### **HOW DOES THE PAY EQUITY CLAIM WORK?**

Great question. We've prepared a handy graph for you at the end of this document, but here's a detailed explanation too.

#### THE LEGISLATION

The Equal Pay Act 1972 (the Act), was amended by the Equal Pay Amendment Act 2020.

The Act sets out a process for employees, unions and employers to resolve pay inequity issues. The following information is that process.

The Act requires that **ALL** professions who fall under a claim must be covered, and that unions who represent those professions are party to the claim. These means that:

- The claim was raised by the PSA and is led by the PSA as the union of over 11,000 Allied Health professions. APEX (another union representing Allied professions) is also a party to the claim.
- People who are not members of a union are also covered by the claim.
  Of course, we are talking to them about why they should join the PSA!

#### **RAISING A CLAIM**

An employee or union raises a pay equity claim directly with an employer. Before we can start working on the claim, we have to establish something called **arguability.** To be arguable the claim must cover work that:

- is or has been predominantly performed by female employees who make up approximately 60 percent or more of the workforce.
- is, or historically has been undervalued.

When arguability is agreed the parties negotiate the process for settling the claim before moving on to the next step. If arguablity is not agreed then the claimant must decide whether or not to challenge the decision.

Luckily you don't need to worry about this too much, because we have already established arguability for the Allied claim!

#### **ASSESSING THE CLAIM**

This is the chunkiest part of the process. It's especially chunky for this claim, due to the sheer number of variety of occupations covered.

Firstly interviews and questionnaires with different groups are carried out to make **Role Profiles**. A Role Profile is a detail, objective and consistent summary of your work. For the larger occupations the Role Profiles will also be developed through groups of volunteers called **Reference Groups**.

These Role Profiles are scored using Pay Equity tools to determine skills, responsibilities, conditions of work, and effort needed for the role.

#### **COMPARATORS**

The Act then requires an assessment of the work of appropriate comparators to establish if the work is of equal value.

A comparator is a person who is doing work that may be of a similar value but in a role that is mostly performed by men. We look at what skills, demands and responsibilities are needed for the comparator roles and look at their working conditions to establish if the work is comparable.



This sounds all so simple and straightforward right? It's not, and it is a big piece of work. We also have to get male comparators to agree to be interviewed and assessed to build up a library of profiles we can use.

Luckily for us, we get to take a few shortcuts. Because we've already built up a library of comparators in other Pay Equity claims, we can use any appropriate existing comparators for Allied professions, instead of starting from scratch.

When comparators are agreed and the assessment work completed, we compare the roles, analyse the data, and establish the extent of undervaluation. Yay!

**Note:** The comparator roles will be confidential until the offer is released for ratification.

#### **NEGOTIATING A SETTLEMENT**

If the assessment has found there is gender-based undervaluation, then we negotiate a settlement. This includes the actual increases you will be receiving, but could also include developing a new pay spine, as well as negotiations on how you might be transitioned onto your new rate.

The proposed settlement is shared with all employees covered by the claim, unless they have opted out of the claim, who then vote on whether to accept the settlement. If this happens, then the settlement is implemented, and the new rates of pay offered to all people covered by the claim.

#### **MAINTAINING THE CLAIM**

The legislation requires your employer and the PSA to agree how to make sure undervaluation does not occur again in the future. This will be part of the negotiations and will ensure we maintain pay equity going forward.



we are



# Maintain

mechanisms for maintenance of equal pay rate review and Negotiate over time









## settlement Negotiate

introduce equal methods to Negotiate payrate

claimants (skills, responsibilities, Examine work of

conditions of work, efforts)

Examine

- considerations such as salary classification Can include structures
- staging arrangements Phasing and

Establish extent

remuneration

Compare

comparability

comparators appropriate

• Determine

undervalued &

the work is

responds it is arguable that

Employer

 Employer assesses predominantly

performed by

extent of

undervaluation

finalising claim

(Pay Equity

process for

Negotiate

women

Bargaining Process Agreement)

















Raise Claim



Union raises

Claim