



Revised Swiss Gender Equality Act

What you should know and do

Background information

What does equal pay mean?

On average, **women earn about 18% less than men** in Switzerland. The reasons for this gap are various. Based on an analysis, however, only 56% of the gap can be explained by factors such as professional status, years of service or qualifications, while 44% of the gap remains unexplained (*Source: Federal Statistical Office ESS 2016*).

Equal pay emphasizes that woman and men are entitled to equal pay for performing work of equal value.

The principle of equal pay for women and men has been enshrined in the Federal Constitution since 1981 and substantiated in the Gender Equality Act since 1996. The revised equal pay regulations are effective as of 1 July 2020 and end on 30 June 2032.

The revised law comprises 3 steps:

- Analysis of equal pay in line with a recognised method ("EBG-Konformitätserklärung")
- Verification of the analysis by authorised and specially trained independent body
- Communication of the result to the employees for the non-public companies and to the employees and the shareholders for the public companies



Under the equal pay measures

Who is affected?

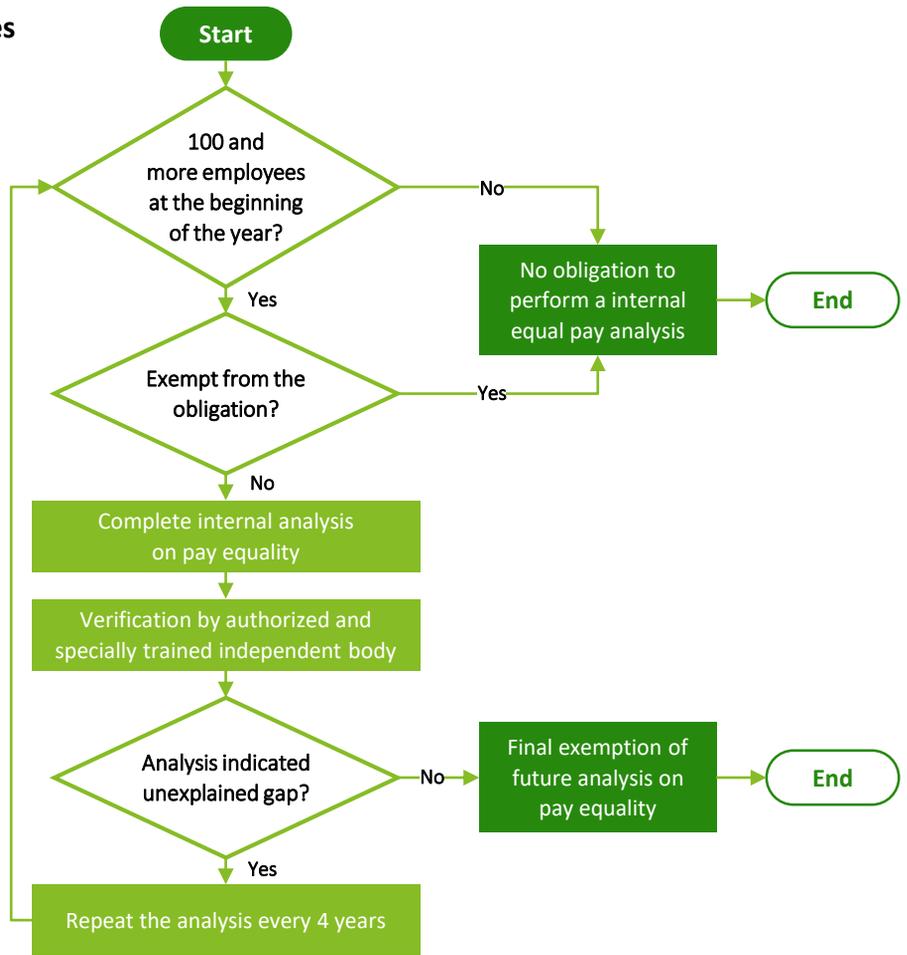
Organisations with 100 or more employees as of 1 January 2020

- Private companies and public organisations
- Including all employees (number of employees are measured by heads and not by full time equivalents)
- Excluding apprentice and trainees as it is a special type of contract and employees with a permanent job abroad in accordance with foreign law

Repeat the analysis every 4 years, unless the analysis shows equal pay.

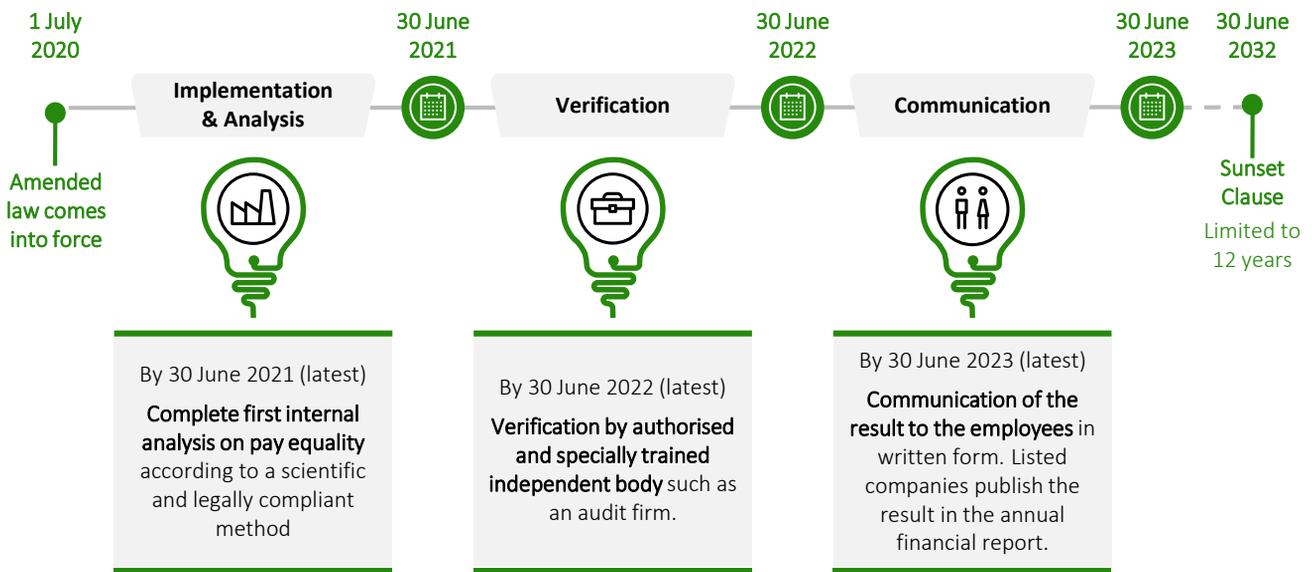
Exempt from the obligation to carry out an internal equal pay analysis:

- If a company is inspected in the context of public procurement or subsidies with regard to compliance with equal pay (when such a control took place between July 2016 and June 2020)
- If the analysis and the audit of this analysis has already confirmed that equality exists
- Less than 100 employees.



Key dates

Obligations between 1 July 2020 - 30 June 2032



To Do's for the Company

Step by step

- Define the method to be applied, obtain the **software** and review the data requirements.
- Define the **reference month**—there are different considerations, e.g. the month after the payment of bonuses can minimize the bias from new joiners.
- Start collecting all **necessary information** (e.g. highest education certificate of each employee needs to be added. Not all employers have complete information about this (it is sufficient to get this information by self-declaration from the employee)).
- Prepare a **preliminary analysis** to ensure that your data is complete and accurate.
- Run **actual analysis** and analyse the results.
- Ask an independent body for the **verification**
- **Communicate** the results to the employees and the shareholders (if listed company).

No penalties or sanctions apply in case of the violations of the provisions; however, results could lead to a reputational risks for the organization.

How can Deloitte assist you?

Verification vs Advisory

Verification by Deloitte

A legally required review of your internal analysis on pay equality

The following aspects are **verified by us**:

- **Internal analysis on pay equality was carried out within the legally prescribed period**
- **Internal analysis on equal pay was carried out according to a scientific and legally compliant method**
For instance, there is a tool that meet these requirements - "[Logib](#)" from the Federal Office.
- **All employees are included**
- **All payroll components are recorded** (base salary, 13th /14th salaries, special payments (i.e. bonus, share based payments, commission, tip...), allowances (i.e. overtime compensation, (night) shift compensation).
- **The required data, including personal and work-related characteristics is captured accurately and completely.**

Deloitte issues a **report** on the implementation of the internal analysis on pay equality, which states whether the pay equality **analysis was carried out in a formal and correct manner.**

Advisory by Deloitte

Supporting you in the preparation and analysis of the results

You have someone else to verify the Equal pay but are lacking resources and knowledge to prepare for this new requirement?

We have an experienced team of professionals, all over Switzerland, who can assist you in developing an action plan and implementing the new Equal pay law. These capabilities include the full breadth of services including:

- Collecting the **right data** and ensuring its completeness and accuracy
- **Preparing the analysis** (using the tool of your choice)
- **Investigating** the reasons for the gap and **proposing** refinement options
- **Developing programs** to fix the gaps
- Assisting with **pay policies and practices revisions.**

You choose the level and scope of our support. You can have one of our Subject matter experts **becoming part of your team** and assisting you in running this project, or you can **outsource** the whole project to us.

You decide how you want us to assist you. We will take care of the rest.



Get in touch with us

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