

'View from the Chair' article published in the Business Newsletter, 1 Aug 2017 by Dr Michael Wardlow, Chief Commissioner, Equality Commission NI

Equal pay in the spotlight

The issue of a gender pay gap at the BBC was a hot topic for discussion over the past few weeks. The level of interest, of course, was heightened by the fact that the pay details under the spotlight were those of high-profile, and highly paid, male and female radio and television personalities.

But differences in pay rates don't only affect the rich and well known. Though the overall pay gap between men and women in Northern Ireland has narrowed greatly over the past decades, there are still instances when employers get it wrong and staff find that they are being paid less than colleagues of a different sex.

In a case the Equality Commission supported last year, for example, a tribunal found that a local coffee shop, which had paid two women less than a male colleague even though all were doing like work, had breached the equal pay legislation. The women were paid their back pay from 2013 to date and moved onto the appropriate rate.

Currently, pay inequalities between men and women fall under the Equal Pay Act (NI) 1970, which allows individual employees to take legal action against their employers on pay issues. But there is as yet no positive legal duty on employers to carry out equal pay audits – though the Commission does encourage it as good practice.

When the Employment Act (NI) 2016 comes into force in Northern Ireland it is anticipated that it may bring in a duty requiring employers to publish information showing whether pay disparities exist in their workforce and, if they do, to publish an action plan to eliminate them. The degree of transparency this promises, together with an added focus on the diversity or lack of it in an organisation's employment structures, will be welcome. The decision to bring the Act into force will lie with an Executive when one has been formed or, if not, with whatever arrangement is put in place for government.

Meantime, the Equality Commission has a Code of Practice on equal pay which outlines for employers a practical five-step guide to conducting an equal pay review. It also gives specific information on equal pay issues and practical guidance on how to promote equality of opportunity and avoid sex discrimination in pay structures. It outlines the concepts and definitions of like work, work rated as equivalent and work of equal value; and deals with pay during pregnancy and maternity, part-time work and occupational pension schemes.

While the Code of Practice is not binding legislation, it is admissible in evidence in any proceedings under the Equal Pay Act before the Industrial Tribunal and a tribunal may take into account an employer's failure to follow its provisions.

For now - we don't know when or how the law will change, or which employers will be affected. In the meantime, until that change, it makes sense to be prepared for what may be in the pipeline.

The Commission is keeping a watching brief and will be responding to consultation on the legislation when it happens.

Further information:

- Code of Practice on Equal Pay (pdf, 2013)
- Sex discrimination and equal pay law in NI a short guide (pdf, 2011)