

‘View from the Chair’ article published in the Business Newsletter, 24 April 2018 by Dr Michael Wardlow, Chief Commissioner, Equality Commission NI

Gender Pay Reporting – does it apply to Northern Ireland?

At the Equality Commission earlier this month we were fielding questions from journalists about a significant new development on gender pay reporting. Companies employing over 250 people in Great Britain now have to calculate and publish details of any gender pay gap in their concerns. We had to tell people enquiring that, although this was an important change for businesses in Great Britain, it did not apply in Northern Ireland.

Although the Employment Act (NI) 2016, which includes long-expected gender pay regulations, received Royal Assent on 22 April 2016, these provisions have not yet been brought into force. The decision to bring the 2016 Act into force lies with the N.I. Executive which, of course, is not presently functioning. If and when it comes back into effect, the Executive will have a duty to make a set of statutory regulations which will impose duties on employers. Which employers are to be affected is also a decision for the NI Executive.

From the Commission’s point of view, the important thing is that the measures adopted should be effective in tackling the gender pay gap.

Under Section 19 of the Employment Act (N I), the measures to be introduced could be more far-reaching than those which have just come into place in Great Britain. The Northern Ireland legislation specifies that employers affected by it 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.

The GB Regulations do not require employers to collect information on ethnicity and disability and are quite weak in terms of enforcement and penalties, in comparison to the Northern Ireland legislation. Here, Section 19 specifies that the regulations must impose a criminal law penalty on affected employers who are in breach – and the penalty is high.

The Commission is holding an event in June to help employers start the process of preparing for a change in the law. Though there is no positive legal duty on employers at the moment requiring gender pay audits to identify pay inequalities or to take remedial action, we encourage this as good practice.

To help employers inform themselves, our first seminar, for all employers with more than 250 employees, is in Belfast on Friday 15th June 2018, from 10am - 12.30pm. Attendance is free but places must be booked – visit our website for more details and to book online.