



SOTSIAALMINISTEERIUM

Challenges and solutions towards equal pay

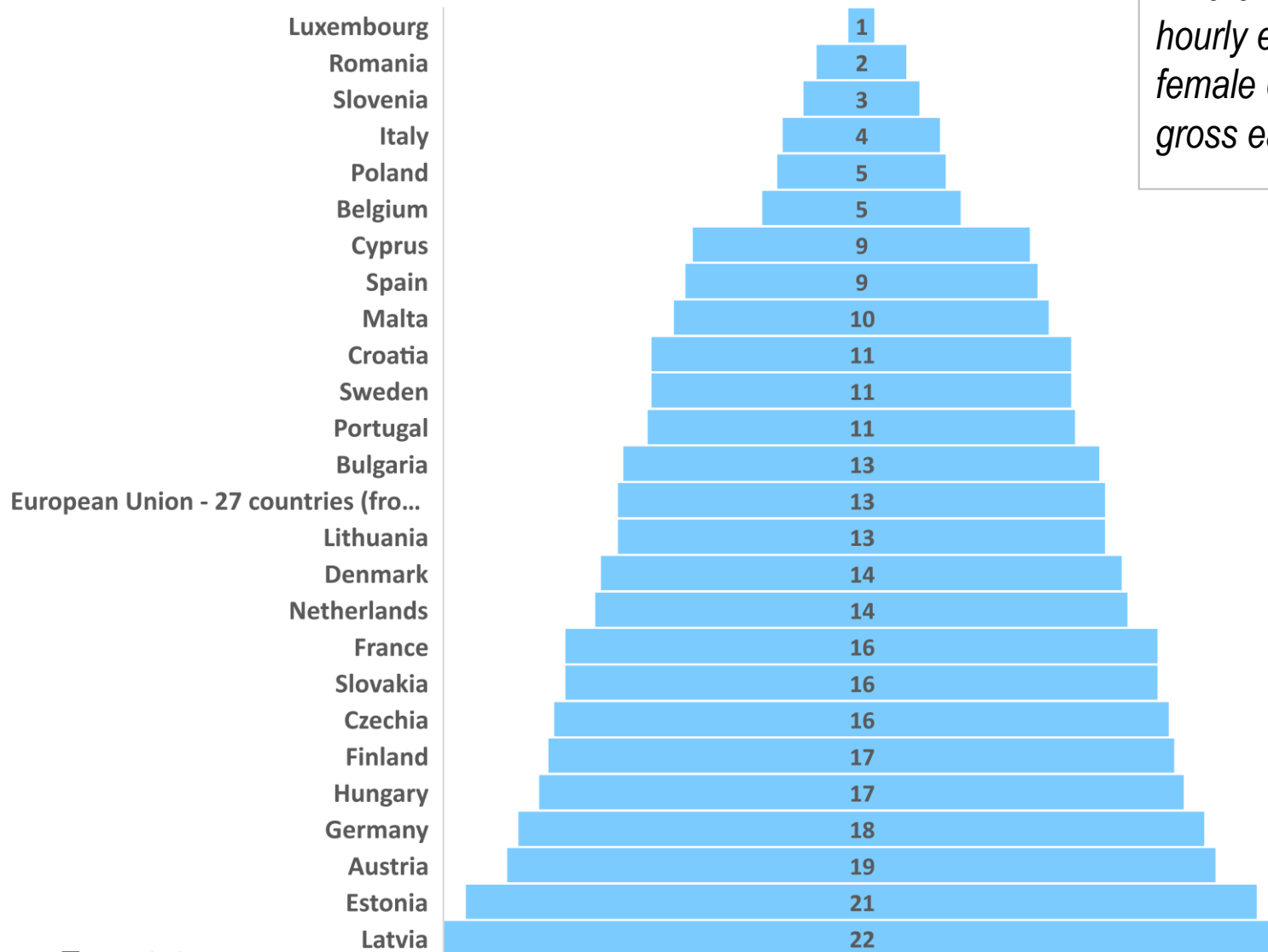
Estonia

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Gender pay gap in EU, %

Difference between average gross hourly earnings of male and female employees as % of male gross earnings, 2020



Data source: Eurostat

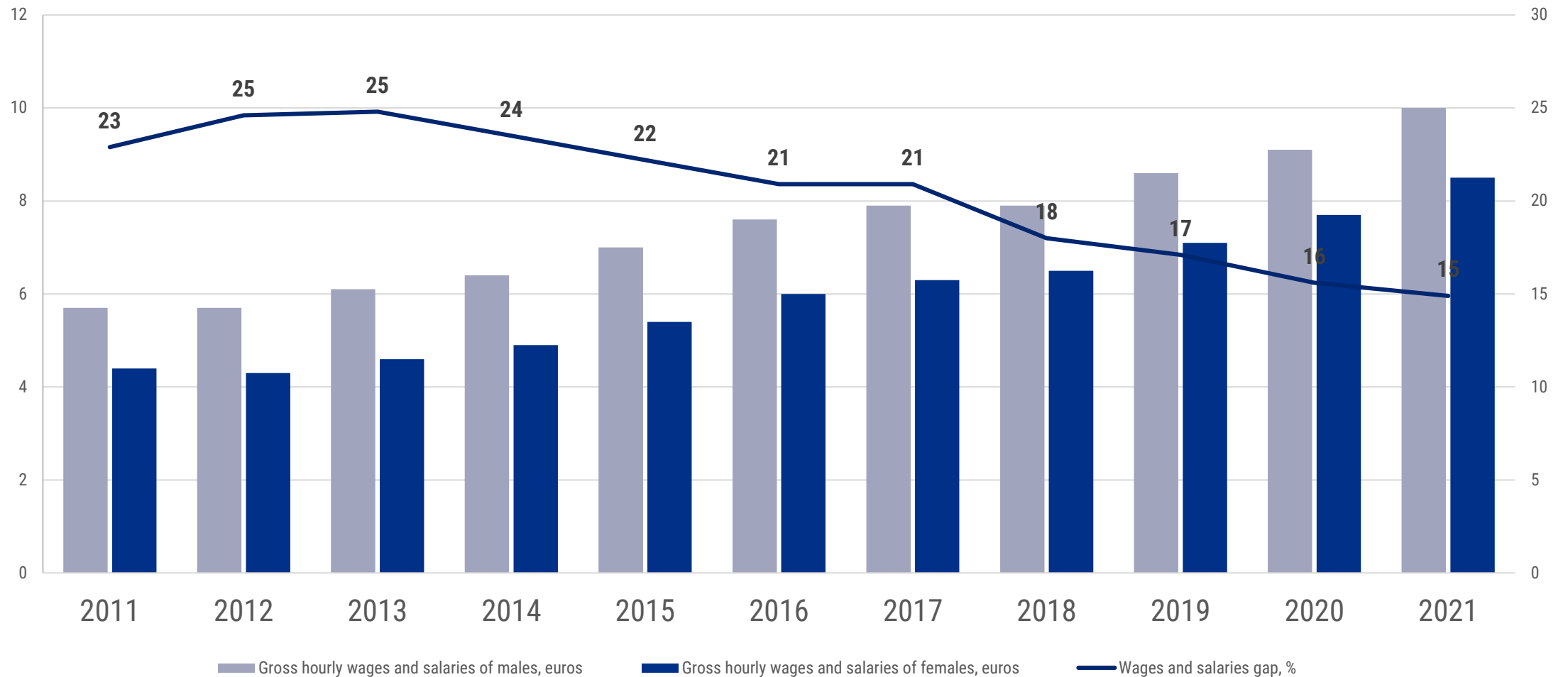
Gender pay gap in Estonia

- According to Statistics Estonia - 14,9% (2021)
- Explained up to 15-40%
- „Estonia 2035“ indicator - 5%



Marta Tüür ja Rael Natali Ets, „Amet ja palk“ 2021 students' art competition

Gender pay gap in Estonia, 2011-2021



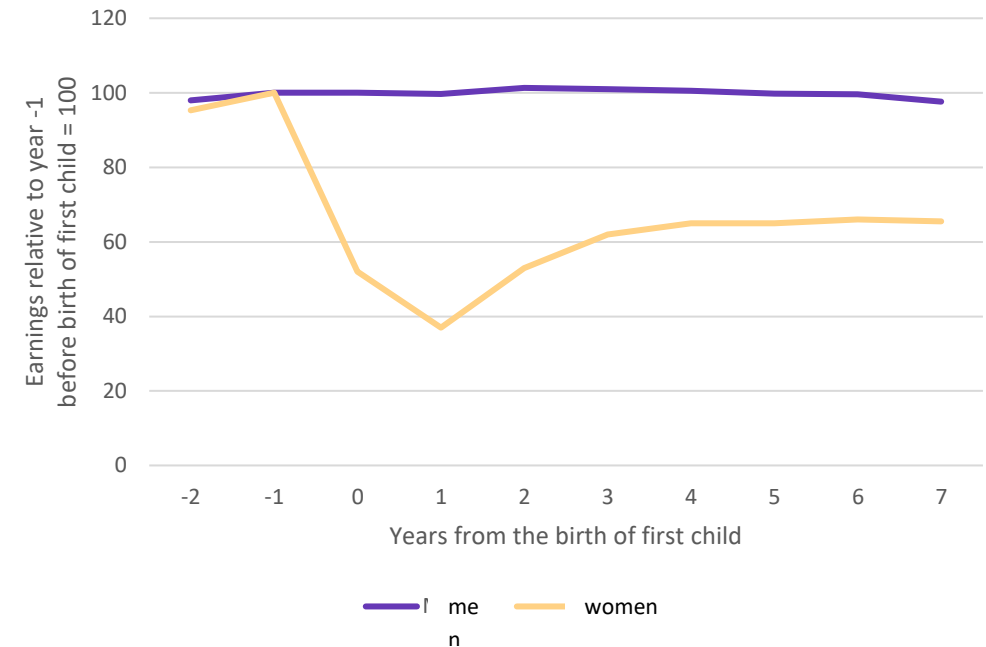
Source: Statistics Estonia

Amendments to GEA in 2018

- Establish pay transparency, pay audits and monitoring for public sector organisations
 - Offer pay analysis to all the employers
- The amendments were not approved by the parliament

Reducing the Gender Wage Gap

- REGE project – 2019-2022, Tallinn University
- Main findings (English summaries: 1; 2):
 - Explaining up to 40% of the known pay gap
 - Wage expectations reflect the pay gap
 - High motherhood penalty
 - Model to predict impact for increase in minimum wage



Source: REGE Reducing Gender Wage Gap (REGE), Tallinn University

REGE (2)

- Main recommendations:
 - Setting priorities
 - Raising awareness and reducing uncertainty
 - Supporting agency
 - Monitoring and data collection
 - Agreeing on indicators
 - Supporting gender balance on care responsibilities
 - Targeting success

Pay transparency today

- Widespread individual wage negotiations
 - Approx. 20% of the employers gather sex-disaggregated data
 - 20% of them analyze gender pay gap
 - Some elements of pay transparency have been implemented
- **§ 11. Employers as promoters of gender equality**
 - (2) An employer shall collect sex-disaggregated statistical data concerning employment that allow, if necessary, the relevant institutions to monitor and assess whether the principle of equal treatment is complied with in employment relationships. [...]

Gender Equality Act

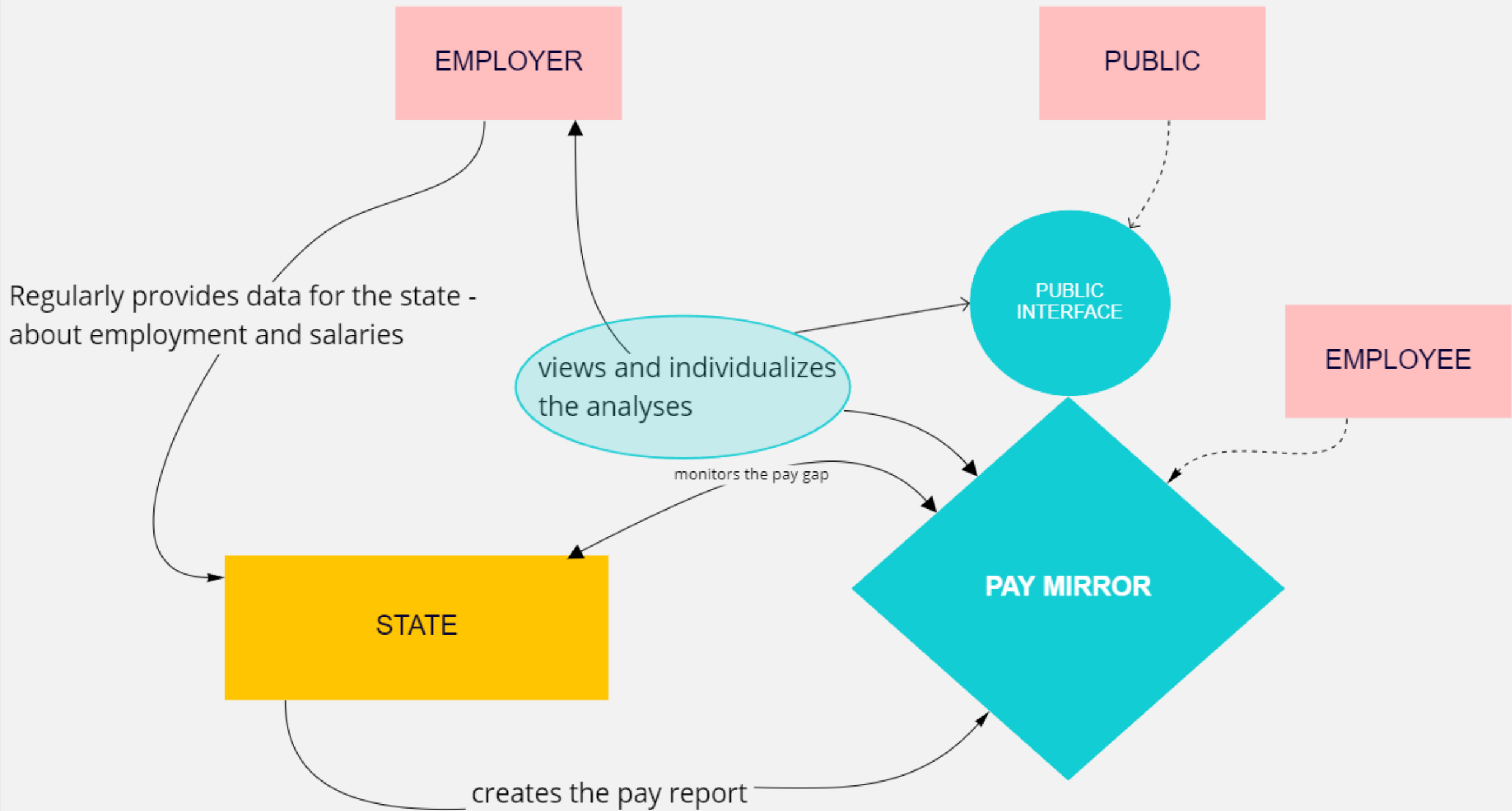
- Duty of employer to provide explanations and information
 - employer has to provide an explanation on employees demand for the bases of calculation of salaries
 - regularly provide relevant information to employees and/or their representatives concerning equal treatment of men and women in the organisation and measures taken to promote equality

Civil Service Act

- Classification system
- The disclosure of remuneration:
 - the current basic salaries are published once a year
 - the basic salary and variable pay and/or other income of the previous calendar year are published once a year

Digital tool – Pay Mirror

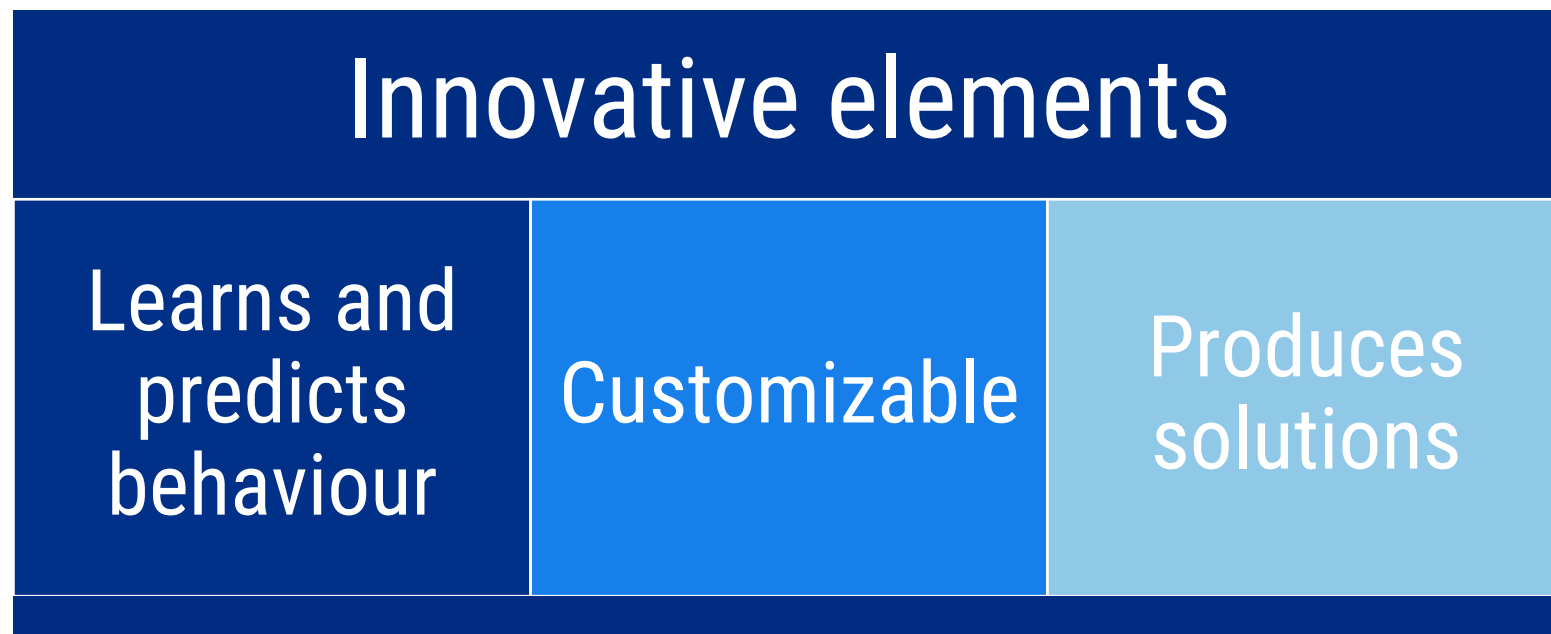
- The prototype
 - REGE project
 - Statistics Estonia
- Pay Mirror is a digital tool which uses data from different data sets and gives employers ready-made analyses which can be individualised
 - The results can be shared
- The digital tool will be ready for use in 2024



Potential

- The digital solution must target different needs
 - High number of different pay gaps
- Individualization: adding classification etc.
- Comparisons: internal and external
- Only numbers won't help the employer
 - Intersectional perspective
 - Explanations, comments and suggestions are needed

Potential (2)



- Nudging
- Machine learning methods
 - Context (location, field of activity)
 - Getting to know the user



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Thank you!

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