



GENDER PAY GAP

Closing it together

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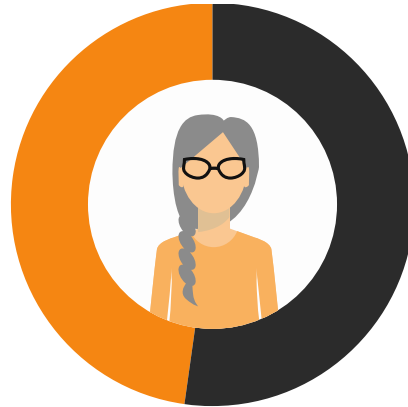


Government
Equalities Office

So what is the Gender Pay Gap?



18.4%



Women working **full-time** in UK are paid on average

9.1% less

than men in the UK

Overall, women working in the **UK** are paid on average

18.4% less

than men in the UK

Equal Pay vs Gender Pay Gap?

Unequal Pay

Paying men and women differently for the same work

Unlawful in the UK for over 45 years



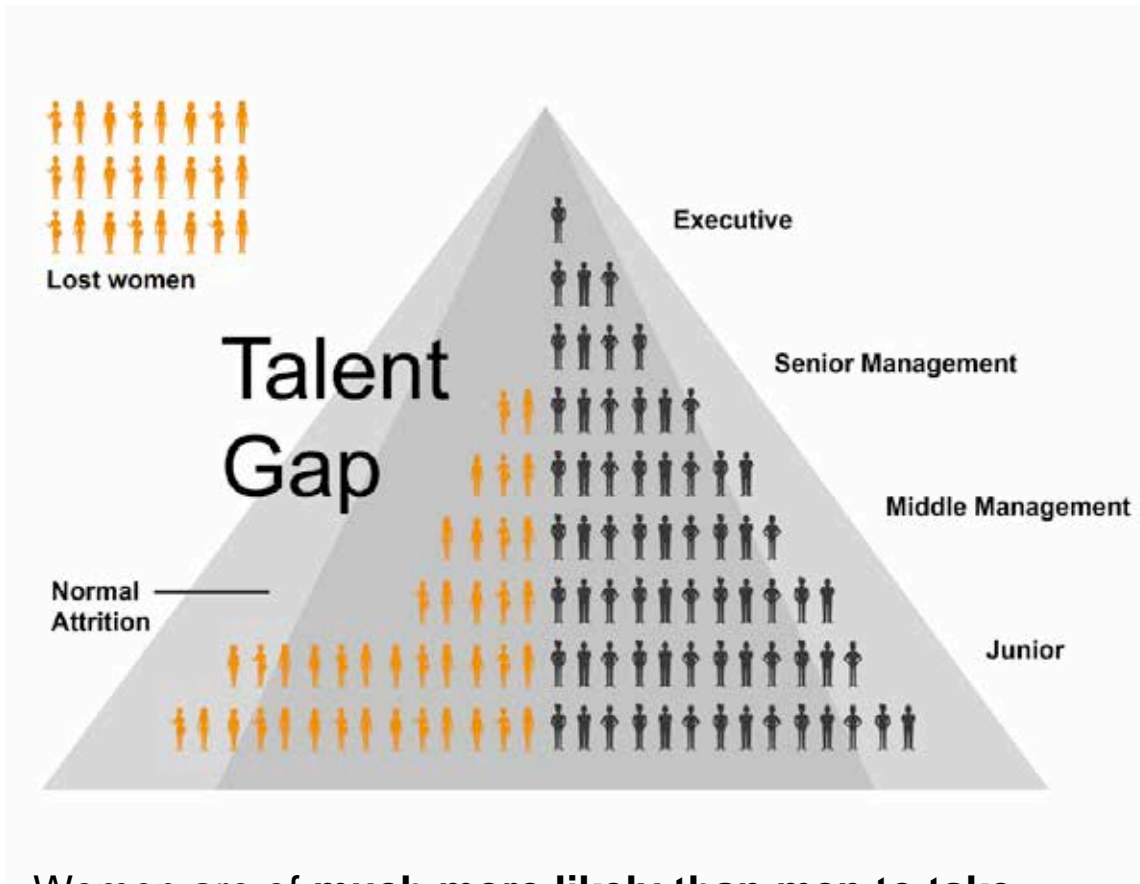
Vs.

Gender Pay Gap

Difference in average pay between men and women



What causes the gender pay gap?



Women are of **much more likely than men to take time out of the labour market** to start a family, look after children or other family members

Fewer women get to the top

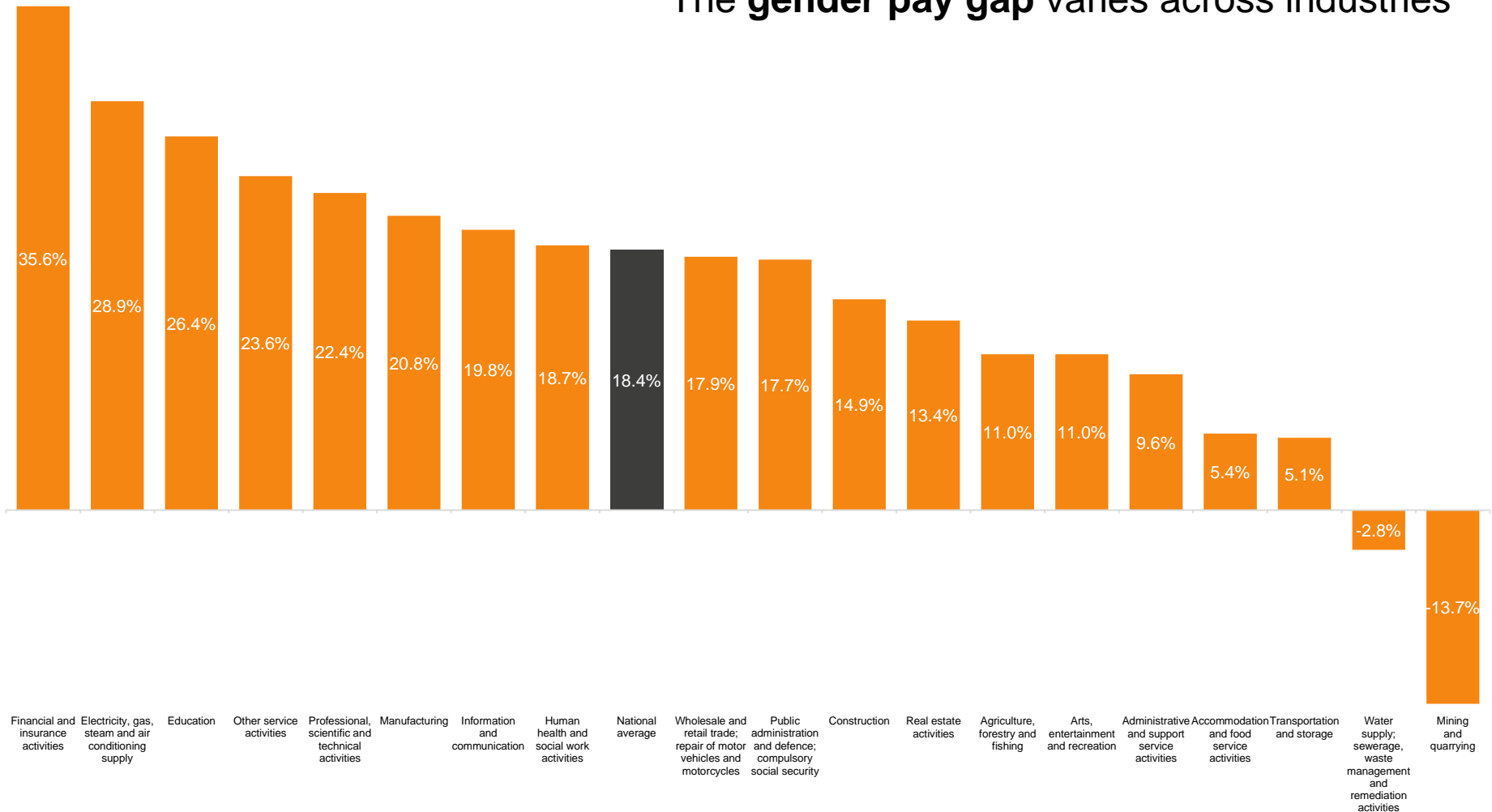
Women are concentrated in lower paying roles and occupations (e.g. cleaning, catering, caring, cashiering and clerical) and **lower paid** part-time jobs

Fewer women work in the more lucrative science, technology, engineering and maths (STEM) based sectors

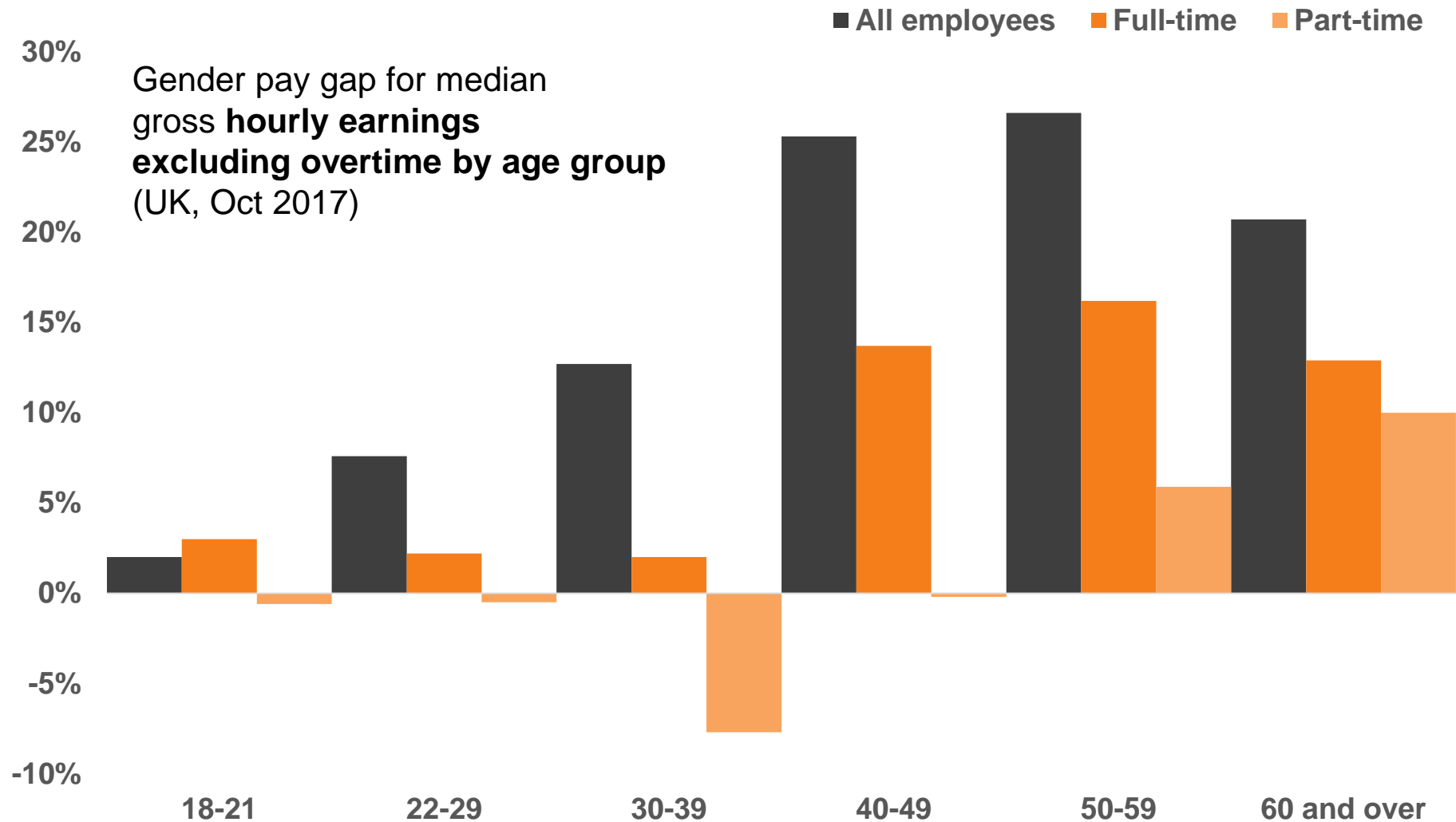
Stereotypes and workplace culture

Some sectors have bigger gaps than others

The gender pay gap varies across industries



The gender pay gap gets larger as we get older...



Reporting regulations

§ Employers must publish specific gender pay gap information **annually** on their **UK website**, and the **Government's website**

1. **Overall gender pay gap** - mean and median
2. **Mean and median gender bonus gap**
3. **Proportion of male and female employees that received a bonus**
4. **Proportion of men and women working at different pay quartiles**

§ They are also encouraged to publish a **plan of action**



Benefits of greater transparency

- § **Gender diversity is a competitive differentiator** – companies are more likely to have financial returns above industry medians
- § Potential to add **£150bn to UK GDP** by 2025 if we bridge the gender gap in the workplace
- § BITC: **92% of 1,000** surveyed **would look at GPG** if deciding between two employers

It is a legal requirement to report, but **setting an action plan with aspirational targets will have benefits for the employer**



What should employers do?

Recruitment

- Shortlists
- Skills based tests
- Interview structure

Pay & Promotion

- Salary ranges
- Promotion shortlists

Diversity managers

- Monitor talent management processes
- Added accountability

Transparency

- Open pay and reward processes
- Improve objectivity

Communications

Internal audiences

- Employers should clearly communicate with employees what is being done to tackle any gender pay differences:
 - Circulate proposed actions and seek feedback
 - Hold consultation groups with staff
 - Consult staff networks

Employers who view this as an opportunity to address their gender pay gap and improve workplace equality can strengthen their relationships with employees and improve retention

External audiences

- Employers should ensure their management teams and other departments such as HR work together to agree what action will be taken.
- Employers should consider consulting external organisations who may have relevant expertise and insight e.g. trade unions, employer representative groups and membership bodies



What is the Government doing?

Reporting	Unprecedented transparency through gender pay gap reporting
Women on Boards	Supporting a 33% target for women on FTSE 350 Boards, Executive committees and direct reports to the Executive committees by 2020
Returners	A £5m fund to support people who have been out of the labour market for a long period, to return to work
Flexible working	Extended right to request flexible working
Parental leave	A new system of flexible parental leave
30 hours childcare	Doubled early education provision for all 3 and 4 year olds in England, from working households
Tax-Free childcare	Introduced Tax-Free childcare , which around 2 million families could benefit from

What next for GPG reporting?

- § Reporting is an annual requirement so we will be able to see **year-on-year progress**.
- § Employers will need to show they are making progress and implementing real action to close the gender pay gap.
- § We have partnered with Behavioural Insights for two years on our **Gender and Behavioural Insights (GABI)** programme. We will use this partnership to continue to develop our evidence base about what works to close the gender pay gap.
- § We will shortly be publishing '**What Works**' guidance on our website which covers initial findings from GABI.



Useful resources

- § **Closing it together** – gender pay gap reporting campaign page
<https://genderpaygap.campaign.gov.uk/>
- § **Viewing service (where you can view all reported data)**
www.gender-pay-gap.service.gov.uk/Viewing/search-results
- § **Actions for employers** – toolkit for employers to close the gap
www.gov.uk/government/publications/closing-the-gender-pay-gap-actions-for-employers
- § **Please contact us at gpg.reporting@geo.gov.uk for questions about reporting your data.**

