

MINISTRY OF JUSTICE

*Office of the Agent of the Czech Government
before the European Court of Human Rights*

Follow-up to the decision of the European Committee of Social Rights in case no. 128/2016 – *University Women of Europe v. the Czech Republic*

**Report submitted by the Government of the Czech Republic
on 21 December 2021**

INTRODUCTION

On 5 December 2019, the European Committee of Social Rights (“ECSR”) adopted a decision on the merits of collective complaint no. 128/2016 – *University Women of Europe (UWE) v. the Czech Republic*. In the decision, the ECSR found

- a violation of Article 4 § 3 of the European Social Charter (the “Charter”) and Article 1.c of the 1988 Additional Protocol on the ground that pay transparency is not ensured and job comparisons are not enabled in practice;
- a violation of Article 1.c of the 1988 Additional Protocol on the ground that there has been insufficient measurable progress in promoting equal opportunities between women and men in respect of equal pay; and
- a violation of Article 1.d of the 1988 Additional Protocol on the ground that there has been insufficient progress in ensuring a balanced representation of women in decision-making bodies within private companies.

As to the remaining complaints of the complainant organisation the ECSR found no violations of the 1988 Additional Protocol.

On 17 March 2021, the Committee of Ministers of the Council of Europe adopted Recommendation CM/RecChS(2021)5. With regard to the response provided by the Government on 2 July 2020 [DD(2020)279], it recommended that the Czech Republic:

- pursue and finalise the adoption of measures to improve pay transparency by means of entitling workers to request and obtain, in the context of judicial proceedings, information on the pay of a fellow worker while duly respecting applicable rules on personal data protection and commercial and industrial secrecy;
- expand the scope of pay comparisons in the private sector beyond the same enterprise;
- review and reinforce existing measures aimed at reducing and eliminating the gender pay gap and consider adopting any new measures that may bring about measurable progress within reasonable time in this respect;
- promote an effective parity in the representation of women and men in decision-making positions of the largest publicly listed private companies;
- indicate the decisions and actions taken to comply with this recommendation in the next report on follow-up to decisions in collective complaints.

Following the ECSR decision and the recommendation of the Committee of Ministers, the Government are submitting this report on the implementation of the decision. The report is divided into the four areas on which, according to the Recommendation, the Committee of Ministers wished

to receive more detailed information. The individual chapters (II to V) set out the measures already adopted and those that are planned.

I. EXAMINATION OF THE DECISION AT NATIONAL LEVEL

1.1 GENDER EQUALITY STRATEGY FOR 2021–2030

On 8 March 2021, the Government adopted the new Gender Equality Strategy for 2021–2030 (“Strategy”). During the drafting of the Strategy, discussions were also held on the ECSR’s decision in *University Women of Europe v. the Czech Republic*. The conclusions of the decision have been incorporated into the Strategy.

The Strategy is the Government’s framework document for the implementation of gender equality policy in the Czech Republic. The aim of the Strategy is to formulate a framework for state administration measures that will contribute to achieving gender equality in the Czech Republic. The purpose of these measures is to develop the positive changes that have been achieved in some areas of gender equality and to counter negative trends that have persisted or are growing in this area. The Strategy follows the Government Strategy for Gender Equality in the Czech Republic for 2014–2020. An integral part of the Strategy is its connection to policies implemented or coordinated at EU level. The Strategy is also closely linked to human rights obligations arising from international treaties and the respective monitoring bodies, including the Charter and the ECSR. Furthermore, the Strategy follows up on some recommendations of international organisations. The Strategy contains eight thematic chapters (Work and care, Decision-making, Safety, Health, Knowledge, Society, External relations and Institutions) and 26 strategic objectives.

The Strategy is primarily intended for the relevant central government bodies. It imposes individual tasks (or measures) in the 2021–2030 time frame, through which the defined specific objectives are to be achieved. The secondary area of the Strategy includes the Ombudsman Offices and other public institutions (including local governments). This area also includes non-governmental organisations, academia and the general public, as it provides them with information on the framework for adoption of gender equality measures at government level. Given the wide range of users, once the Strategy has been approved, communication tools will be developed to bring it closer to specific target groups, in particular the media, non-profit organisations and the general public.

The sponsor (*gestor*) and central coordinator for fulfilling the Strategy is the Office of the Government of the Czech Republic. Tasks aimed at fulfilling the Strategy will be imposed on the sponsors of the individual measures by a government resolution, and will thus be binding for the ministries and the organisations under their control, the Czech Statistical Office and any other central government authorities. Similar to the previous Government Strategy for 2014–2020 an emphasis will be placed on the cooperation and sharing of information between the state administration, local governments, social partners and academic workplaces and non-governmental organisations. For the purpose of reflecting current changes in society and in legislation and also in connection with the evaluation of the Strategy, two reviews will take place during the course of the validity of the Strategy.

The bodies responsible (sponsors), cooperating entities and duration of the implemented measures are always given for the individual measures of the Strategy. The timetable has these key milestones:

- 2021–2030 implementation of the Strategy’s measures and annual evaluation in relation to the government,
- 1 January–31 December 2023 first review of the Strategy, including the tasks,

- 2024–2025 external evaluation of the fulfilment of the Strategy,
- 1 January–31 December 2026 second review of the Strategy, including the tasks,
- by 31 December 2031 overall evaluation of the fulfilment of the Strategy.

More detailed information on the individual measures is set out in the chapters devoted to the individual violations found by the ECSR.

The Strategy is available in English [here](#).

1.2. COMMITTEE OF EXPERTS ON THE EXECUTION OF THE JUDGMENTS OF THE EUROPEAN COURT OF HUMAN RIGHTS

The Committee of Experts is the advisory body to the Agent of the Czech Government before the European Court of Human Rights. It is comprised of representatives of all ministries, both chambers of the Parliament of the Czech Republic, higher courts, the Public Prosecutor’s Office, the Office of the Public Defender of Rights, academia and civil society. In spite of its name, the Committee has a broader mission; it is also tasked with analysing decisions of the ECSR issued in proceedings against the Czech Republic and formulating recommendations for the competent bodies to adopt general measures for implementing such decisions. More generally, the Committee aims at contributing to the application of the Charter and the ECSR’s decision-making in the day-to-day practice of the national authorities and ultimately ensuring the full exercise of the economic, social and cultural rights enshrined in the Charter and additional protocols thereto. The Committee’s website is available [here](#).

The Committee also discussed the implementation of the decision in *UWE v. Czech Republic* in its meeting held on 13 May 2021. It expressed support for the Strategy, the Action Plan on Equal Pay and the Pay Transparency Directive. More detailed information on the relevant parts of these documents is set out in the chapters devoted to the individual breaches found by the ECSR. The minutes from the Committee’s last meeting are available [here](#).

II. ON THE VIOLATION OF ARTICLE 4 § 3 AND ARTICLE 1.C OF THE 1988 ADDITIONAL PROTOCOL DUE TO A LACK OF PAY TRANSPARENCY

2.1 GENDER EQUALITY STRATEGY FOR 2021–2030

The Strategy addresses pay transparency in chapter 1 “*Work and care*”. Specific objective 3.7 *Raising the level of wage and pay transparency* has the aim of reducing the gender pay gap from 15.70% to 10% by adopting these measures:

- 3.7.1 Adopting at least one of the four key measures listed in the Commission recommendation on strengthening the principle of equal pay between men and women through transparency (2014/124/EU), by 31 December 2022; the body responsible is the Ministry of Labour and Social Affairs (“the MLSA”);
- 3.7.2 Introducing an obligation to list the base amount of the wage/pay in advertisements for available jobs. The measure will be implemented by tabling an amendment to the relevant legislation by 31 December 2023, the responsible authority is the MLSA;
- 3.7.3 Declaring null and void any legal act consisting of negotiating a non-disclosure clause in which employees commit to confidentiality regarding their wage/pay. The measure will be implemented by submitting an amendment to the Labour Code by 31 December 2022

expressly prohibiting the negotiation of confidentiality clauses; the body responsible is the MLSA;

- 3.7.4 Publishing information on the gender pay gap as a percentage in the bodies of corporations with any state ownership in the period from 31 December 2022 to 31 December 2030; the bodies responsible are all the ministries and the cooperating entity is the Office of the Government;
- 3.7.5 Continuing to monitor and keep anonymous statistics on the average pay of (state) employees in individual pay grades by gender in the period from 31 December 2021 to 31 December 2030; the bodies responsible are all the ministries and the cooperating entity is the Office of the Government.

Another relevant measure is measure 2.8.2 *Ensuring that trade unions are informed about the evolution of salaries or wages broken down by gender* which has the aim of amending the Labour Code so that employers are obligated to inform trade unions about the evolution of average wage or salary and the individual components thereof, also broken down by gender. The Labour Code amendment is due to be submitted by 31 December 2023 and the body responsible is the MoLSA.

2.2 PROPOSAL FOR A DIRECTIVE ON PAY TRANSPARENCY

The Czech Republic is actively participating in negotiations over the Pay Transparency Directive (the full title is Directive of the European Parliament and of the Council to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms), which the European Commission submitted in March 2021. In the draft directive, the whole of Chapter II “*Pay transparency*” is devoted to the issue of pay transparency. The most relevant provisions in terms of implementing the ECSR decision are Article 7 (*Right to information*) and Article 8 (*Reporting on pay gap between female and male workers*).

The Czech Republic supports the draft directive. It is seeking, however, to keep the administrative burden on employers within reasonable limits. The draft directive has also been discussed in the Czech Parliament, specifically in the European Affairs Committee of the Chamber of Deputies and the Social Policy Committee of the Senate. The Office of the Government is planning to organise an international conference in January 2022 focusing on the draft directive and more broadly also on support for pay transparency in general.

2.3 ACTION PLAN FOR EQUAL PAY

The MLSA is currently finalising the Action Plan for Equal Pay. After it has been discussed within the MLSA and in an inter-ministerial comment procedure, it should be due to be submitted for government approval by the end of 2021. The Action Plan is made up of six parts, and one part is devoted to the issue of pay system transparency. The working version of the Action Plan includes the following objectives and measures:

- objective: informing trade unions about pay rates for women and men
 - measure: to extend the Labour Code to include an obligation on employers to inform trade unions about average pay, including the elements thereof, broken down by gender,
 - criteria and time limit for implementation: the measure will be submitted as an amendment to section 287(1)(a) of the Labour Code by the end of 2026,
 - body responsible: the MLSA;

- objective: raise awareness among male and female employees
 - measure: to extend the Labour Code to include the right of male and female employees to be told the average pay rates, broken down by gender, for men and women performing equal work or work of equal value. To extend the Labour Code to include an obligation on employers to inform male and female employees every year about this right,
 - description of the measure: employees must have the right to obtain this information via their representatives or via the body for equal treatment (the Ombudsman) or a monitoring body, alternatively employers may provide information every year on average pay rates broken down by gender in the individual categories (equal work and work of the equal value) to all employees. Employers may require employees not to use this information for purposes other than promoting the principle of equal pay for equal work or work of equal value and not to disseminate the information further. The measure is based on Articles 7 and 26 of the draft Pay Transparency Directive,
 - criteria and time limit for implementation: the measure will be implemented through the submission of an amendment to the Labour Code by the end of 2026,
 - body responsible: the MLSA;
 - measure: extending employers' obligation to inform male and female job applicants about the agreed basic salary/pay and the agreed remuneration and about the range of the remuneration on offer,
 - measure description: employers must set out in their advertisements the basic salary/pay or agreed remuneration or the range from the minimum to the maximum level. The lowest and highest amounts stated shall be defined as +/- 10% of the median pay level. The measure is based on Article 5 of the Draft Pay Transparency Directive,
 - criteria and time limit for implementation: the measure will be implemented through the submission of an amendment to the Labour Code or amendments to other relevant legislation by the end of 2026,
 - body responsible: the MLSA;
- objective: involve representatives of employer organisations and trade unions in the process to reduce the gender pay gap (“GPG”)
 - measure: bring the relevant actors together and launch a social dialogue with the aim of reaching an agreement and developing an active approach to solving the issue. Hold regular discussions at the Council of the Economic and Social Agreement of the Czech Republic (“CESA”) on methods for addressing the large GPG (focusing on the unexplained part of the GPG, the size of which reflects the inequalities caused by the setup of pay systems and lack of transparency);
 - measure description: discuss the Pay Transparency Directive at CESA meetings, discuss progress in transposing the Directive, the individual steps and the timetable. Seek a consensus between the social partners and actively involve them in the creation of policies supporting equal pay.

- Focus on the adjusted GPG and its elimination. The measure is based on Article 11 (social dialogue) of the Draft Pay Transparency Directive,
 - criteria and time limit for implementation: adoption of a government resolution that the CESA must, at every meeting, discuss the issue of unequal pay in connection with the Draft Pay Transparency Directive until the Directive has been successfully transposed, or in the period from 2021 to 2026,
 - body responsible: the MLSA,
 - cooperating entity: CESA;
 - objective: reduce the pay gap in companies competing in public tenders
 - measure: to take appropriate measures to ensure that, in the performance of public contracts or concessions, economic operators comply with the obligations relating to equal pay for equal work or work of equal value;
 - measure description: to take appropriate measures so that firms participating in tendering procedures for public contracts awarded by government bodies or institutions declare their respect for equal pay. Determine the size of their GPG by analysis using the Logib tool or another suitable analytical tool designed specifically for identifying equal pay for the equal work or work of equal value. The measure is based on Article 21 of the Draft Pay Transparency Directive,
 - criteria and time limit for implementation: submission of an amendment to Act No. 134/2016 on public procurement, by the end of 2026,
 - body responsible: the MLSA,
 - cooperating entities: all ministries;
 - objective: sharing the burden of proof
 - measure: to consider, in connection with disputes over unequal pay for men and women, amending the Code of Civil Procedure so as to share or shift the burden of proof,
 - measure description: lighten the evidentiary requirements placed on workers who feel they have been wronged through non-compliance with the principle of equal pay pursuant to Article 16 of the Draft Pay Transparency Directive,
 - criteria and time limit for implementation: submission of an amendment to the Code of Civil Procedure, by the end of 2026,
 - body responsible: the MLSA.

2.4 PAY CALCULATOR

A salary and wage (pay) calculator was produced by the MLSA as part of the 22% TO EQUALITY project. The calculator methodology was developed and verified on data from 2016. The data is updated every year and the calculator works with data from the previous full year. Its aim is to calculate an individual's average income based on the specific data that is entered and also to calculate the gender pay gap as a percentage based on this data.

The calculations are set up only for workers who are in an employment relationship. Thanks to the high-quality and highly detailed database used by the calculator, the calculations can be set up specifically for the different spheres of economic activity (i.e. the public and private sectors) and at the same time for each major group and sub-major group of occupations (under the CZ-ISCO classification of occupations).

The pay calculator is available [here](#).

The methodology used by the calculator is available [here](#).

2.5. THE “22% TO EQUALITY” PROJECT

The 22% TO EQUALITY project is a systemic MLSA project aimed at addressing the gender pay gap problem in the Czech Republic. It provides a platform dedicated to tackling the gender pay gap issue in a comprehensive manner (from identifying the causes of the problem to solving it in practice) and bringing together the interests, requirements and practical experience of all parties (other ministries, other government bodies, non-governmental organisations, the academic community and other stakeholders and individuals).

The objectives of the project are to:

- support the gender pay gap reduction process in the Czech Republic;
- increase public awareness of the problem;
- link up and mobilise everyone affected by the issue, i.e. employees, employers, the relevant bodies in the state administration, social partners and the general public;
- propose (and carefully verify in practice) new and effective approaches that will help solve the problem, and
- contribute towards greater pay transparency on the Czech labour market.

The project has been extended to 2022 with the aim of making all the tools and methods so far created available to labour offices and the State Labour Inspection Office and also to disseminate and provide them to employers and other groups of stakeholders for consultation. In the extension period the project team will also provide expert support to selected units of the MLSA in creating and implementing policies and measures in the area of equal pay at national and international levels (the European Commission directive, the Action Plan and the Strategy).

The project’s website is available in Czech [here](#) and in an abbreviated version in [English](#). Similarly, a list of project activities is available in Czech [here](#) and an abbreviated version in [English](#).

2.6 LOGIB

Logib is a self-testing tool (software) for conducting equal pay analysis and it is intended for employers in the private and public sectors. Logib works with data from the organisation’s salary or wage (pay) system and is reliable for workforces of over 50 employees. Using Logib, employers can check for themselves how pay has been set up in their organisation without having to share sensitive data with anyone.

The MLSA acquired the tool in 2016 from Switzerland, where it was already in use. It was translated as part of the 22% TO EQUALITY project and the categories were amended in line with Czech employment law. Pilot testing then began and it is still continuing. Also as part of the 22% TO EQUALITY project an advisory package has been offered to employers (available [here](#)) who wish to join the pilot testing. A number of employers are currently involved in the testing and 15 of them have completed

the full analysis and obtained a certificate (the latest report on the test results is available [here](#)). The aim of the project is to test Logib at 30 employers. Employers can also provide the resulting data to the MLSA, which will evaluate it with the help of a GPG expert or analyst, who will then draw up a final report and, based on the specific findings of the study, plan the next steps towards reducing the GPG. As the existing Logib is intended for employers with more than 50 employees, a “slim” version of Logib for employers with up to 50 employees will be created and localised in Czech by 2022 as part of the aforementioned project.

Inspections by the labour inspectorates on equal pay are restrained by a number of limiting factors, such as identifying work of equal value, assessing the value of work and so on. Tests have therefore started using the Logib tool in inspections focussing on equal pay. The deployment of Logib should help to eliminate the barriers. A unique similarity score module has also been created for the tool, allowing comparisons to be made between people performing equal work and work of equal value. During the 22% TO EQUALITY project extension period, pilot testing will take place of the Logib tool and the similarity score module in equal pay inspections conducted by the State Labour Inspection Office and regional labour inspectorates at various firms.

2.7 GRANT PROGRAMMES

The MLSA is currently drawing up a system of support grants under the Employment Plus Operational Programme. The system is based on the Strategy and it takes account of data on equal opportunities in the private sector in the Czech Republic and across the entire region of central and eastern Europe. In the long term, it is seeking to reduce the gender pay gap on the Czech labour market.

The grants will also go towards encouraging pay transparency in medium-sized and large firms. In this area support will go to:

- pay audits using the Logib tool at employers with more than 50 employees, and mainly at employers with more than 250 employees following transposition of the relevant directive into Czech law,
- studies of HR processes particularly in the area of recruitment, remuneration, evaluation and flexibility in the work environment with the aim of finding the causes of the gender pay gap and proposing strategic plans for its elimination,
- implementing selected follow-up measures based on the strategic plans.

The projects will undergo unified evaluation of initial, interim and final states. It will thus be possible to determine whether any shift has taken place in the areas addressed during project implementation. The evaluation will place particular emphasis on “awareness of the issue” at specific organisations and acceptance of the proposed solutions by both employees and management. The output of the unified evaluation will be anonymised data which, whilst meeting the specific criteria (quality, quantity, comparability, reliability), can also serve for benchmarking employers not involved in the Employment Plus Operational Programme.

The Employment Plus Operational Programme will also fund educational and awareness raising projects focusing on the private sector and aimed at collecting anonymised data on the gender-based problems addressed and actively involve businesses in supporting pay transparency and flexibility in the work environment, including gender diversity and inclusion.

III. ON THE VIOLATION OF ARTICLE 4 § 3 OF THE CHARTER AND ARTICLE 1.C OF THE 1988 ADDITIONAL PROTOCOL ON THE GROUND THAT JOB COMPARISONS ARE NOT ENABLED IN PRACTICE

3.1 PROPOSAL FOR A DIRECTIVE ON PAY TRANSPARENCY

The proposal for a Directive on Pay Transparency includes Article 16a dealing with the procedure for comparing the nature and value of work. Since this provision was added to the draft later, the relevant ministries and the Confederation of Industry are currently discussing the position of the Czech Republic. The Office of the Government is urging that the Czech Republic support the provisions in the draft directive.

3.2 ACTION PLAN FOR EQUAL PAY

As part of the inter-ministerial consultation over the Action Plan, discussions will take place on the inclusion and form of measures extending the possibility to compare jobs in more than one company.

3.3 DOMESTIC COURT DECISIONS IN A CASE INVOLVING REGIONAL PAY DIFFERENCES

The domestic courts have recently considered a case concerning pay discrimination against employees based on their place of work. It involved a situation where drivers of the *Česká pošta* postal service in Prague were better paid than drivers elsewhere. The case did not involve gender-based discrimination, but it is an important piece of domestic case law in the area of broadening the comparison of jobs for the purposes of considering pay discrimination across regional branches of one and the same company.

On 20 July 2020 the Supreme Court decided (no. 21 Cdo 3955/2018-228) in favour of an employee who claimed that he had been discriminated against. The Supreme Court acknowledged in the reasoning of the judgment that the socio-economic situation in the region logically influence the labour market both on the supply side and the demand side. In places where supply is greater on the labour market, employers offer better employment conditions, including better pay. According to the Supreme Court, however, this does not justify the conclusion that the principle of equal treatment is upheld in relation to the pay of employees working for one and the same employer where they are performing comparable work in different regions of the Czech Republic, even in cases where these employees are paid different remuneration to take account of the socio-economic situation in the region in which they are working. Section 104 of the Labour Code provides an exhaustive list of criteria for determining the difficulty of working conditions and links these exclusively to the internal conditions in which the work is performed. It stipulates that work conditions shall be assessed according to the work regimes resulting from the distribution of working time, for example, into shifts, days off, night work or overtime, according to harmfulness or the difficulties associated with the negative effects of the working environment and according to the levels of risk in the working environment. In the opinion of the Supreme Court, therefore, with regard to the principle of equal pay, the socio-economic conditions and the corresponding cost of living in the place where employees are performing their work are not material for assessing whether a specific case involves equal work or work of equal value.

The findings of the Supreme Court were upheld by the Constitutional Court (decision of 31 August 2021, no. I.ÚS 2820/20), which rejected *Česká pošta's* constitutional appeal.

IV. ON THE VIOLATION OF ARTICLE 1.C OF THE 1988 ADDITIONAL PROTOCOL ON THE GROUND THAT THERE HAS BEEN INSUFFICIENT MEASURABLE PROGRESS IN PROMOTING EQUAL OPPORTUNITIES BETWEEN WOMEN AND MEN IN RESPECT OF EQUAL PAY

4.1 CURRENT DEVELOPMENTS IN THE GENDER PAY GAP

According to the data from the Czech Statistical Office (“CZSO”) the gap between the average hourly pay of men and women (working full-time without leave) in 2020 fell year-on-year from 18.0% to 15.9%. According to the CZSO, the GPG shrank mainly due to pay increases in feminised sectors such as health, social services and education.

4.2 GENDER EQUALITY STRATEGY FOR 2021–2030

Chapter 1 of the Strategy is devoted to work and care. This part includes a separate strategic objective no. 3, entitled “*Reducing the gender pay gap*”. It is made up of seven specific objectives containing 18 measures (we list the most important of these in the following):

- Objective 3.1: reducing the level of gender segregation within fields of study,
 - indicator no. 1: the proportion of women in STEM fields at university increases from 16.9% to 25%,
 - indicator no. 2: the proportion of women IT fields and digital agenda rises from 11.3% to 17.5%,
 - indicator no. 3: the proportion of men in medical, teaching and social fields at university increases from 23.7% to 27.5%;
- Objective 3.2: ensuring a systematic, comprehensive and long-term solution to the issue of the gender pay gap,
 - measure 3.2.1: adopting an action plan to address the gender pay gap
 - measure description: approving an Equal Pay Action Plan, following up on, developing and expanding the activities of the 22% TO EQUALITY project,
 - criteria and time limit for implementation: action plan to be submitted by 31 December 2021,
 - body responsible: the MLSA,
 - cooperating entity: Office of the Government;
- Objective 3.3: reducing the occurrence of direct gender-based wage/pay discrimination,
 - indicator no. 1: the gap in the average pay of women and men performing work of equal value for the same employer falls from 11% to 6%,
 - measure 3.3.1: motivating employers to adopt comprehensive measures to eliminate direct pay discrimination and supporting pay transparency, e.g. by using the Czech version of the Logib tool,
 - criteria and time limit for implementation: calls issued in the period from 31 December 2021 to 31 December 2030,
 - body responsible: the MLSA;
 - indicator no. 2: assessment of the chance of victim discrimination to assert their rights (“easy”) increases from 15% to 25%,

- measure 3.3.2: supporting awareness activities in order to increase public awareness of the legal means of protection against pay discrimination,
 - criteria and time limit for implementation: calls issued in the period from 31 December 2021 to 31 December 2030,
 - body responsible: the MLSA;
- measure 3.3.3: expanding the offer of education on gender-based wage/pay discrimination at the Judicial Academy
 - criteria and time limit for implementation: inclusion of training activities in the period from 31 December 2022 do 31 December 2030,
 - body responsible: Ministry of Justice;
- Objective 3.4: ensuring continual rising of wages and salaries in feminised professions,
 - measure 3.4.1: adopting a concept by the end of 2022 for increasing wages/salaries in feminised sectors (education, health, social services etc.),
 - bodies responsible: the MLSA, Ministry of Health and Ministry of Education, Youth and Sports;
- Objective 3.5: increasing the capacity of the State Labour Inspection Office to monitor compliance with the prohibition of gender-based wage/pay discrimination,
 - measure 3.5.1: including inspections focused on equal pay (and non-disclosure clauses) in annual inspection plans and providing methodological support to the State Labour Inspection Office and support for using Logib during inspections,
 - measure description: The State Labour Inspection Office conducts at least 50 inspections a year on equal pay,
 - criteria and time limit for implementation: inspections performed in the period from 31 December 2022 to 31 December 2030,
 - body responsible: the MLSA;
 - measure 3.5.2: setting up an expert group on equal pay at the State Labour Inspection Office,
- Objective 3.6: reducing the gender pay gap in the public sector,
 - indicator: difference in median pay gap between women and men in the public sector shrinks from 16% to 10%,
 - measure 3.6.1: thoroughly analysing the potential impact in relation to pay inequality when adjusting salaries in the public sector,
 - criteria and time limit for implementation: evaluation performed in the period from 31 December 2021 to 31 December 2030,
 - body responsible: Ministry of Finance,
 - cooperating entities: all Ministries;
 - measure 3.6.2: adopting targeted measures to reduce the gender pay gap and supporting pay transparency, e.g. by using the Czech version of Logib,
 - measure description: adopting pay equality action plans. Supporting, under the Employment Plus Operational Programme, projects

- measure description: the annual reports will contain large amounts of detailed information, e.g. the grounds for selecting firms to check on, more detailed information on their characteristics, information on alleged discrimination-related grounds, the fines imposed in individual cases, information on non-disclosure clauses,
 - time limit for implementation: 2023,
 - body responsible: the MLSA and State Labour Inspection Office,
 - specific objective 2.3: reducing the number of employees who have a non-disclosure clause in respect of pay,
 - measure 2.3.1: checking for the presence of and analysing any non-disclosure clauses in the contracts and clauses of entities being inspected,
 - measure description: focussing all equal pay inspections on the existence of non-disclosure clauses. Introducing a method guideline that will establish a procedure for labour inspections where there are non-disclosure clauses, before amending the Labour Code,
 - time limit for implementation: 2023,
 - body responsible: State Labour Inspection Office;
 - specific objective 2.4: understanding and identifying equal work and work of equal value,
 - measure 2.4.1: creating methodologies for assessing and comparing the value of work, equal work and work of equal value in accordance with the Labour Code, stating specific examples, criteria and procedures in the area of equal pay,
 - measure description: developing and making widely available methodologies for assessing and comparing the value of work based on specific and objective criteria that are neutral in terms of gender and in three variants: 1. for the labour inspectorates, 2. for employers, 3. for employees and trade unions. Measure based on Article 4 of the draft Pay Transparency Directive,
 - time limit: 2023,
 - body responsible: the MLSA;
 - specific objective 2.5. strengthening the sanction mechanisms,
 - measure 2.5.1: revising the sanction mechanisms to be applied for violations of rights and obligations related to paying women and men the same for work of equal value. The aim of the sanction mechanisms will be to support the deterrent effect for employers who act unlawfully and to motivate them to comply with their obligations proactively;
 - time limit for implementation: 2026,
 - body responsible: the MLSA and State Labour Inspection Office;
- Strategic objective 3: remuneration in the public sector and institutional securing of equal pay,

- specific objective 3.2: reducing the pay gap in the public sector,
 - measure description: The working group for the Action Plan, in cooperation with relevant unions/departments of the MLSA: 1) will prepare a methodology for acknowledgement of relevant practical experience, 2) create a methodology for remuneration in the public administration, 3) propose a detailed model of an internal/service regulation for the 'non-tariff' elements of pay, which will be distributed to the relevant institutions, and especially those where service evaluations are not carried out; 4) the Ministry of Finance will reassess the volume of resources received for pay at individual institutions and organisations in relation to the number of employees in the public administration with a view to reducing differences between similar institutions and organisations, and this will subsequently be incorporated into the state budget,
 - time limit: 2022 to 2026,
 - bodies responsible: the MLSA and Ministry of Finance;
- specific objective 3.4: strengthening the role of the equality body in relation to the gender pay gap,
 - criteria and time limit for implementation: from 2026, the Office of the Public Defender of Rights will play the role following from Article 25 (Equality bodies) of the draft Pay Transparency Directive,
 - body responsible: Office of the Government;
- specific objective 3.5: greater specialisation of courts,
 - criteria and time limit for implementation: creating specialised benches at regional courts, by 2026,
 - body responsible: Ministry of Justice;
- Strategic objective 4: culture and education,
 - specific objective 4.2: raising awareness among primary school pupils of the issues of gender inequality and discrimination and segregation on the labour market,
 - specific objective 4.3: eliminating gender inequality in selection procedures at secondary schools and universities,
- Strategic objective 5: work-life balance,
 - specific objective 5.2: eliminating legal obstacles to a faster return to the labour market by parents (especially mothers) of young children,
 - measure 5.2.2: extending the employers' obligation to keep the original job and workplace for a parent on parental leave until the child reaches two years of age,
 - measure description: amending section 47 of the Labour Code so that employers must reinstate (male and female) employees to their original jobs and workplaces not only on return from maternity leave but also on return from parental leave until the child reaches two years of age,
 - time limit: 2026,

- body responsible: the MLSA;
 - specific objective 5.5: indexation of pay on return from maternity or parental leave,
 - measure 5.5.1: encouraging, through awareness raising and inspections, a more consistent application of the principle of equal pay for equal work or work of equal value, especially through employers comparing the pay of (male and female) employees on return from maternity or parental leave (pay indexation) with the pay of other employees,
 - time limit: 2026,
 - body responsible: the MLSA;
 - specific objective 5.6: removing barriers to flexible working conditions for all, especially parents and carers,
 - measure 5.6.1: introducing an obligation to document in writing requests for flexible forms of work and to deliver written decisions on agreeing/rejection, including proper argumentation,
 - measure description: amending the Labour Code so that it: 1) lays an obligation on employees to formulate written requests for the adjustment of working hours or a change of workplace (work from home), 2) lays an obligation on employers to formulate written decisions on the approval/rejection of requests for a change to the hours or place of work, 3) clearly sets out the particulars of the requests and the decisions, including the time limits within which employers must respond,
 - time limit: 2026,
 - body responsible: the MLSA and State Labour Inspection Office;
- Strategic objective 6: making data available,
 - specific objective 6.1: institutionalising and centralising the administration of data in order to increase the availability of high-quality data for analyses of the GPG and the factors influencing it,
 - specific objective 6.2: increase government inspections of the collection and use of data and improving data availability,

4.4 PROPOSAL FOR A DIRECTIVE ON PAY TRANSPARENCY

The Czech Republic actively and constructively contributes to the negotiation of the directive on pay transparency. The directive is intended to help EU Member States to adopt appropriate measures aimed at reducing the GPG.

4.5 THE “22% TO EQUALITY” PROJECT

4.5.1 RESEARCH AND ANALYSIS

As part of the aforementioned 22% TO EQUALITY project, research and analyses have been carried out bringing new input on the causes of unequal pay. This has formed the basis, among other things, of measures aimed at reducing the gender pay gap. It has included in particular *What to do about the GPG from a macroeconomic perspective [Jak na GPG z pohledu makroekonomie]* (2021), a

macroeconomic analysis carried out by Deloitte Advisory; *What we know about the gender pay gap [Co víme o rozdílech ve výdělcích žen a mužů]* (2020), a round-up of published studies; *Legislative options for equal pay [Legislativní možnosti rovného odměňování žen a mužů]* (2020), a comprehensive analysis in cooperation with Deloitte Advisory; *Tracing the causes of unequal pay [Po stopách nerovné odměny]* (2020), a qualitative study in cooperation with Deloitte Advisory; *Promoting equal opportunities on the labour market within the work of the Labour Office [Podpora rovných příležitostí žen a mužů na trhu práce v rámci činnosti Úřadu práce]* (2021), a methodological guide; and *Instructions for working with the symmetrised CZ-ISCO catalogue [Návod k práci se symmetrizovaným katalogem CZ-ISCO]* (2021).

A further two economic studies will be published by the end of 2021: F. Pertold, M. Šoltés: *Analysis of the impact of parenthood on the taxation of work using the TAXBEN model [Analýza dopadu rodičovství na danění práce pomocí TAXBEN modelu]*; and K. Kalíšková, D. München: *Analysis of the impacts of the (un)availability of kindergarten places on women's participation in the labour market [Analýza dopadů (ne)dostupnosti míst v mateřských školách na participaci žen na trhu práce]*.

4.5.2 EDUCATION AND AWARENESS CAMPAIGN

The objective of the awareness raising campaign is to influence a broad range of target groups and draw attention to the complexity of the gender pay gap issue. The campaign also seeks to raise awareness of this phenomenon and to make it more visible in society. Last but not least, it aims to mobilise the target groups in order to reduce the gender pay gap and increase pay transparency. In the campaigns implemented to date helped to establish very constructive cooperation with various actors and to positively influence public opinion.

4.6 GRANT PROGRAMMES

The grants to promote equal opportunities also include support for diversity, flexibility and inclusion on the labour market. In this area, support will go to:

- piloting and evaluating measures to reduce gender segregation in fields of study, the broadening out of which will in the long term lead to less horizontal segregation of the labour market;
- introducing flexibility and the management of maternity and parental leave into corporate processes and corporate culture with the aim of enabling, at a company level, a work-life balance for all employees and also, through changes in corporate culture, allowing men to play a greater role in caregiving. The measures were introduced in response to a sharp drop in employment and an associated drop in income particularly for women caring for young children. The aim of the measure is to set up mutually beneficial cooperation between employers and parents who are on maternity or parental leave and to enable parents to return to work quickly and without any problems;
- changes to corporate culture and processes with a view to increasing gender diversity and work team inclusivity. Employers will create the conditions for increasing the number of women in their company's management by analysing the initial situation in the company, adapting their processes – especially in the field of recruitment, appraisal and career development – and emphasising an inclusive work environment, thereby eroding vertical segregation at the company over the long term and, ultimately, on the labour market.

V. ON THE VIOLATION OF ARTICLE 1.D OF THE 1988 ADDITIONAL PROTOCOL BECAUSE THERE HAS BEEN INSUFFICIENT PROGRESS IN ENSURING A BALANCED REPRESENTATION OF WOMEN IN DECISION-MAKING BODIES WITHIN PRIVATE COMPANIES

5.1 GENDER QUALITY STRATEGY FOR 2021-2030

The Strategy includes, in Chapter 2 “*Decision-making*”, strategic objective no. 1 on increasing the representation of women in decision-making positions. One important specific objective is specific objective no. 1.5 *Increasing the representation of women in statutory bodies and upper management of corporations*, which includes the following five measures:

- 1.5.1 ensuring through methodological support and updating of the relevant manual that companies inform on implementation of their diversity policy in line with Act No 256/2004, on capital market undertakings, including identifying good practice;
- 1.5.2 submitting to the government, by the end of 2023, amendments to the Nomination Act and the Business Corporations Act which introduce a provision to promote the equal representation of women and men in the management and supervisory bodies of business corporations;
- 1.5.3 organising workshops for the Nominating Committee and nominating ministries on the issue of equal representation of women and men in decision-making positions representing the state on the supervisory boards of corporations with a state ownership interest;
- 1.5.4 carrying out awareness-raising activities attended by business corporations with a state ownership interest and private companies in order to share good practice and promote cooperation; and
- 1.5.5 issuing specific calls under the specific objective of Operational Programme Employment+ for the application of diversity in the workplace and support for the balanced representation of women and men in corporations. The calls will serve as one of the tools for combating discrimination and vertical and horizontal segregation on the labour market, and for promoting a better work-life balance, including sufficient capacity of available childcare services.

Another important specific objective is specific objective no. 1.6 *Increasing awareness of persons in current decision-making positions in the field of business*, which includes the following two measures:

- 1.6.1 supporting awareness-raising activities focused on corporate management; a
- 1.6.2 taking part in private-sector initiatives to promote diversity.

In June 2021, at a meeting of the Committee for balanced representation of women and men of the Government Council for Gender Equality, a discussion was initiated with the Ministry of Justice to adopt legislative changes to promote the balanced representation of women and men in governing (statutory) bodies and senior management of commercial companies. It was agreed that support for the gender balance among management and supervisory bodies under the Business Corporations Act would be a part of a broader legislative amendment also addressing other measures set out in the Strategy. It is due to be drawn up in 2022. A working group comprised of representatives of the Committee, the Office of the Government and the Ministry of Justice is currently being formed in order to prepare the legislative work. The first meeting of the working group will take place in January 2022.

5.2. PROPOSAL OF A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON IMPROVING THE GENDER BALANCE AMONG NON-EXECUTIVE DIRECTORS OF COMPANIES LISTED ON STOCK EXCHANGES AND RELATED MEASURES

The Czech Republic supports the proposal of a directive on the gender balance. The proposal is also expected to be discussed in the first half of 2022.

CONCLUSION

The Czech Republic has taken account of the conclusions of the ECSR decision and the recommendations of the Council of Ministers and is addressing them in detail. It sees the gender pay gap, including the lack of pay transparency and the unequal representation of women and men as company managers as a serious and complex problem, and has long been committed to solving it.

In the period since the adoption of the decision in *UWE v. the Czech Republic* there has already been some limited progress, mainly in reducing the GPG and adopting the Strategy, a comprehensive strategic document containing a range of ambitious measures.

The Czech Republic is nonetheless aware that it is not enough just to adopt policies, and that implementation is key. It will therefore intensively work towards the adoption and implementation of the Action Plan and implementation of the Strategy in the near future. At the European level, it will promote a constructive approach to the negotiation of the Pay Transparency Directive proposal and it will continue to support its adoption.

In conclusion, it can be stated that the Czech Republic is aware that the ECSR's decision has not yet been fully implemented. However, it is convinced that the adoption of the abovementioned measures will lead to the fulfilment of the rights that the ECSR found to have been violated in *UWE v. Czech Republic*.