

Equal pay for work of equal value

Compilation of the rulings of the Equality Complaints Committee 2017-2023

This document presents a compilation of rulings from the Equality Complaints Committee in 2017-2023. In the period, the committee addressed a total of 10 cases related to the issue of equal pay. The compilation was made in February 2024 by an employee of the Committee.

Case no. 7/2022 from 14 July 2023

The complainant, a female lawyer for the Icelandic Red Cross, alleged pay discrimination due to her lower salary compared to a male colleague who started working at the Red Cross a month after her in a similar job.

The pay difference arose because she did not receive a pay review as her colleague did and as was stipulated in his contract. As a result of the pay review, the pay difference was for a period of 8 months. When the salary difference was discovered, the applicant's salary was adjusted but she demanded a retrospective pay adjustment, which the employer refused.

The case concerned alleged gender-based pay discrimination. At the same time, the case relates to whether a clause in their employment contract stating different salary review periods violated the pay equity law.

The applicant believed that the market criteria, freedom of contract and deserved salary increases of an employee, without taking other employees into account, cannot in any way be considered as objective explanations for the difference between the salary of the applicant and her colleague.

The complainant also noted that the unreasonable wage difference will not be justified by employers' inaction when it comes to maintaining work processes and transparency in wage decisions. At the same time, it would be impossible to justify a gender-based wage gap in situations where such work procedures are not actually followed.

Despite the defendant's admission that the pay difference was due to a mistake and that some action was taken to rectify the pay difference going forward, the Committee concluded that the employer was unable to objectively justify the salary difference in question, including the decision to revise the male employee's salary in a different way than the plaintiff's salary.

The Committee found that the complainant was discriminated against by the employer on the basis of lower pay compared to her male colleague for the 8 month period.

Case no. 2/2022 from 5 April 2023

The male applicant employed by the Food and Veterinary Authority alleged pay discrimination with reference to his female colleague's salary and her job performing the same work or work of equal value (under a different collective agreement). The Committee found that the work performed by the female comparator was more varied and determined objectively to be of 'higher value'. In addition, her job required further education. The Committee found that the complainant was not discriminated against on the basis of his gender.

Case no. 18/2021 from 30 December 2022

The female complainant of foreign origin worked for a large company as Chief Marketing Officer. She alleged discrimination on the basis of race and gender in relation to her pay and conditions (e.g., she was offered a much lower stock option compared to her male colleagues). She alleged she had been dismissed because she had demanded a correction to her pay and conditions under the law.

Although the Committee did not find the employer has discriminated against the complainant in pay and conditions on the basis of her race and gender, the Committee concluded that she had been dismissed due to her 'rectification claim'.

Costs were awarded against the defendant.

Case no. 15/2021 from 27 April 2022

The female complainant complained about the difference between her salary and that of two male managers at the company when she worked as a manager at the company. She then appealed the company's decision to dismiss her after she sought correction of this wage difference. The committee held that the complainant had adduced a likelihood that her salary had been determined lower for the same work or work of equal value, cf. Art. 18(2) and Art. 6 of Act no. 150/2020, and that she had been dismissed because she had demanded a correction, cf. Art. 20(1) of Act no. 150/2020. Accordingly, it was up to the company to demonstrate that the difference in wages was explained by factors other than gender and that the dismissal was not based on the plaintiff's rectification claim. The committee concluded that the company had not successfully done so, and accordingly that the complainant had been discriminated against on the basis of gender in salary, cf. Art. 18(1), cf. Art. 6, of Act no. 150/2020, when she worked as a manager at the company, and that she had been dismissed because she had demanded correction based on the law, cf. Art. 20(1) Act no. 150/2020.

Case no. 5/2018 from 24 October 2018

The complainant (A) complained on behalf of its five female members who were nurses that worked as regional directors for the respondent (B) about a pay gap between them and three male doctors who also worked as regional directors. In light of the information that five female doctors who also worked as regional directors at the respondent, enjoyed the same or better wages than the men, it was considered that there was no reason to base a gender-based salary difference between the male and female members of the applicant. It was also believed that the existing wage difference between the doctors and the nurses was based on factual arguments due to the different clinical tasks performed by the nurses and the doctors and on the basis of different education. It was stipulated that the complainant should pay the respondent's legal costs with reference to Art. 5(7) of Act no. 10/2008 on equal status and equal rights of women and men.

[Case no. 10/2017](#) from 22 November 2017

A man complained that his salary had been determined lower than the salary of a woman who performed work of equal value. The committee held that the respondent had demonstrated that there were objective reasons behind the different wages of the employees, namely the woman's longer work experience and higher education, and that it was therefore not determined by gender.

[Case no. 3/2017](#) from 17 August 2017

The complainant, a woman, held that she had been paid a lower salary than a man who performed the same work or work of equal value. The respondent held that the wage difference was explained by changes in their wage system and the man's seniority at the company. The committee requested certain documents from the respondent regarding the wages of other employees in order to compare the difference in pay, but the respondent did not fully comply with that request. For that reason, the majority of the committee held that the respondent had not given adequate reasons for the difference between the salary of the applicant and the employee with whom she compared herself and had therefore violated Art. 25(1) of Act no. 10/2008. In a dissenting opinion, it was held that the respondent had submitted credible and relevant explanations of the salary difference between the plaintiff and the employee with whom she compared herself, and therefore it was not agreed that the provisions of the law had been violated.

[Case no. 5/2017](#) from 6 July 2017

A woman complained that her salary had been determined lower than the salary of a man who performed work of equal value. The committee considered that the reasons the respondent gave, being that the complainant had a part-time job and the man a full-time job, were not adequate. In fact, neither of them had worked full-time from the beginning but that would not change the conclusion that the respondent had violated Art. 25(1) of the law.

[Case no. 6/2016](#) and [case no. 5/2016](#) from 18 May 2017

The Icelandic Nurses' Union complained about difference in pay between nurses and doctors both of which worked as regional directors, as well as between programme directors of nursing and medical activities at the Capital Region Health Care in case no. 5/2016. The Union complained about difference in pay between nurses and doctors that had similar management and were equally placed in the organizational structure at the National University Hospital in case no. 6/2016. Both complaints were dismissed, since the committee held that it was problematic to compare two groups on such general grounds as in the cases and since no proper explanation was given as to how the salary of the nurses could be compared with the salary of a group of doctors, partly women, in addition to the educational requirements of the groups being different.