

View from the Chair; Business Newsletter; 8 December 2020 Geraldine McGahey, Chief Commissioner, Equality Commission NI

The Equal Pay Act (NI) 1979 is 50 years old this month

The purpose of this Act is to promote the principle that men and women should receive equal pay for equal work. It provides the right for individual employees to take legal action against their employers on pay issues. The Act benefits both men and women, but in practice women are more likely to seek remedies under it because pay inequality mostly affects them.

Equal pay cases have hit the headlines over the years and differences in pay rates affect women from every walk of life. A survey in November 2018 by the Young Women's Trust found 20% of women reporting being paid less than male colleagues for the same or similar work.

In Northern Ireland, in recent years, a woman solicitor in 2019 won her equal pay case at Tribunal and was awarded £250,000. The Commission supported two Baristas in their case and the Tribunal found that a local coffee shop, which had paid the 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 and moved on to the appropriate rate.

With the Industrial Tribunal office registering 1,712 equal pay cases in 2019/20 and 5.5% of calls last year to our discrimination advice line being about unequal pay in the workplace, it is important that employers do not lose sight of the importance of ensuring equal pay their workplaces.

The main point to remember in relation to pay, salaries and benefits, is that you should start with a presumption that your employees should receive equal pay for equal work under a pay scheme that is reasoned, structured and transparent. Your pay scheme should certainly not be one that is secretive, arbitrary or ad hoc.

The Commission has produced 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 it deals with pay during pregnancy and maternity, part-time work and occupational pension schemes. It is important to identify the source of any disparities by examining all aspects of pay packages, such as starting salaries, pay progression scales, overtime rates or bonuses. You need to consider whether any disparities are lawfully justified, immediately eliminate disparities that have no lawful justification and keep all others under regular review.

Since 2017, 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 requires employers to publish information showing whether pay disparities exist in their workforce and, if they do, to publish an action plan to eliminate them.

Similar requirements have not yet been brought into force in Northern Ireland, although the Employment Act (NI) 2016, which includes the gender pay regulations, received Royal Assent on 22 April 2016. The N.I. Executive has a duty to make a set of statutory regulations to allow these regulations to come into force and we believe that this will be step towards tackling gender pay disparity in our workplaces.