



# **EQUALITY PLANS**

*Guidelines for companies and institutions*

---

January of 2021

## **Making an Equality Plan: Guidelines**

If a business or an institution is to become or remain successful it is crucial that the staff is both **satisfied and qualified**. Equality in the workplace is an important factor to make it possible for all employees to deliver their best work possible and there needs to be a clear ban on behaviour such as gender-based violence, gender-based harassment and sexual harassment in the workplace. It is also essential that employees of all genders can achieve reconciliation of their family and work life.

### **What is an Equality plan?**

Article 5 in Act no. 150/2020 on Equal Status and Equal Rights Irrespective of Gender states that:

- *“Companies and institutions with 25 or more employees in principle per annum shall set themselves a gender equality plan or mainstream gender equality perspectives into their personnel policy. This shall specifically include, i.e., a statement of objectives and a plan of how they are to be achieved to guarantee the employees the rights set out in Articles 6–14. Gender equality plans and gender equality perspectives in personnel policies shall be reviewed at three-year intervals. The gender equality plans of municipal governments are covered by Article 13 of the Act on the Administration of Matters Concerning Equality.”*
- *“The companies and institutions referred to in Paragraph 1 shall provide the Directorate of Equality with a copy of their gender equality plan, or their personnel policy if they do not have a gender equality plan, together with their implementation plan when the Directorate of Equality so requests. They shall furthermore submit a report on developments in this field, within a reasonable period, to the Directorate of Equality when it so requests. A gender equality plan is considered to have taken effect when the Directorate of Equality has approved it.”*

**The Equality Plan is intended to equalize the position of all genders in the workplace. The plan shall set out objectives and a timed action plan where the following articles of the law are met:**

- Article 6, General provision regarding pay equality
- Article 7, Equal pay certification
- Article 8, Equal pay confirmation
- Article 12, Vacancies, vocational training, retraining and continuing education
- Article 13, Reconciliation of work and family life
- Article 14, Gender-based violence, gender-based harassment and sexual harassment

Some companies and institutions include more social categories than gender in their Equality Plan, though that it is not obligatory by law. Considering this, attention is drawn to Act no. 86/2018 on Equal Treatment in the Labour Market and Act no. 80/2019 on Sexual Autonomy.

For an Equality Plan to contain realistic and measurable goals, the present status of genders in the company or institution must be known. The first step is therefore to assess the status of the genders, based on that assessment the goals are then made clear and a foundation is laid out for performance measurements. The staff must be informed of the Equality Plan and, the plan must be presented in the workplace.

An approved Equality Plan is one of the prerequisites for a company or an institution to receive the Equal Pay Certification or the Equal Pay Confirmation. The Equality Plan is only deemed valid when the Directorate of Equality has approved it.

**The following is a brief overview of the legal articles that need to be complied with, their content discussed, and an example of an Equality Plan is presented:**

➤ **Article 6, General provision regarding pay equality**

*“Women, men and persons whose gender is registered as neutral in Registers Iceland shall be paid equal pay and enjoy equal terms of employment for the same jobs or jobs of equal value. “Equal pay” means that pay shall be determined in the same manner for all persons regardless of gender. The criteria based on which pay is determined shall not involve gender discrimination. Workers shall at all times be permitted to disclose their pay terms, should they so choose.”*

➤ **Article 7, Equal pay certification**

*“A company or institution with an average of 25 or more employees in principle per annum shall acquire equal pay certification following a certification body’s audit of the company’s or institution’s equal pay system in which it is confirmed that the equal pay system and its implementation meet the requirements of the ÍST 85:2012 standard, in keeping with Article 1c of that standard. Once the equal pay certification has been finalised, the certification body shall send a copy of the equal pay certificate to the Directorate of Equality, together with a report on the outcome of the audit. The equal pay certification shall be renewed every three years. The certification body shall also inform the Directorate of Equality if the audit does not result in equal pay certification and state the reasons for this by submitting a report on the outcome of the audit.”*

➤ **Article 8, Equal pay confirmation**

*“Without prejudice to Article 7, a company or institution which employs an average of 25– 49 employees in principle per annum can choose to either undergo an equal pay certification in keeping with Article 7 or to receive an equal pay confirmation from the Directorate of Equality following the submission of documentation showing that its equal pay system and its implementation comply, in the estimation of the Directorate of Equality, with the requirements set out in Paragraph 2. The equal pay confirmation shall be renewed every three years.”*

Before work on the Equal Pay Certification or Equal Pay Confirmation begins, managers need to define an equal pay policy and implement at least one wage analysis to examine whether there is a gender pay gap at their workplace. The workplace's Equality Plan must also be approved by the Directorate of Equality.

The law does not only cover equal pay for the same or equivalent jobs, but also the equal terms. If there is a difference in the wages or terms of women, men, and people with neutral registration in the national register, managers will have to respond and act. Below is an example of a timed action plan with a clear goal, objective, specified responsible parties and a timeframe.

### Article 6, General provision regarding pay equality

- *“Women, men and persons whose gender is registered as neutral in Registers Iceland shall be paid equal pay and enjoy equal terms of employment for the same jobs or jobs of equal value.”*

#### *What to do, how, who’s responsible and when should the goal be reached?*

Goal	Objective	Responsible party	Timeframe
Women, men, and individuals with a neutral registration have equal pay and equal terms for the same or comparable jobs.	Clear policy in equal pay matters. Introducing the policy to employees.	Management.	Completed in February 202X
	Analyse wages and terms of employees to see if a gender-based difference occurs.	Financial director.	Completed in March 202X
	Amend wages if unexplainable differences appear.	Wage representative.	Completed in November 202X
	Equal Pay Certificate/ Equal Pay Confirmation (art. 7-8)	Management.	Completed by the end of 202X.

### Article 12, Vacancies, vocational training, retraining and continuing education.

- *“Employers shall take necessary measures to ensure that women, men and persons whose gender is registered as neutral in Registers Iceland have equal opportunities regarding retraining, continuing education and vocational training, and to attend courses held to enhance vocational skills or to prepare for other assignments occupations.”*

#### *What to do, how, who’s responsible and when should the goal be reached?*

Goal	Objective	Responsible party	Timeframe
Vacancies at the company are open to all genders	Summary of gender ratios in all working groups	Wage representative	Completed in February of each year
	Gender analysed summary of advertising jobs, applicants, and recruitment.	Personnel management	Completed in February of each year
Equalize the gender ratio in employee groups	All genders are encouraged to apply for vacancies.	Personnel management	When a job is advertised for application
That retraining, continuous education and vocational education is accessible to all genders	Annual analysis of gender progress in comparable jobs in retraining and vocational training	Wage representative	Completed in April each year.
	Seek explanations for gender-related differences in staff’s efforts in retraining and vocational training.	Administration	Completed in April each year.

### Article 13, Reconciliation of work and family life

- *“Employers shall take the measures necessary to enable their employees to reconcile their professional obligations and family responsibilities, irrespective of gender. Such measures shall, inter alia, be aimed at increasing flexibility in the organisation of work and working hours in such a way as to take account of both employees’ family circumstances and the needs of the labour market, including facilitating the return of employees to work following maternity/paternity or parental leave or leave from work due to pressing and unavoidable family circumstances.”*

Burnout at work, which has increased in recent years, is often due to a heavy workload and disregard of the intricate interplay between work and private life. However, there is seldom complete balance, and many employees experience a certain amount of tension that can cause difficulties. It has been shown that a family-friendly work environment can lead to increased job satisfaction, improved performance, increased productivity, and reduced staff turnover.

The workplace’s flexibility policy must be clear to employees so that they can negotiate such work arrangements. It can also be beneficial to; see if overtime can be reduced, be careful not to have meetings at times when parents need to take care of their children (in the evenings or on weekends) and encourage parents of all genders to share children's sick days and parental leave. Equal responsibility of both parents is particularly important and promotes equality in other areas of society.

#### *What to do, how, who’s responsible and when should the goal be reached?*

Goal	Objective	Responsible party	Timeframe
Being a family-friendly workplace	Introduce employees to the company's policy when it comes to reconciling family and business life	Managing Director	Annual presentation in September
To establish a system of flexible and predictable working hours			
That both parents exercise the right they have regarding parental leave and leave due to children's illness	Introduce employees and especially prospective parents, their rights, and obligations towards the workplace	Human Resources Manager	Annual presentation in September

### Article 14, Gender-based violence, gender-based harassment and sexual harassment

- *“Employers and the directors of institutions, civil society organisations and sports and youth organisations shall take special measures to protect their employees, students and clients from gender-based violence, gender-based harassment or sexual harassment in the workplace or institution, social activities or schools. If a superior is charged with alleged gender-based violence, alleged gender-based harassment or alleged sexual harassment, he or she shall be non-competent to take decisions regarding the working conditions of the plaintiff during the examination of the case, and the next superior shall take such decisions.”*

It is the responsibility of employers to prevent gender-based violence, gender-based harassment and/or sexual harassment against employees in the workplace. It is necessary to make the staff recognize that such behaviour is not acceptable. The workplace's prevention and response plan need to be clear on where to look for help with issues related to gender-based violence, gender-based harassment and sexual harassment. It also needs to be clear where to look for help when a person of authority in the workplace is involved in such violence or harassment.

***What to do, how, who's responsible and when should the goal be reached?***

<b>Goal</b>	<b>Objective</b>	<b>Responsible party</b>	<b>Timeframe</b>
A clear ban against gender-based violence, gender-based harassment and sexual harassment in the workplace.	Educate staff about gender violence, gender-based harassment and sexual harassment.	Human Resources Manager.	Completed in September 202X
Make a prevention plan and response plan addressing gender-based violence, gender-based harassment and sexual harassment in the workplace.	Make a prevention and contingency plan and introduce it to all staff members.		Completed in November 202X

**Follow-up and review**

The objectives of the equality plan must be followed upon. It is good to review the situation of every project, at least annually, with the top management. It is also beneficial to regularly inform employees what has worked well and what can be improved. The plan will then become a living plan that is more likely to be successful. The Equality Plan and the Gender Equality Perspectives in human resources policies shall be reviewed every three years. The period of validity must be clear in the policy/plan.

***What to do, how, who's responsible and when should the goal be reached?***

<b>Goal</b>	<b>Objective</b>	<b>Responsible party</b>	<b>Timeframe</b>
That the equality plan returns the desired results.	Attitude survey among staff with respect to the projects of the Equality plan.	Staffing and human resources manager.	Completed in November every other year.
That the equality plan in place is under continuous development like any other strategic planning.	Review the status of the projects with management.		
To review and update the Equality Plan.	Work on a proposal for a new equality plan based on experience, projects, and the results of surveys.	Human Resources Manager / Gender Equality Committee.	Finished two months before validity of older schedule expires.

The Directorate of Equality works according to Act no. 151/2020 on the Administration of Matters Concerning Equality and monitors Act no. 150/2020 on Equal Status and Rights Irrespective of Gender, Act no. 86/2018 on Equal treatment in the Workforce and Act no. 85/2018 on Equal Treatment Irrespective of Race and Ethnic origins.

The monitoring involves a regular recall of Equality Plans from companies and institutions with 25 or more employees and is in the hands of the Directorate of Equality.

In addition, the Directorate of Equality provides education and information and can also advise companies, institutions and individuals on matters concerning Equality regarding gender, race, national origins, belief, life attitudes, disability, impaired work capacity, age, sexual orientation, gender identity or gender expression.

**If something is unclear and/or if any questions arise you can always contact the Directorate of Equality.**