de facto effective measures to improve the situation. There is a lot to develop in employer practices, and the requirements of the Equality Act are complied with insufficiently. Pay surveys of equality plans are still conducted insufficiently in the private sector, and their quality is low, personnel are not provided with sufficient information on pay surveys, and personnel representatives are not included in making the plans as required by the Act. Also, according to the 2021–2022 Work of Equal Value [project](#), workplaces should, among other things, put increasing effort into equality plans and related pay surveys. In addition, they should raise awareness and provide more information about pay systems and the grounds for pay. Moreover, for example the measures implemented under the Equal Pay Programme have not been able to achieve any significant impact towards fixing the problem. In addition, no proper monitoring of whether the situation has improved has taken place.

*'Article 2(2)(c). Collective agreements. The Committee wishes to recall the important role that collective agreements can play in the fight for pay equity. Therefore, the Committee requests the Government to indicate any steps taken, in cooperation with the social partners, to:*

*·(i) promote the inclusion of provisions implementing the principle of equal remuneration for men and women for work of equal value in local or industry-level collective agreements;*

*·(ii) remove any provisions which, directly or indirectly, results in discrimination; and*

*·(iii) evaluate the results achieved.'*

and

'Article 3. Objective job evaluation. In view of the strong gender-segregation of the labour market in Finland (see the Committee's comments under the Discrimination (Employment and Occupation) Convention, 1958 (No. 111)) and the very slow pace of the decrease in the gender pay gap, the Committee wishes to recall that whatever methods are used for the objective evaluation of jobs, particular care must be taken

to ensure that they are free from gender bias. It is important to ensure that the selection of factors for comparison, the weighting of such factors and the actual comparison carried out are not discriminatory, either directly or indirectly (see 2012 General Survey on the fundamental Conventions, paragraph 701). The Committee asks the Government to provide information on the measures taken to ensure that job evaluations carried out to determine rates of pay, in the public and private sectors, are objective and free of any gender bias.'

The insufficient definition of 'work of equal value' in legislation has knock-on effects on Finnish pay formation and society as a whole. In addition, the central organisations of wage and salary earners draw attention to the fact that there has not in practice been any de facto effective measures to improve the situation, and the matter has not been monitored either. The central organisations of wage and salary earners draw attention to the fact that current national sanctions resulting from violations of pay discrimination provisions are not effective enough, which at the same time means that they also do not have an efficient preventive impact.

It also looks like the sanctions for employers for non-compliance with obligations proposed in the implementation of the Pay Transparency Directive will remain inefficient, in addition to which the complex and lengthy process may create an obstacle to protection of employees and jobseekers under law.

To conclude, the central organisations of wage and salary earners point out that the supervisory authority does not have sufficient resources to oversee the realisation of gender equality, whereby further resources should be provided. In 2024, the Ombudsman for Equality received a record number of contacts, with 90% of these being about discrimination in working life. Most of these cases concerned discrimination relating to pregnancy and family leaves, pay or recruitment.

### **Elinkeinoelämän Keskusliitto ry (Confederation of Finnish Industries, EK) statement**

EK considers that gender equality is a very important value. Equal treatment of employees is an important part of modern business. EK emphasizes that when discussing the pay gap between women and men, it should be recognized that the pay gap based on the average earnings of women and men is different from the principle of equal pay (equal pay for equal work) or pay discrimination.

The reasons for the pay gap between women and men based on average earnings are structural and stem from labor market segregation. The public health and social care sector, as well as the private sector accommodation and restaurant sector and the retail trade sector, are very female-dominated. Male-dominated sectors can be found in industry.

However, the principle of equal pay (equal pay for equal work) is well implemented in Finland. According to statistics, unexplained pay gap at the company level is only about a couple of percent, on average, for those doing the same work.

Together with collective agreements, our legislation guarantees for a worker suspecting of pay discrimination a number of low-threshold channels for access to the employee representative, the Equality Ombudsman, a trade union, the Equality and Gender Equality Board and, if necessary, the court of justice.

Reducing the average gender pay gap should focus in particular on its root causes, which are segregation and gender stereotypes. Increasing pay transparency or pay openness has no effect on promoting equal pay. The right solutions reducing the pay gap are to increase the attractiveness of different sectors and improve the position of women in the labor market, a more even distribution of family leave and adequate day care services for children.

### **Suomen Yrittäjät ry (The Federation of Finnish Enterprises SY) statement**

Suomen Yrittäjät regards the Finnish legislation as sufficient to safeguard equal remuneration for work of equal value for men and women. The principle of equal treatment and the employer's obligation to pay equal remuneration for work of equal value are key principles of the Finnish Employment Contracts Act and Act on Equality between Women and Men.

The ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR) has noted in its observations that the gender pay gap has been understood in a narrow way in Finland, particularly as regards the concept of work of equal value. In this regard, it should be noted in particular that pay in the various industries in Finland is largely determined on the basis of collective agreements where the social partners have determined the job- and industry-specific pay levels, taking account of special characteristics of each industry and the value of work in each case. The pay provisions of collective agreements are non-discriminatory. Owing to differences between industries, however, the structures of pay systems and the levels of pay differ from each other in male- and female-dominated sectors. In addition, it should be noted that collective agreements always form a whole. Alongside pay, they also contain provisions on other employment terms, such as working hours, annual holidays, absence due to illness, family leaves, etc., and on pay for the duration of various types of absence. When deciding on collective agreements, it is possible that some of the cost impacts of a solution are targeted at employment terms other than pay. In other words, lower pay under an individual collective agreement and, consequently, pay lower than under another collective agreement of the industry, may have been compensated for by means of, for example, longer leaves or other benefits. Suomen Yrittäjät points out that it is not simple to determine 'work of equal value' and that, on the other hand, legislation cannot interfere with the freedom of the social partners to determine the value that specific work has in a specific industry.

Suomen Yrittäjät also notes that the pay gap between women and men is explained in Finland by exceptionally strong occupational segregation: only around 10% of wage and salary earners work in sectors where women and men both account for at



least 40%. The pay gap is also explained by men's larger number of annual hours worked, by part-time work being more typical in female-dominated sectors and by the uneven distribution of family leaves. As regards family leaves, it should be noted that an extensive family leave reform entered into force in Finland in 2022, resulting in an increased share of family leaves being allocated to the father of the child. The reform aims for a more equal division of family care obligations between both parents. Furthermore, the implementation of the EU's Pay Transparency Directive is likely to affect experiences of equal pay between women and men in the years ahead.