

**View from the Chair; Business Newsletter; Tuesday 4 February 2020  
by Dr Michael Wardlow, Chief Commissioner, Equality Commission NI**

**Gender pay gap reporting should follow GB lead**

As our new Executive gets back to work, it faces a significant number of challenges set by the commitments of 'New Decade, New Approach'. It is our view that addressing ongoing, often enduring inequalities should be amongst its top priorities.

It is a matter of public record that over recent years, Northern Ireland's equality protections have fallen behind those afforded to citizens elsewhere in the UK.

Whilst the last Executive did make some efforts to bring in legislative change to keep pace, none came to fruition. Now that it is committing to revisit some of these areas of policy, it is appropriate that we welcome this ambition.

Amongst a wide range of issues raised, 'New Decade, New Approach' makes commitments that will encourage and support women into work, including the introduction of a gender equality strategy and a childcare strategy to deliver extended, affordable, responsive, high quality provision of early education and care initiatives.

Reform of gender legislation could be progressed by the Executive relatively easily - legislation to introduce gender pay gap reporting is already in place in the rest of the UK. Gender pay gap reporting is already provided for in the Employment Act (NI) 2016. It only remains for the new Executive to make a set of statutory regulations imposing duties on employers.

The gender pay gap is the difference between the average earning of men and women, expressed relative to men's earnings. The 2018 Northern Ireland Annual Survey of Hours and Earnings shows that in Northern Ireland, female and male earnings are more closely aligned than in other parts of the UK.

Despite this progress, it is clear that the picture is not consistent and depends on what sector, at what level and what type of job you work in. In 2018, females earned less than males in 15 of the 16 groupings, with the widest gaps in Education, Financial and Insurance and Professional, Scientific and Technical. Only in the arts, entertainment and recreation classification did the average pay of women exceed that of men.

The introduction of gender pay reporting presents employers with opportunities. It provides a chance to demonstrate pay transparency and to address differences that might exist within their businesses, a step likely to reap rewards when recruiting staff in

this tight labour market. Research by Business in the Community indicated that 92% of female respondents would use the gender pay gap data to choose between potential employers.

Whilst some of the detail is still to be decided, Section 19 of the Employment Act (NI) specifies that affected employer should publish information about the pay received by their workforces. This would show a break down by sex, ethnicity and disability that would be published every 12 or 36 months and would show action plans designed to eliminate any gender pay differences found. The legislation also specifies that the regulations must impose a criminal law penalty on affected employers who breach them – and the penalty is high.

The Equality Commission will be pushing the new Executive to move this on – to bring us into line with the rest of the UK, so we would advise that employers start preparing.

Gender pay reporting will also be on the agenda at our employer training session in Londonderry on 19 February, book online via our website: [www.equalityni.org/training](http://www.equalityni.org/training)