

Question about SDG indicator¹ on equal pay for work of equal value and its application

This request deals with the Sustainable Development Goal 8, Target 8.5 indicator regarding equal pay for work of equal value. I will comment on this issue in a chapter of a report that will be published later this year.

Background - assignment about a report on Pay Equity in the Nordic Region

I have received an assignment from Nordic Information on Gender (NIKK) about writing a report as part of the ongoing project Pay Equity in the Nordic region (<https://nikk.no/en/our-work/our-projects/pay-equity-in-the-nordic-region/>). The instructions are framed as follows:

Write a study on pay equity (equal pay for equal value). The study should result in a report that gives an overview of relevant legislation and political initiatives within the Nordic countries, including some reflections about the implementation of the Pay Transparency Directive 2023/970 and possible consequences. The report should also give a quick overview of the Nordic labor market model, observing differences between the countries and how these national peculiarities might affect the ambition to achieve equal pay and pay equity. In terms of timing, the report is intended to tie in with the period after 2019, supplementing and further developing the earlier NIKK report *Likalön i Norden: Lagar och politiska strategier* (2019). The new report should encompass all five Nordic countries (Denmark, Finland, Iceland, Norway, Sweden) and, if appropriate from a Nordic perspective, with views on other countries or regions. The report should be finalized in June 2024 and written in a Scandinavian language (here Swedish) and then be translated into English.

What the indicator should be about – addressing undervaluation of female-dominated work

In the SDGs, the concept of equal pay for work of equal value is addressed under Target 8.5 as follows:

By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

There are two indicators linked to that target:

8.5.1 Average hourly earnings of employees, by sex, age, occupation and persons with disabilities

8.5.2 Unemployment rate, by sex, age and persons with disabilities

My question has its focus on the application of indicator 8.5.1 concerning hourly earnings of employees, as the ILO is appointed the custodian agency for this indicator.

¹ Global indicator framework for the Sustainable Development Goals and targets of the 2030 Agenda for Sustainable Development.

Underlying statistics to SDG indicator 8.5.1 do not relate to work of equal value

In a former report from the Swedish Gender Equality Agency (report 2022:2) the following application problems were identified: When Sweden reports on SDG indicator 8.5.1 about equal pay for work of equal value, the underlying statistics do not reflect comparisons relating to the concept of equal value, which entails comparisons between work belonging to different International Standard Classification of Occupations (ISCO-codes). In fact, the Swedish Mediation Office, which is responsible at national level for the statistics relating to this indicator, only provides statistics comparing wages in relation to the same ISCO-code (in Sweden SSYK-code). Hence, Sweden is presenting statistics regarding equal pay for work with the same ISCO-code, under the label of equal pay for work of equal value. However, the Swedish Mediation Office is aware of this discrepancy, but the argument from their part is, that they are strictly following recommendations from the ILO how is custodian for indicator 8.5.1.

Equal pay relating to the same ISCO-code is not always coherent with, or equivalent to, the term equal work, as the range or spread within an ISCO-code is wider and may entail jobs with work demands at different levels. However, these two concepts come close. In that sense, Swedish statistics in relation to the same ISCO-code can be deemed as equivalent to equal pay for equal work. In that sense, methods for compiling and analyzing equal pay for work of equal value still need to be developed.

Contradictions within the ILO

In the 2013 ILO documentation [Equal pay - Introductory guide](#), the ILO makes it very clear that equal pay and pay equity are related to two different concepts. Equal pay for work of equal value (e.g pay equity) is interpreted as follows (page 31):

“Equal pay for work of equal value covers not only cases where men and women do the same or similar work, but also the more usual situation where they do different work. When men and women perform work that is different in content, involving different responsibilities, requiring different skills or qualifications, and is performed under different conditions, but is overall of equal value, they should receive equal remuneration. This concept is critical to eliminating discrimination and promoting equality, since women and men often perform different jobs, under different conditions and even in different establishments. Women continue to be concentrated in a limited number of jobs, and jobs held predominantly by women tend to be undervalued.”

My question to the ILO

Please provide any comments you may have on the problem described in this document.

If you have any further questions, please do not hesitate to contact me.

Yours sincerely,

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