

Article 22 of the Constitution of the ILO
 Report for the period from 1 June 2015 to 31 May 2018
 made by the Government of Finland
 on the
EQUAL REMUNERATION CONVENTION, 1951
 ratification of which was registered on 14 January 1963

Observation, 2016

Finland promotes equal pay using various methods in a versatile manner. [The Act on Equality between Women and Men \(hereinafter the Equality Act \(609/1986\)\)](#) forbids discrimination in the payment of wages and in other terms of employment and obligates the employer to promote equality between men and women including in pay. Workplaces with at least 30 employees must have a gender equality plan in place and must conduct a pay survey. The Equality Act and the Act on the National Non-Discrimination and Equality Tribunal (1327/2014) also contain provisions on enforcement and legal remedies.

A trilateral Equal Pay Programme has been in place since 2006. Prime Minister Juha Sipilä's Government's trilateral Equal Pay Programme for 2016–2019 was launched in spring 2016. The programme's objective is to narrow down the wage gap between men and women. The programme's premise is to also implement the equal pay principle laid down in the Equality Act. The programme is compact and focuses on a few central themes. These include pay and contract policy, pay systems, gender equality plans and pay surveys in the workplace and increasing knowledge on pay. The objective is to alter the traditional gender divisions in education and working life and eliminate segregation as well as to find methods for combining work and family. Labour market organisations are in a key position in the implementation of objectives.

The average pay difference between men and women is currently just over 16 per cent throughout the entire labour market. Examined by sector, the differences between men and women are smaller: in the private sector women earn an average of 84.9 per cent of what men earn, in the municipal sector 86.5 per cent and in the Government 86.5 per cent (median monthly pay for regular working hours, Statistics Finland, Index of Wage and Salary Earnings 2016).

The Equal Pay Programme has carried out significant research and development projects in key theme areas. Areas that have been focused on include in particular pay systems, pay and contract policy, gender equality plans in the workplace, reducing segregation and women's careers.

The Ministry of Social Affairs and Health has implemented two extensive statistical studies that examine the change in vocational structure over a period of about 20 years and the effects of these changes on pay differences between men and women. The structural change has had very little impact on pay differences between men and women in the private sector. The report was completed in 2015. The development of statistical materials made it possible to extend the study to the public sector. Professional segregation in the municipal sector and government employment remained strong despite changes to the vocational structure. The share of vocational groups that have a higher level of skills as well as on average higher pay grew in both sectors. During the examination period, the education level of women rose clearly in comparison to men. In government employment, the

change in vocational structure clearly narrowed the pay gap between men and women. In the municipal sector, no reduction in the pay gap was discernible in spite of the increase in women's level of education. The public sector report was completed in 2017. The studies gave indications of what vocations were at the centre of the pay gap and where measures should be targeted.

The Equal Pay Programme carries out extensive work to alter gender stereotypes. This will impact education and career choices and the pay system. An extensive study on the elimination of segregation is currently underway. This aims to influence the education and career choices of young people and seek methods for eliminating segregation in fields that are dominated by men or women. The study highlights the understanding young people have of careers and how we could influence gender role stereotypes. The project gives recommendations to those actors that are key to equal pay.

Despite efforts the number of even occupations has not grown, but instead has shrunk. According to the most recent statistical data, the share of wages earners in even occupations is just over 10 per cent of all wage earners (even occupations, women / men 40-60 per cent of all wage earners, Employment Statistics, Statistics Finland 2014).

At the end of 2017, as part of the Equal Pay Programme, central labour market organisations examined the comprehensiveness and quality of workplace gender equality plans. The organisations aimed to specifically take into consideration the specifications to the Equality Act that entered into force at the beginning of 2015. According to answers given by employers, gender equality plans had been implemented more comprehensively than according to answers given by employee representatives. Employee representatives that provided answers were often unaware of whether the workplace had a gender equality plan in place. According to the surveys, there is room for improvement in particular in communication concerning the gender equality plan at workplaces. Improvements were also needed in the monitoring of gender equality measures that had been agreed on. Studies by labour market organisations are fairly rough in nature. They do not provide, for example, qualitative data on the content of pay comparisons. The information provided in the, as of yet, unpublished Gender Equality Barometer (2017) by Statistics Finland on the implementation of the notification obligation for gender equality plans tells a similar story: approximately 40 per cent of wage earners could not say whether their workplace had a gender equality plan.

There are currently approximately 5,000–6,000 jobs in the scope of a gender equality plan obligation. The Ombudsman for Equality and the National Non-Discrimination and Equality Tribunal of Finland oversee compliance with the Equality Act including provisions on gender equality plans and pay surveys. In practice, gender equality plans are assessed when there is a suspicion of discrimination. From time to time, the Ombudsman for Equality issues targeted supervisory measures. In 2016, the Ombudsman for Equality assessed gender equality plans in three regions. The supervisory measure revealed, for example, that pay comparisons were often only done at a very rough level and some employees were not included in these. Additionally, gender equality planning was by no means always regular. There were difficulties with accessing pay information. There were also positive examples that came to light.

The pay survey is the most challenging phase of a gender equality plan. At the beginning of 2015, the Equality Act was specified in order to facilitate more effective gender equality plans and pay

surveys. The provision concerning pay surveys now includes its purpose and a more detailed description of its content (section 6b). The pay survey is used to ensure that there are no unjustified pay differences between women and men who work for the same employer and are engaged in either the same work or work of equal value. “Work of equal value” is not defined at the level of the law. The criteria for determining the sameness or equal value of work are defined in the grounds for the Equality Act. The meaningfulness of the pay survey is based above all else on how the groups that are compared are formed. Government proposal HE 19/2014 vp states that a pay survey is above all else an inspection and comparison of groups and is based on the groups used by the employer. According to the proposal, employees could also be classified or grouped by assignments or by other means” keeping in mind’, however, that the selection should take into account the purpose of the pay survey.

The Minister of Family Affairs and Social Services has appointed a rapporteur to examine pay transparency from 23 April to 30 September 2018. According to the appointment decision, equal pay will require the implementation of more effective measures in Finland. The Ombudsman for Equality was appointed rapporteur. The rapporteur is tasked with examining, describing and assessing pay transparency in Finland’s system and to draw conclusions on what is needed for the development of legal norms as well as highlighting other methods for promoting pay transparency. The rapporteur must also draw up recommendations for the development of Finland’s system.

An independent and autonomous evaluator will carry out an overall assessment of the Equal Pay Programme 2016–2019 by the end of October 2018. The assessment will be in the form of an impact analysis, which will focus on the assessment of how well the objectives for the Equal Pay Programme have been achieved. The overall assessment will also include an assessment of which measures could in future narrow the wage gap between men and women and whether new measures need to be introduced to make efforts more effective.

Direct Request, 2016

Existing pay systems are for the most part workplace, personnel group or contract scope-specific. The Ministry of Social Affairs and Health has supported the development of pay systems within the Equal Pay Programme with extensive projects. The ministry has used statistical methods to research the effects of new pay systems on pay differences between men and women (SATU project) and supported the development activities in 18 organisations (TAPAS project). Broad-scoped seminars were held on the results of these projects. The Ministry of Social Affairs and Health and labour market organisations have been responsible for the utilisation and dissemination of the results and the guide.

In 2012–2013, gender equality in the private service sectors was improved with the implementation of the Ministry of Social Affairs and Health’s development project, which assessed pay and pay systems in the commercial sector and the hotel, restaurant and leisure industry and drew up recommendations for the development of pay systems. Now, parties have come to an agreement on the overall development of collective agreements and pay systems in the commercial sector and the ho-

tel, restaurant and leisure industry. Around 200,000 employees are covered by the commercial sector's collective agreement and 70,000 employees are covered by the hotel, restaurant and leisure industry's collective agreement.

At the moment, the collective agreements for both sectors include graded pay determined by job title and years of experience. The premise for reform is that in the future pay should be graded according to the level of competence required by the job. However, the level of demand would not be assessed analytically; instead job-related tasks would be placed in demand categories on the basis of pay group descriptions. As part of this reform, the development of wages on the basis of the employee's personal performance instead of his or her years of experience will be assessed. In addition, the increases to the commercial sector's collective agreement will also be assessed.

Comprehensive and reliable information is not available on the share of wage earners out of the entire labour market, who are in the scope on up-to-date, incentive-based and fair pay systems. According to the Equal Pay Programme's overall assessment (2015), this type of pay system may be thought to mean that at least to the job's level of demand and the employee's performance should be taken into account in the determination of their pay. As part of the Equal Pay Programme, labour market organisations will examine the comprehensiveness of up-to-date, incentives-based and equal pay systems; the results will be published in autumn 2018. In spring 2019, Statistics Finland's Working Conditions study will also provide a better picture of the comprehensiveness of pay systems based on the assessment of a job's level of demand and an employee's personal job performance. The Working Conditions survey asks wage earners whether the respondents pay system is based on an assessment of the level of demand of their job and secondly on an assessment of their personal job performance. In addition to the aforementioned studies, in future qualitative studies on pay systems and their effects will be needed.

A centralised Pact for Employment and Growth was signed in 2013, with moderate wage increases. The agreement period was two years in length. It did not include gender equality or equal pay items. In February 2016, Finland's central labour market organisations signed an extensive labour market settlement, which formed the foundation for industry-specific negotiations. The Competitiveness Pact extended collective and collective bargaining agreements by one year and wages remained the same for the agreement's extension period. Employee-paid social insurance contributions will rise in phases until 2020. The pact also includes structural changes such as an increase to the yearly working time by 24 hours and a 30 per cent cut to public sector holiday bonuses by 2020. The Competitiveness Pact did not include gender equality or equal pay items. Collective agreements 2017-2018 are sector-specific. Wages were increased generally by 3.2 per cent in total over two years.

The Government will monitor the development of the pay gap between men and women closely. The Information Committee on Cost and Income Developments, established by the Ministry of Finance, examined the effects of collective agreements and negotiated pay increases on the pay received by women and men and the pay gap from 2013 to 2016. The examination was based on the Earnings index and Index of regular earnings compiled by Statistics Finland. According to the Earnings index, the average earnings for regular working hours have narrowed 0.8%-1.5% from the end of 2012 to the end of 2016 by sector. In the final quarter of 2016, women's earnings in the private sector were 84.9% that of men, in the municipal sector 86.7% and in government employment 87.2%. Women employed by churches earned on average 86.1% that of what men earned. When

examining the entire labour market, women's earnings at the end of 2012 were 82.7% that of men's earnings and at the end of 2016 83.6% of men's earnings. The pay difference between men and women has narrowed due to monetary and mixed increases, measures entered into collective agreements, local settlements and structural factors. The differences in the average earnings of women and men were smaller in basic wages and greatest in overall remunerations. The development of women's earnings has been faster than that of men in all sectors measured on both the Earnings index and the Index of regular earnings.

The Ministry of Social Affairs and Health does not have a more detailed study available on the effects of local items on women's and men's wages and their pay differences. The Information Committee on Cost and Income Developments has been asked to develop its own assessment, so it is more itemised and so that it could better highlight the effect of various pay increase items better than at present. The request is based on the recommendation for the Equal Pay Programme's overall assessment (2010).

No summary of the disputes and criminal cases related to the Equality Act had been drawn up after 2014. The problem is that judicial bodies do not automatically provide information to the competent authority on court cases in which the Equality Act has been cited as a reason for the case. The Ombudsman for Equality and the Ministry of Social Affairs and Health must separately examine the quantity and quality of these court cases.

As was stated above, the practice is for the Ombudsman for Equality to assess gender equality plans when there is reason to suspect discrimination. Where possible the Ombudsman for Equality also carries out targeted enforcement measures.

Statistics

Women's earnings expressed as a share of those of men by sector 2004–2016, %

Year	Private	Municipality	Government	All
2004	81.1	84.7	81.3	80.5
2005	82.2	83.4	81.9	80.7
2006	82.3	83.2	82.0	80.8
2007	82.2	83.2	83.1	81.0
2008	82.6	84.0	83.7	81.2
2009	84.5	84.4	84.1	81.8
2010	83.6	85.1	84.4	82.8
2011	83.9	85.4	85.6	83.2
2012	83.8	85.4	86.0	83.1
2013	84.0	85.6	86.1	83.1
2014	84.5	85.9	86.1	83.3
2015	84.5	86.1	86.0	83.2
2016	84.9	86.5	86.8	83.7
2017*	84.9	86.7	87.2	83.6

Average monthly earnings from regular working hours, Statistics Finland, Index of Wage and Salary Earnings.

The total figure covering all wage earners is not calculated directly from different sectors' figures, because the number of female and male wage earners in different sectors affects the total pay gap (covering all wage earners). In other words, the large number of women with low pay also increases the average pay gap.

*Preliminary data Earnings index 2017

Segregation

**Percentage of people employed in even occupations (with 40-60% male or female wage earners) out of all wage earners
2004, 2006, 2008, 2010, 2012, 2014 and 2015, per cent**

Year	All wage earners, number	Men/women in even occupations, number	Share of those in even occupations, %
2004	2,026,159	291.899	14.7
2006	2,074,629	266.696	13.4
2008	2,137,027	295.750	14.2
2010	2,085,779	268.615	13.1
2012	2,091,030	274.387	13.4
2013	2,056,410	195.058	9.7
2014	2,034,106	193.025	9.8
2015	2,022,548	199.162	10.2

Source: Employment Statistics (a comprehensive statistic on those residing in the country permanently includes industry-specific job information), Statistics Finland

Even occupation = women / men (40–60 per cent) The version used in the classification of occupations has changed in 2010, and for this reason information on 2004–2009 and 2010–2015 is not comparable in all respects.

I-II LEGISLATION AND REGULATIONS

An overall reform of the Non-Discrimination Act entered into force at the beginning of 2015. At this same time amendments were also made to the Equality Act.

One of the amendments was the addition of the possibility for reconciliation as a legal remedy to the Equality Act. Provisions on the Equality Act that promote and improve the promotion of reconciliation entered into force in November 2016 (915/2016). The option for reconciliation improves the legal protection of those who have experienced discrimination by improving the Equality Act's low threshold legal remedies. The procedure may provide a workable alternative to court processes. The use of the reconciliation procedure is a voluntary arrangement and based on the consent of both parties. The objective is to achieve a settlement. The procedure can also be used to settle matters of monetary compensation. The parties may submit the settlement to the National Non-Discrimination and Equality Tribunal for approval and after approval, the settlement is enforceable in the same manner as an enforceable court decision. The option for reconciliation also applied to instances of pay discrimination referred to in the Equality Act. The option for reconciliation has been used.

III-IV

Remarks of the Ombudsman for Equality concerning the application of ILO Convention No. 100:

The scope of comparison in equal pay cases

The Act on Equality between Women and Men (609/1986, the Equality Act) as well as the European Union law includes specific prohibitions of pay discrimination. The prohibition of pay discrimination in the Equality Act covers employees working for the same employer and, in line with EU legislation and its interpretation, those employees whose pay has a “single source” on which the pay depends. The “single source” concept is based on the idea that the party responsible for implementing equal pay is the one who is in a position to guarantee equal treatment. As can be seen, the aforesaid wage gap, about 17 %, is not the same issue as pay discrimination referred to in the Equality Act.

The position of the Ombudsman regarding the scope of comparison

The Ombudsman for Equality is an independent national equality body whose main duty is to supervise compliance with the Equality Act. While dealing with equal pay cases, the Ombudsman for Equality is bound to the legal framework of the equality legislation, described above, and also to the personal scope of application of the prohibitions of pay discrimination.

A different issue is that, based on her role to monitor the implementation of gender equality in different sectors of society, the Ombudsman for Equality, on a more general level, very much highlights the importance to tackle the gender pay gap in the Finnish labour market as a whole.

Pay enquiries

The Ombudsman shall supervise the Equality Act primarily by giving counselling and advice. Those who suspect they have faced pay discrimination may turn to the Ombudsman for Equality. Only a few suspicions of pay discrimination are brought to the attention of the Ombudsman for Equality per year. In 2014 – 2017, the number of written enquiries concerning pay varied between 10 – 20 enquiries per year. The Ombudsman has assessed that the economic downturn might have contributed to the low number of enquiries. Besides written enquiries the Ombudsman’s legal advice phone line also receives enquiries concerning pay discrimination.

Equal pay court cases

There are not many equal pay cases before the courts of law in Finland per year. The Ombudsman has commissioned three reports on the application of the Equality Act at general courts and at administrative courts. These reports cover a period between 2005 and 2014. After the period covered by the abovementioned reports, both the Supreme Court and the Labour court have issued a decision in an equal pay case. Quite often equal pay cases concern the issue of how taking family leave may affect wages.

In Finland the majority of the pay discrimination cases are settled by negotiations between shop stewards or trade unions and employers. This is the information the Ombudsman for Equality has received from trade unions. The Ombudsman is not in a position to provide any exact numbers of these cases.

The obligation to carry out a pay survey and the supervision of the obligation

The Equality Act obliges employers employing regularly at least 30 employees to draw up every two years a gender equality plan regarding personnel policy. A compulsory part of equality planning is the conducting of a pay survey. When the Equality Act was amended in 2015, more specific provisions on pay surveys came into force.

It is the duty of the Ombudsman for Equality to supervise the obligation of carrying out equality planning. The monitoring of equality planning is qualitative, not quantitative by nature. When investigating an equality plan, the Ombudsman for Equality gives guidance on how to develop that particular plan to meet the requirements set by the Gender Equality Act, e.g. concerning pay survey.

According to the standard practice employed by the Ombudsman for Equality, employers are requested to present their gender equality plans in conjunction with all work-related discrimination cases that are investigated by the Ombudsman for Equality. The Ombudsman for Equality also takes from time to time supervisory actions, targeted at certain categories of employers, e.g. employers on some specific sector. These actions are, however, rather limited. In 2016 – 2017 the Ombudsman for Equality made an assessment of equality planning in municipalities in three provinces (60 municipalities in total).

Concerns of the Ombudsman for Equality regarding pay surveys

Based on her supervisory praxis, the Ombudsman for Equality considers that there is still a lot to be done to enhance the quality of pay surveys. According to the Equality Act, pay surveys shall cover the whole personnel. According to the Ombudsman for Equality this is, however, seldom the case.

It is now expressly stated in the Equality Act that the purpose of the pay survey is 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. When choosing the method of classification or grouping, this purpose should always be taken into consideration in order to implement the Act properly.

In her previous statement in 2015 concerning reporting the application of ILO Conventions No. 100 and 111, the Ombudsman for Equality, referring to the amendment of the Act in 2015, stated that “it is important to follow up the practical impact of the law reform. It remains to be seen, for example, whether the personal scope of pay comparisons will be extended compared to the current situation. When pay surveys are carried out wages and salaries are usually only compared between employees with the same occupational title or employees in the same task groups. An effort has seldom been made to determine whether there are comparable tasks in different task groups”.

The Ombudsman for Equality has not found changes regarding the scope of comparisons after the law reform of 2015. Pay comparisons are still often made in a very narrow way, sometimes only within the existing pricing groups. Comparisons across collective agreements are very rare.

National Non-Discrimination and Equality Tribunal of Finland practices for application:

The National Non-Discrimination and Equality Tribunal of Finland has given one decision concerning multiple discrimination where it has applied the Equality Act (decision number 2016/2017, decision date 21 March 2018, vote). However, the case did not concern working life, but rather the use of discriminatory statistical data when granting credit.

V

A copy of this report has been sent to the following labour market organisations:

The Confederation of Finnish Industries (EK)

The Central Organization of Finnish Trade Unions (SAK)

The Finnish Confederation of Professionals (STTK)

The Confederation of Unions for Professional and Managerial Staff in Finland (Akava)

The Commission for Local Authority Employers (KT)

The State Employer's Office (VTML)

The Federation of Finnish enterprises (SY)

Statements of the labour market organisations:

Joint statement by SAK, STTK and Akava:

The overall reform of the Non-Discrimination Act entered into force on 1 January 2015, and at the same time amendments to the Equality Act entered into force. These amendments concerned the implementation of a gender equality plan and pay survey. According to a survey sent to shop stewards by the Finnish trade union confederations in 2017, only around two thirds of workplaces with 30 or more employees have a gender equality plan in place at this time. According to the respondents a pay survey on the work of men and women has been carried out at approximately 40 per cent of workplaces.

There is currently an Equal Pay Programme for 2016–2019 underway. The programme's objective is to narrow down the average pay difference between men and women, but the pay gap has narrowed slower than desired. In order for development to continue at the same pace as previously, the wage gap would narrow to at least 12% in the entire labour market at latest by 2025. According to preliminary data by Statistics Finland, women's earnings in the private sector were 84.9% that of men's earnings, in the municipal sector 86.7% and in government employment 87.2%. The average in all sectors totalled 83.7%.

Segregation in the Finnish labour market has increased. The share of people working in even occupations has steadily decreased from 14.7 per cent in 2004 to 9.8 per cent in 2014.

The share of women in part-time and temporary employment is greater than that of men, which has an impact on the pay gap between men and women. In 2016, 18 per cent of women wage earners were in fixed-term employment relationships, whereas the corresponding figure for men was 13 per

cent. In 2016, 20 per cent of women and 10 per cent of men were in part-time employment. Compared to 2015, the share of women in part-time employment has increased by one percentage point while the share for men has remained the same. There has been a clear difference between men and women in regard to whether a new employment contract is permanent or fixed-term. Structures that maintain pay differences between men and women also include the uneven divisions of family leave between parents.

The Federation of Finnish enterprises (SY)

The requirement for equal treatment laid down in Finland's Employment Contracts Act (55/200) as well as the provisions contained in the Equality Act (609/1986) ensure the same pay for men and women for work of equal value at the level of the law. In Finland, pay is determined in large part on the basis of collective agreements. Pay stipulations in collective agreements can obviously not violate the law. The wage gap between men and women as such is not due to legislation.

When discussing equal pay for men and women it is essential to recognise the labour market and social security system's structural factors that influence pay differences in practice. People engaged in either the same work or work of equal value in the same sector are within the scope of entirely the same pay stipulations, but pay differences are based first and foremost on the labour market being divided into sectors dominated by men and those dominated by women. In this case, people engaged in work of equal value in a certain field have equal standing, but the pay level of collective agreements in different fields varies.

Because men's and women's pay must be for work of equal value, it must be noted that it is not always clear in practice how equal value is determined. The higher the level of competence or speciality required by a job, the more the employee's personal characteristics influence not only the content of the job but also whether the work can be considered of equal value. Collective agreements often include stipulations on various assessment systems on which the amount of pay is based in jobs requiring special professional skills. When the wage differential is based on this kind of system or can be objectively justified, it does not violate the general agreement.

Another significant factor in pay differences is the unevenly divided use of different working time schemes. Part-time work is more prevalent in female-dominated fields. The use of family leaves also often influences the size of one's pay and its accrual over a career. In particular, long absences from work can impact one's career opportunities and can cause pay difference over a longer time period.

The Commission for Local Authority Employers (KT):

From the beginning of the 2000s, all the pay systems for employment and government post contracts in the municipal sector have been based on the level of demand of the jobs and on personal competence job performance.

In its memorandum on 15 June 2017 (updated on 26 September 2017) the Information Committee on Cost and Income Developments assessed the effect of pay increases in employment and government post contracts on the pay gap between men and women in 2013–2016. The change to the pay gap has been examined by comparing the changes that have taken place in the differences between average earnings for regular full-time work. The examination of averages does not take into account the strong segregation of the Finnish labour market, the effects of structural changes or the differences in men's and women's working hours.

According to Statistics Finland's wage index for the municipal sector, in October 2016 approximately 421,000 wage earners were employed by municipalities, of whom 337,000 (80%) were women. Due to the municipal sector being dominated by women, the negotiated increases were steered, for the most part, to vocational groups dominated by women although no separate women's or equal pay items have been agreed on. In October 2016, only 7 per cent of municipal sector employees worked in so-called even occupations, which have women and men 40 % - 60 %. The pay differences in the same jobs were indiscernible.

Although the municipal sector's negotiated increases for the 2013-2016 examination period did not include separate women's or equal pay items, these negotiated increases as well as structural changes increased women's pay on average more than that of men. Women's earnings increased 1.1% faster than that of men in the Index of regular earnings (2010=100) compiled by Statistics Finland from the fourth quarter in 2012 to the fourth quarter in 2016.

In October 2016, 98% of municipal sector staff meaning 413,000 persons earned a monthly salary, while 2 % meaning 8,000 persons earned an hourly wage. Of those who earned a monthly salary 81% were women, whereas only 14% of those who earned an hourly wage were women. According to Statistics Finland's wage index for the municipal sector, the average regular working hour earnings for women with a monthly salary rose on average 2.6 percentage points faster than that of men between October 2012 and October 2016. According to Statistics Finland's wage index for the municipal sector, the average regular working hour earnings for women with an hourly wage rose on average 3.5 percentage points faster than that of men between October 2012 and October 2016.

The State Employer's Office (VTML)

The State Employer's Office sent letters to government agencies and department notifying them that the new Non-Discrimination Act and amended Equality Act were to enter into force on 1 January 2015.

The State Employer's Office is taking part in the Government's and labour market organisations' trilateral Equal Pay Programme 2016–2019. In spring 2017, as part of the implementation of the Equal Pay Programme, the State Employer's Office examined the comprehensiveness, quality and implementation of workplace gender equality plans as well as communication on the plan at government agencies and departments. 78 per cent of government agencies had drawn up a gender equality plan and 12 per cent were in the process of drawing up a plan. 68 per cent of government agencies that were obligated to draw up a gender equality plan had done so and 14 per cent were in the process of drawing up a plan. In December 2016, to increase the transparency of pay surveys

and to support equal pay, the Ministry of Finance issued a recommendation for government agencies and departments to publish analyses of their pay surveys (VM/661/00.00.01/2015). Additionally, in 2017, the Ministry of Finance issued an updated recommendation to agencies and department to promote equality in agencies (VM/2497/00.00.01/2017).

The section below contains statistical data published by the Ministry of Finance on that share of women staff members at budget-financed government agencies and top management at ministries as well as on equal pay.

Share of women staff members at budget-financed government agencies and top management at ministries as well as an equal pay index 2013-2017.

	2013	2014	2015	2016	2017
Share of women in State personnel (%)	48.7	48.6	48.8	48.9	49.0
Share (%) of women in highest management at ministries	31.5	31.5	33.3	32.9	36.3
Equal pay index	97.7	98.1	98.5	98.5	98.5

The Confederation of Finnish Industries (EK)

The principle of equal pay requires that employees are paid the same wage for the same work within a company. According to Statistic Finland's preliminary data on their Earnings Index, the average pay earned by women was approximately 16 per cent less than that of men in 2017 throughout the entire labour market field. However, the comparison of average earnings does not illustrate how equal pay is implemented in the workplace.

According to collective agreements, pay should not be determined by gender but according the level of demand of a job, the working conditions, and the employee's job performance and competence. The majority of average pay differences between the genders is due to men and women working in different positions.

The gender pay gap and the reasons for it have been studied extensively. It has been found that the statistical pay gap for employees working in the same job or a job that is equally demanding is 1–5 per cent depending on the personnel group and the statistical data used. The statistical data does not include all the variables that influence pay. For this reason, part of the pay gap remains unexplained.

The labour market has been divided according to gender also within sectors and vocational groups. If the gender distribution were more even in various sectors and vocations, differences in pay would be significantly lower. It is difficult to reduce differences in pay significantly with, for example, income policy measures without this having detrimental effects on the labour market's effective operations at the same time.