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Blog article by Dr Michael Wardlow, Chief Commissioner, Equality Commission NI

Gender Pay reporting – the time to prepare is now

Under legislation introduced earlier this year, companies in Great Britain employing more than 250 people have to report annually on the pay differential between men and women in their employment and tackle pay gap issues where they arise. This law does not currently apply in Northern Ireland, but the framework is in place to introduce a law with similar, or even more far-reaching requirements.

To help companies prepare for the introduction of Gender Pay Reporting law here, the Equality Commission is hosting an employer training session on 18 September which will help employers understand how gender pay gaps develop within companies and examine the common causes of gender pay gaps.

Legal provision was made for regulations on gender pay reporting in Northern Ireland by the Employment Act (NI) 2016, which placed a duty on the Northern Ireland Executive to make statutory regulations. Since then, of course, the regulations have not been brought into force because of the lack of a functioning Executive, but under the Act the duties on employers in Northern Ireland could be more far-reaching than those in Great Britain.

It allows for regulations requiring that employers should publish information about the pay received by their workforces, break down the information by sex, ethnicity and disability, publish the information every 12 (or every 36) months and develop action plans to eliminate any gender pay differences that are found. It also specifies that the regulations must impose a criminal law penalty on affected employers who are in breach – and the penalties could be high.

The first results from the operation of the regulations in Great Britain have already shone a light on gender pay gaps in some of the largest companies operating in England, Scotland and Wales, and we would be hopeful that Regulations in Northern Ireland could be even more informative.

The Commission is urging employers across Northern Ireland, including those with less than 250 employees, to address the issue now as a matter of good practice. This would be particularly important if companies have a sense that a gender pay gap may exist within their workforce.

The training will help employers understand how gender pay gaps develop within companies and examine their common causes. A CIPD report from 2017 identified factors which include lack of well-paid part time work, concentration of women in low-paid part time work, pay discrimination, unconscious bias, lack of transparency in pay systems, fewer women in highly paid professions, unsupportive and sometimes rigid corporate structures that limit women's progression, limited access to flexible working and lack of affordable childcare and personal choice.

During the training session we will also put forward our recommendations for actions which employers should consider to address any potential gender pay gap. They should analyse their existing gender equality data and their pay data.

Where they identify a gender pay gap, they should examine the following the causes, what aspects of it they directly influence and what aspects are outside of their immediate control. They should also consider action measures they could introduce to reduce or eliminate the gap and how they might monitor and evaluate their effectiveness. That information can be used to put in place processes and procedures to prevent gender pay gaps from developing again.

We will be offering advice and support to employers to prepare for the introduction of this new legislation in Northern Ireland and we have prepared some online resources. If you are an employer with a query please do not hesitate to contact us on our dedicated Employer Enquiry Line, 028 90 890 888, or email edtraining@equalityni.org or visit www.equalityni.org/training for more information.

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