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# Gender pay gap reporting

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## 3 ways to participate

- **Ask questions** and vote for your favourite – links below this presentation
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- ❑ What is the gender pay gap?
  - ❑ What causes it?
  - ❑ What are the new gender pay gap regulations?
  - ❑ What have they shown us?
  - ❑ What can we do to close the gap?

# What is the Gender Pay Gap?

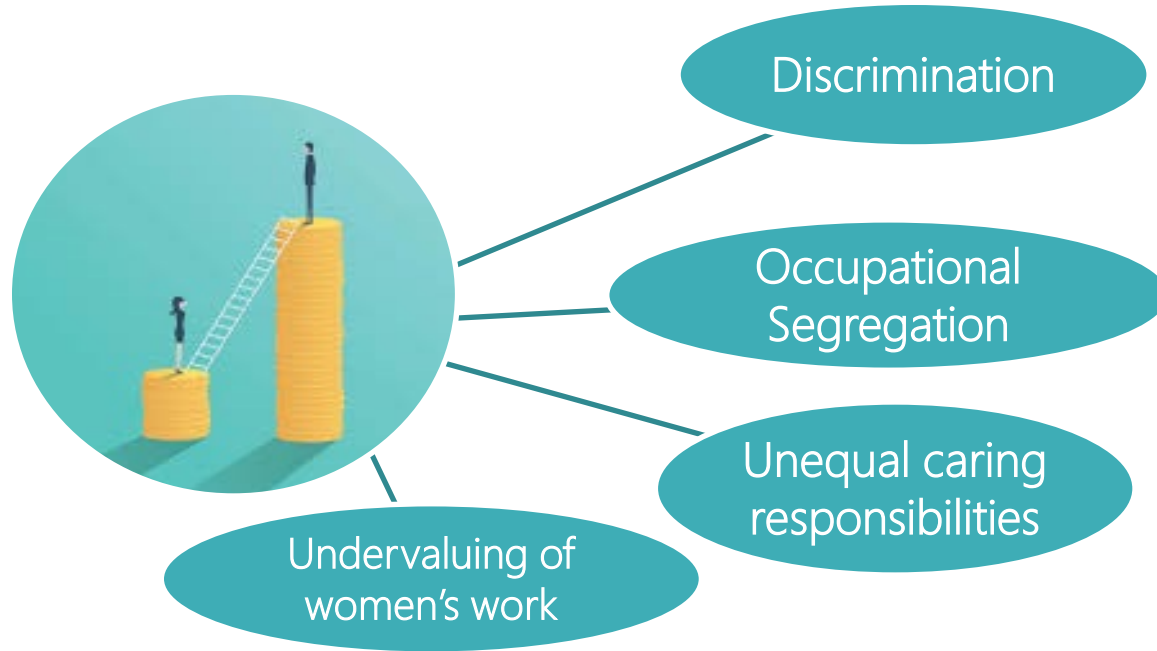
- The gender pay gap is the difference in average pay between men and women in a workforce or a particular sector or the whole economy.
- There are different ways of calculating the gap: mean v median, full-time vs all employees (including part-time)
- The Gender Pay Gap is linked to but is NOT the same as Equal Pay.
- Equal pay means men and women are paid equally when they perform like work, work rated as equivalent, or work of equal value – a requirement under the Equality Act, 2010.

# Gender Pay Gap in the UK

- The current gender pay gap for all **full-time and part-time employees** is **18.4%**
- The gender pay gap based on median hourly earnings for **full-time employees** is **9.1%**
- Since 2011 the full-time pay gap has fallen by just 0.2 percentage points a year
- The UK's gender pay gap is above the EU average.
- Tacking the gender pay gap and fighting for equal pay are priorities for unions.



# Causes of the Gender Pay Gap



# The Gender Pay Gap increases with age

**Gross median annual earnings for full-time (FT) employees from ASHE 2017**

<b>Age</b>	<b>Median all FT</b>	<b>Male FT Median</b>	<b>Female FT Median</b>	<b>Difference in cash terms £</b>	<b>Percentage difference %</b>
<b>All ages</b>	28,758	31,103	25,308	5,795	18.6
<b>18-21</b>	15,396	16,188	14,363	1,825	11.3
<b>22-29</b>	23,294	24,342	22,037	2,305	9.5
<b>30-39</b>	30,097	31,535	27,865	3,670	11.6
<b>40-49</b>	32,433	35,267	27,867	7,400	21.0
<b>50-59</b>	30,967	34,443	26,022	8,421	24.4
<b>60+</b>	27,073	29,303	22,662	6,641	22.7

# Equal pay cases in the media

The image displays two screenshots of news articles from The Guardian website, illustrating equal pay cases in the media.

**Left Screenshot: BBC Article**

- URL:** <https://www.theguardian.com/media/2018/jan/31/bbc-in-real-trouble-over-equal-pay-carrie-gracie-tells-mps>
- Section:** Money
- Headline:** Trust is broken at BBC over equal pay, Carrie Gracie tells MPs
- Author:** Graham Ruddick, Media editor
- Date:** Wed 31 Jan 2018, 20:45 GMT
- Text:** Former China editor effectively accuses corporation of lying and briefing against her. Carrie Gracie has said in extraordinary evidence to MPs that the management of the BBC is incapable of resolving its gender crisis and needs external help. The corporation's former China editor eviscerated its bosses during a two-hour hearing with the digital, culture, media and sport select committee. She accused the BBC of effectively lying to her by saying she would be paid the same as male colleagues.
- Image:** Carrie Gracie speaking at a hearing.
- Video:** A video player is visible below the image.

**Right Screenshot: Tesco Article**

- URL:** <https://www.theguardian.com/business/2018/feb/07/tesco-equal-pay-claim-could-cost-supermarket-up-to-4bn>
- Section:** Business
- Headline:** Tesco equal pay claim could cost supermarket up to £4bn
- Author:** Sarah Butler
- Date:** Wed 7 Feb 2018, 00:01 GMT
- Text:** Lawyers say female shopfloor workers earn up to £3 an hour less than male warehouse staff. Tesco is facing a demand for up to £4bn in back pay from thousands of mainly female shopworkers in what could become the UK's largest ever equal pay claim. A law firm has launched legal action on behalf of nearly 100 shop assistants who say they earn as much as £3 an hour less than male warehouse workers in similar roles.
- Image:** Large red 'TESCO' logo graphic.



# New Gender Pay Gap reporting regulations

- Regulations came into force April 2017
- All organisations with 250 or more employees have to report, others can choose to do so.
- Reporting is annual and there are six separate calculations to carry out.
- This year's reporting deadline was 4<sup>th</sup> April 2018 for private and voluntary sector and 30<sup>th</sup> March for public sector
- Review of regulations must take place within 5 years of 06/04/17
- Enforcement of regulations to be carried out by Equality and Human Rights Commission.
- Information must be published on employer website and a government website and must remain there for 3 years.

# What the TUC said about the regulations

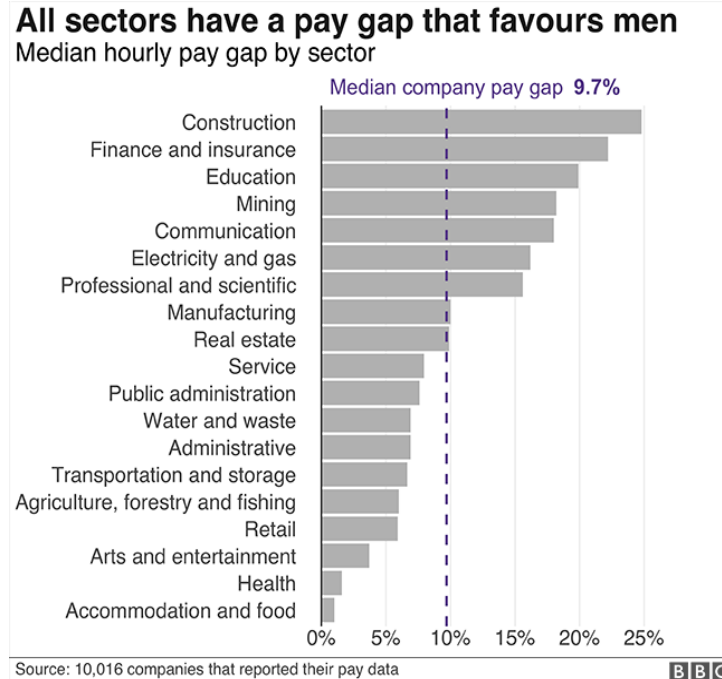
Unions have welcomed the regulations **BUT**:

- We would also like to see Equal Pay Audits
- We believe the GPG reporting regulations should include smaller business too
- We believe they should include other pay gaps including part-time pay gaps, gaps by race and by disability
- We have criticised the regulations for not including a requirement to publish a narrative or an action plan
- We have expressed concern about the government's enforcement strategy and the need for strong sanctions

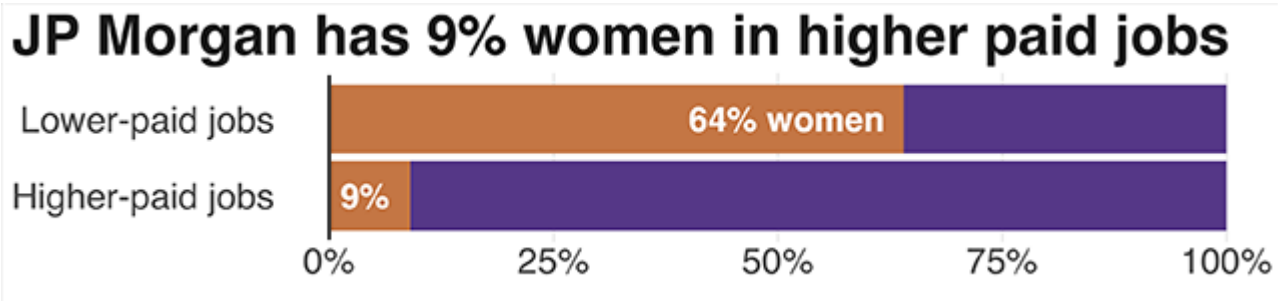
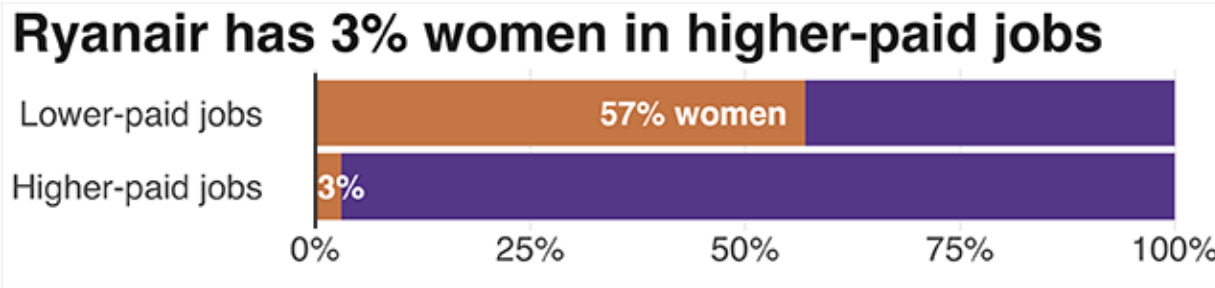
# What did the gender pay gap reports show us?

- Compliance better than expected BUT 1 in 10 employers that should have reported on their gender pay gap had yet to do so a fortnight after the cut-off date for the first such pay audit.
- Widespread problem – 8 in 10 companies reported a gender pay gap
- Poor understanding of issues
- Bonus gaps a widespread problem, even in public sector
- Large concentrations of women in the lowest paid roles more of a driver of the pay gap than lack of women at the top.

# The gender pay gap exists across all sectors



# Vertical occupational segregation



# A surprisingly bad picture in public sector

**In spite of being well unionised and having a predominantly female workforce, public sector employers have failed to close the gap:**

- Two-thirds of councils and 90% of NHS trusts have a gender pay gap
- The Office for Nuclear Regulation reported the worst median hourly pay gap among government agencies at 55%.

**Bonuses have also proved to be a problem in the public sector:**

- University of Liverpool reported a 90% bonus gap. The University of Manchester has an 87% bonus gap.
- Sheffield Teaching Hospitals NHS Foundation Trust's 94.3% gap.

# What next for unions?

- Employers will have to report again next year – “snapshot” date will be 31<sup>st</sup> March 2018 for public sector and 5<sup>th</sup> April 2018 for private sector
- Push employers to do more: report if they haven't reported, report on more measures
- Push employers to carry out equal pay audits.
- Push employers to work with unions to formulate action plans to close their gaps
- Use published data in collective bargaining – making the case for improved pay offers, changes to pay structures, equal pay audits, enhanced family and carers leave and pay agreements, better flexible working policies etc.
- Continue to lobby government to strengthen regulations and enforcement

## What should a narrative and action plan look like?

- The narrative should be an explanation, not an excuse. It's a good opportunity to talk to employers about why they have a pay gap and how it might be fixed.
- The action plan will depend on what the causes of the gap are. There could be a range of actions, from;
  - ✓ carrying out job evaluations and equal pay audits;
  - ✓ improving access to flexible working;
  - ✓ offering enhanced maternity, paternity and shared parental pay and leave schemes;
  - ✓ providing support for childcare costs;
  - ✓ actively seeking to recruit and retain more women in male dominated sectors and/or occupations



## Further sources of information

### **TUC Gender Pay Gap Reporting guidance for union reps**

[https://www.tuc.org.uk/sites/default/files/GPGreportingguide\\_0.pdf](https://www.tuc.org.uk/sites/default/files/GPGreportingguide_0.pdf)

### **EHRC guidance on gender pay gaps**

<https://www.equalityhumanrights.com/en/advice-and-guidance/gender-pay-gap-reporting>

### **Equal Pay Portal**

[www.equalpayportal.co.uk/](http://www.equalpayportal.co.uk/)

### **CIPD Gender Pay Gap Reporting guidance**

<https://www.cipd.co.uk/knowledge/fundamentals/relations/gender-pay-gap-reporting/guide>

### **ACAS guidance on Gender Pay Gap Reporting**

[www.acas.org.uk/genderpay](http://www.acas.org.uk/genderpay)

The logo consists of the letters 'TUC' in a bold, sans-serif font. Each letter is white with a light blue gradient and features a white arrow pointing in a specific direction: the 'T' points up, the 'U' points down, and the 'C' points right.

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