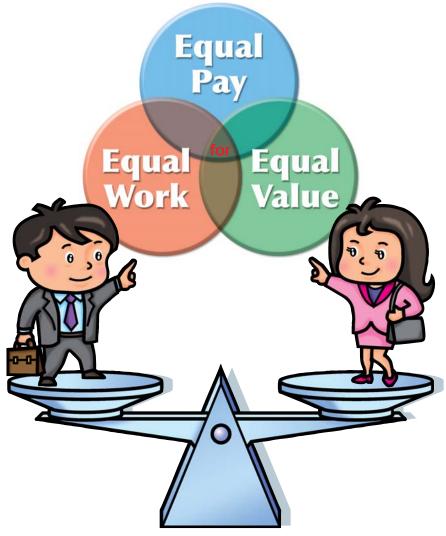
## **Easy Read Guide on Equal Pay between Men & Women**

#### **Under the Sex Discrimination Ordinance**





EQUAL OPPORTUNITIES COMMISSION

#### Introduction

Under the Sex Discrimination Ordinance (SDO), Cap. 480, it is unlawful to discriminate against an employee, on the ground of sex, in the terms and conditions of employment. Employers should maintain the principles of equal pay for equal work (EPEW) and equal pay for work of equal value (EPEV) between men and women, and determine the pay level of each job according to its value to the organization.

In order to hire and retain the right talents in a highly competitive labour market like Hong Kong, factors such as market situations, performance and personal competencies are important considerations for determining individual pay. A fair and transparent pay determination system helps to enhance staff morale and eliminate the risks of unnecessary complaints and legal actions. It is beneficial to both employers and employees.

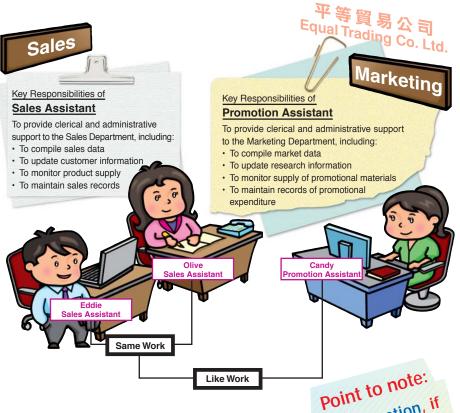
This Easy Read Guide provides concise information on the concepts and principles relating to the implementation of equal pay in Hong Kong to enhance public understanding on the subject. The Equal Opportunities Commission (EOC) has also published a set of practical guidebooks for employers' reference, including:

- Guide to Employers on Equal Pay between Men & Women Under the Sex Discrimination Ordinance
- An Illustration on Developing an Analytical Job Evaluation System Free of Sex Bias
- · A Systematic Approach to Pay Determination Free of Sex Bias
- Equal Pay Self-audit Kit A Proactive Approach for Employers to Achieve Equal Pay

Please visit the EOC website or contact the EOC if you wish to obtain hard copies of the guidebooks. Enquiries : 2511-8211 Fax : 2511-8142 Email : <u>eoc@eoc.org.hk</u> Website : <u>www.eoc.org.hk</u>

#### What is "Equal Work"?

#### Equal Work is the same or like work.

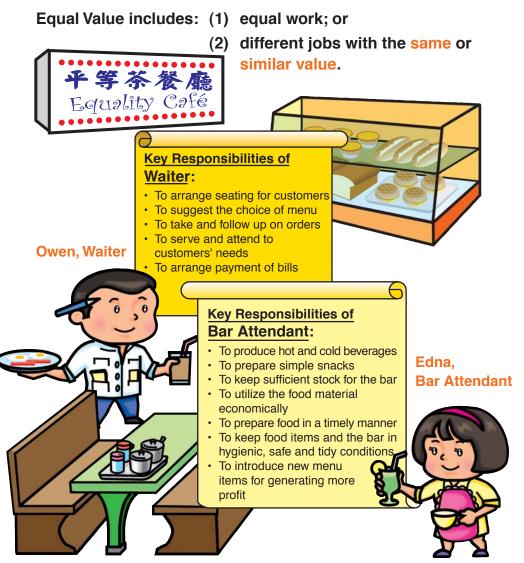


Both Eddie and Olive are Sales Assistants. The responsibilities of their jobs are the same. They are performing the **same** work.

Candy is a Promotion Assistant. The job nature and responsibilities of Candy are **similar** to Eddie and Olive. Although their job titles are different, the differences in tasks performed are indiscernible.

Point to the same organization, if two jobs are the same or tasks performed are similar, these jobs should be considered as equal work even though the job titles are different.

### What is "Equal Value"?



Equal value means jobs which are assessed to be of the same **value** by the employer. In order to compare the job values of a bar attendant and a waiter, we need to consider the job demands of the two positions...

The following checklist will help you to determine "equal value".
 When you compare the value of two jobs, you should consider objective factors that are free of sex bias, including:
 The purpose of the job and its contribution to the business.
 The importance of the job to the business.
 The organization structure, including reporting relationships.
 The job requirements, including education, experience, skills and working conditions, etc.
 Whether the skills sets are interchangeable.

In this example, the job purpose and duties of Bar Attendant and Waiter are different. However, the employer decides that the contribution of both jobs are the same to the café. The skills, efforts, responsibilities and working conditions are also similar. Therefore, they are considered as jobs of "equal value".

> Point to note: Employers have the responsibility to determine the values of all jobs. Employers may decide the factors and standards for measuring jobs that are appropriate to the organization, according to the business nature and reasonable requirements. These factors must be free of sex bias.

Based on the job duties, here are the job requirements of a bar attendant and a waiter:

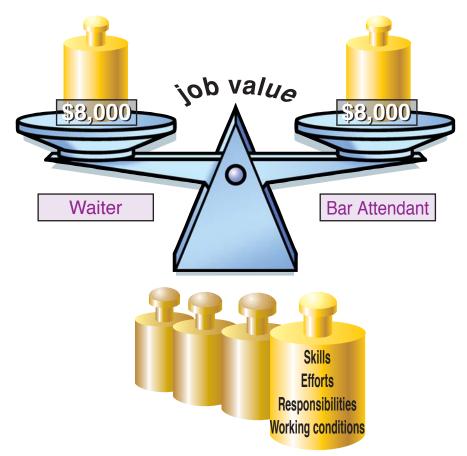


5

## What is "Equal Pay"?

Under the SDO, it is unlawful to discriminate against an employee on the ground of his/her **sex** by treating him/her less favourably in the terms and conditions of employment. The pay package may include: cash and other components of pay, such as basic salary, bonus, overtime payment, leave, medical benefit, MPF contribution, etc.

Pay should be determined on the basis of established job value. Employers should apply **consistent criteria** on men and women when developing and implementing good practices on EPEW and EPEV.

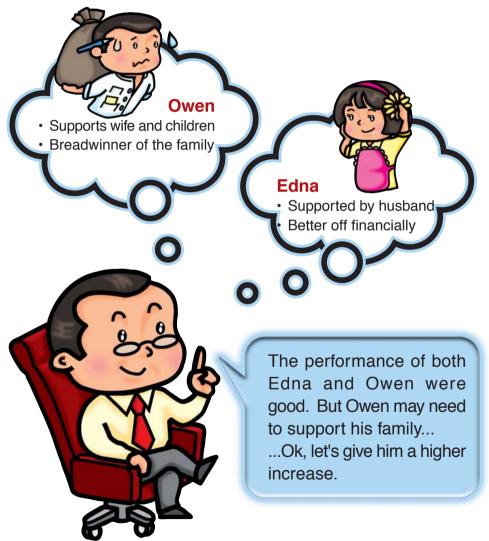


The salary of individual employees performing work of equal value in the same organization may be differentiated by **objective factors**, such as performance, seniority, market situations, etc. These factors should be clearly established by the employer according to reasonable needs of individual organizations.



# Complaints of EPEW or EPEV under the SDO

During year-end salary review...

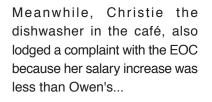


This is outrageous! My employer said that my job was of the same value as Owen's. We joined the café on the same day and our entry salaries were the same. Although my performance was as good as Owen's, he got a higher salary increase. The employer told me to be more understanding and considerate about Owen being a male...

...But that's not fair!



Edna was upset by the employer's decision. She thought that the employer had discriminated against her on the ground of her sex by giving her less increase in pay. She therefore lodged a sex discrimination complaint with the EOC.



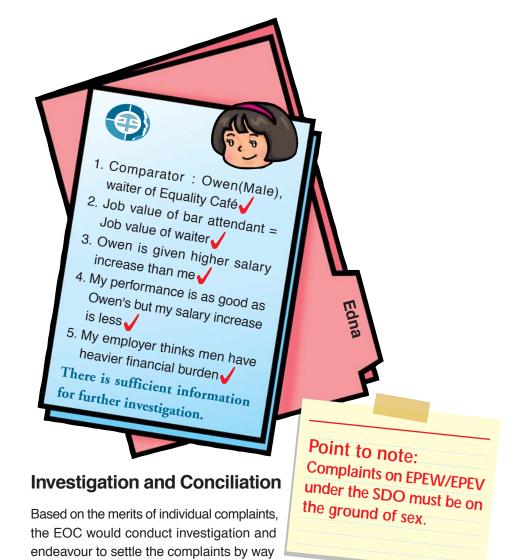
## **Complaint Procedures**

## Information to be provided by the complainant to the EOC

A complainant should provide the following information to support his/her allegation(s):

- 1. Identify a comparator within the same organization (the comparator must be an employee of a different sex)
- 2. Reason(s) to support that the complainant and the comparator are performing equal work or work of equal value
- 3. Reason(s) to support his/her belief that he/she is not receiving equal pay for equal work or work of equal value
- 4. Element of pay in which he/she is being treated less favourably, such as salary increase, bonus, leave, etc.
- 5. Reason(s) to believe that the less favourable treatment is on the ground of his/her sex





#### Legal Assistance

of conciliation as appropriate.

If a case is not settled, the complainant may consider to apply for legal assistance from the EOC. The Legal and Complaints Committee of the EOC will consider the case and decide whether to grant legal assistance. Alternatively, the complainant may consider to apply for legal aid from the Legal Aid Department or to take legal action on his/her own.

Gee, without transparent pay policies, employees may be confused and start filing complaints. I think I should set up a pay system to ensure my pay decisions are free of sex bias, and have better communication with my employees...

#### Recommended

(a) Consistent criteria to the determination of pay for male and female employees performing equal work or work of equal value.
(a) Review pay practices to ensure that they are free of sex bias.
(b) Nake sure that employees understand how pay is determined including:
(c) Grading of different jobs
(c) Factors to differentiate individual pay (such as seniority.
(c) Maintain records of pay decisions.
(c) Encourage employees to make enquiries on pay is sues to relevant publications issued by the EOC.

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11