

EQUAL PAY FOR WORK OF EQUAL VALUE

On The Issue of "Merit"

Submission to the Public Consultation On Pay Equity

BY

UAW LOCAL 1980

Toronto, Ontario
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We welcome this opportunity to make a presentation before the panel hearing submissions on Equal Pay for Work of Equal Value to the private sector. We are pleased that besides the three business representatives we also have Janis Sarra from the Ontario Federation of Labour here as a representative of working women.

The UAW Canada has already appeared before this panel and presented some views. In Windsor on March 22, 1986, we made a presentation from the National Union and UAW Local 89 which spoke of our determination to see comprehensive legislation for working women which would compliment and enhance our collective bargaining process. In Ottawa on April 17, 1986, we made a presentation from our Retired Workers in Canada and restated the need to achieve economic justice for women at all stages of our lives. At both of these forums, we outlined our participation in the development of the Ontario Federation of Labour model legislation presented to the Ontario Government last Fall.

As we appear before you today on behalf of UAW Local 1980, we look forward to the end of this long and questionable process. We anticipate the next step will be the implementation of actual legislation for Equal Pay for Work of Equal Value in the private sector, and urge you to encourage the Government to proceed without any further unnecessary delays.

The specific issue we would like to deal with today is that of exceptions as raised by the Green Paper. We have concerns about the continued allowance of merit pay as one of these exceptions. Our experience generally has been that merit pay has been a tool used for unfairly allowing disparities between persons doing equal

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work, let alone work of equal value. And if it is a practice that can be so easily abused under the present Equal Pay For Equal Work, then it is one that would be open to even more abuse under Equal Pay For Work of Equal Value Legislation. We would like to share with you, one experience to illustrate this.

UAW Local 1980 represents the technical, office and professional workers at Ford Electronics Company in Markham, with a membership of approximately one hundred and fifteen (115). About eighty percent (80%) of the membership are men and twenty percent (20%) women. The majority of office workers are engineers but there is a number of support staff, clerical positions and production office jobs related to the factory floor. The UAW was certified approximately ten years ago and inherited a long established merit system. Although we have neutralized some of the unfairness by negotiating across the board increases and refusing to negotiate a merit "pot" for the company to share out, some problems still exist.

As a result of these problems, we lodged a complaint with the Ministry of Labour Equal Pay Division in June of 1985. The Ministry has not yet completed it's investigation--they are certainly dedicated but severely understaffed. Any criticism we have about the time taken to investigate our complaint is aimed at the inadequate resources given the Equal Pay Division, not their competence. Their workload has risen as a result of the increased public awareness of gender based pay inequities. We hope that this lack of corresponding increase in staffing is temporary and does not bode ill for the future of Equal Pay For Work of Equal Value.

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Our complaint is based on the following issues:

The industrial relations department can determine, within a set salary range, what the office workers deserve in income. This happens in two different ways: (1) On hiring and (2) On promotion from one classification to another. The range from bottom to top can vary as much as \$150 bi-weekly, within the same classification.

As a result, we had several glaring inequities that appear obviously gender based. In the case of one woman with seventeen (17) years seniority, she watched two young men hired straight from the street into her classification doing the same work at a higher rate of pay. This was explained as merit based on their superior educational requirements.

Another woman with fourteen (14) years seniority earned a promotion which took her up two salary levels (i.e. 4 - 6). At the same time, a male colleague with five (5) years seniority was promoted into the same job but required a promotion of only one salary level (i.e. 5 - 6). She is paid less than he is, based on "merit". In fact, she is paid less than the other five men in her department.

Yet another woman with seniority trained a new male hire to do a job within her classification only to find that he was being paid more than she was.

The list goes on and on. Apparently obvious discrimination. Yet, we are still fighting this case under Equal Pay For Equal Work because "merit" is an allowable exception.

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We were able to tackle some of these inequities during recent negotiations (by bargaining into a strike deadline!) but such obvious violations should be criminal.

We have brought you one example from a workplace owned by a sophisticated multinational company and workers represented by a determined union. We know that this is not an aberration. A performance rating system based in part on individual excellence is inevitably biased. We will continue to work against merit exclusion. Merit runs counter to the concept of Equal Pay For Work of Equal Value and must not be an exception to Pay Equity Legislation.

Respectfully submitted,

UAW Local 1980

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