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# Equal pay and pay gaps



Elizabeth Wynn  
She/her  
30/9/21

# Equal pay vs pay gaps

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## Equal pay

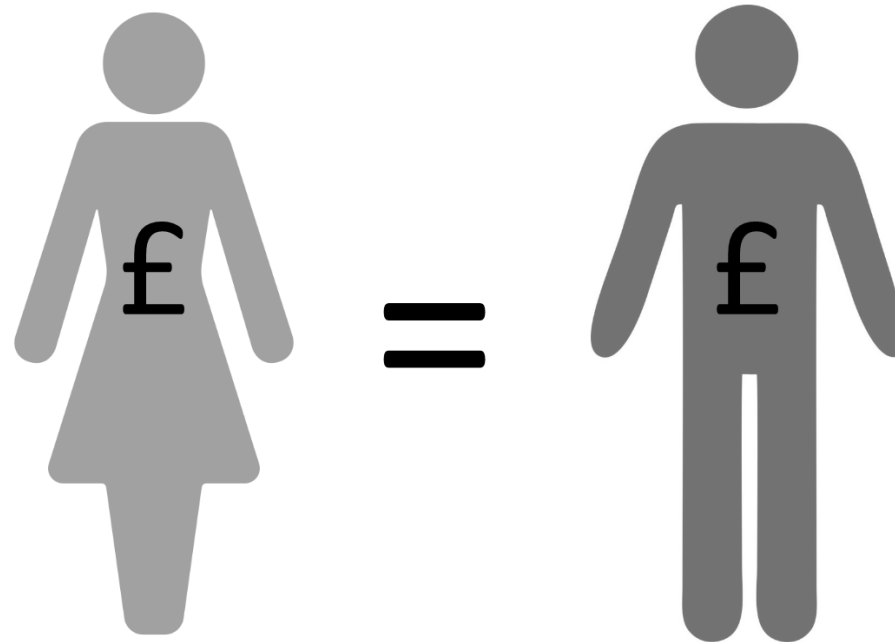
- The Equality Act 2010 states that an individual can claim equal pay when she or he, compared with a comparator of the opposite sex, is employed in:
  - **Like work:** Which means work that is the same or broadly similar, regardless of whether the job title is the same.
  - **Work rated as equivalent:** Which means work that has been rated as equivalent under a job evaluation scheme.
  - **Work of equal value:** Which means work that requires the same levels of effort, skill, knowledge and responsibility.

# Equal pay vs pay gaps

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## Equal pay

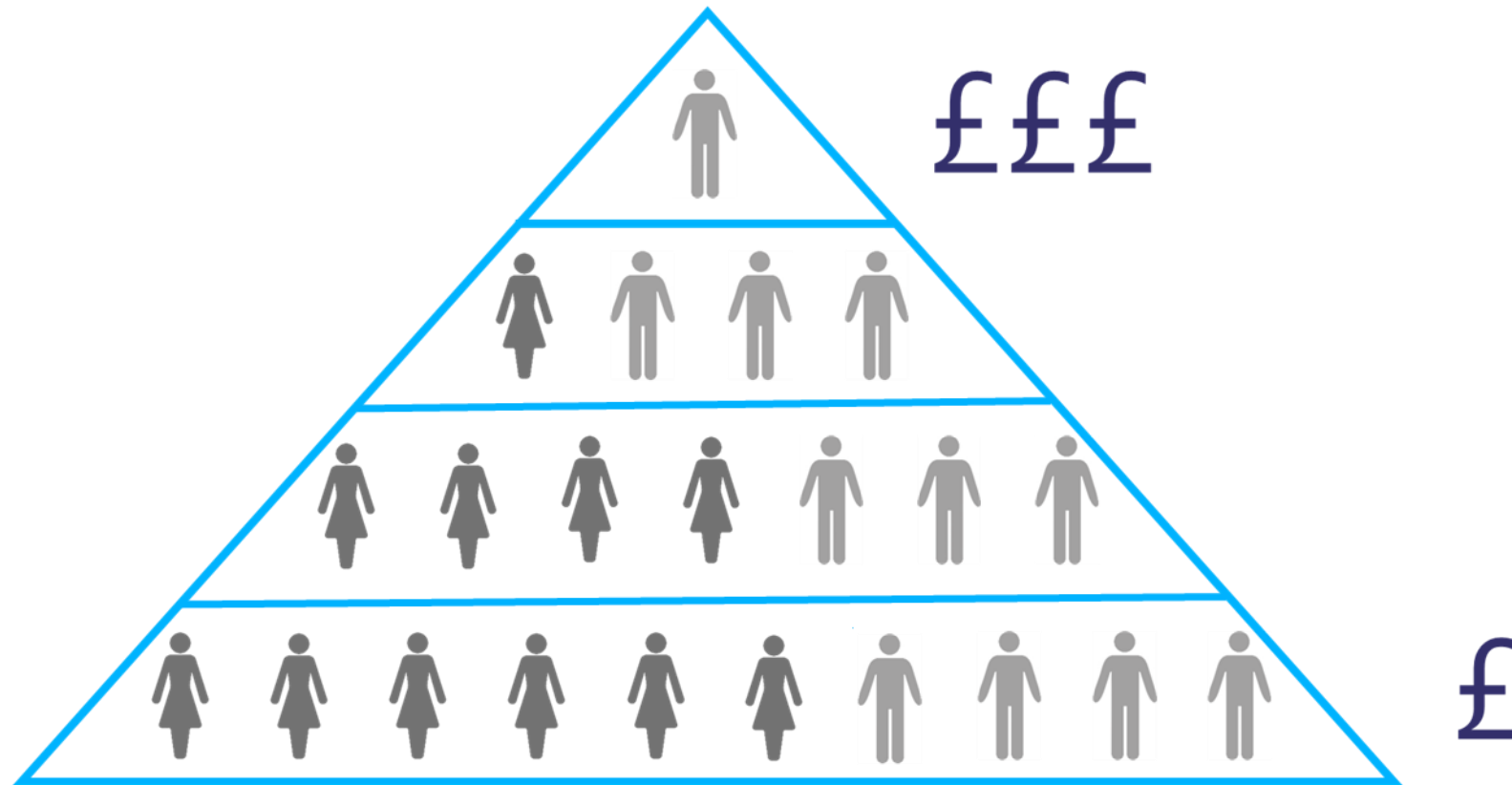
- The Equality Act 2010 states that an individual can claim equal pay when she or he, compared with a comparator of the opposite sex, is employed in like work which is of equal value and rated as equivalent



# Equal pay vs pay gaps

## Pay gap

- Difference between median hourly earnings between categories



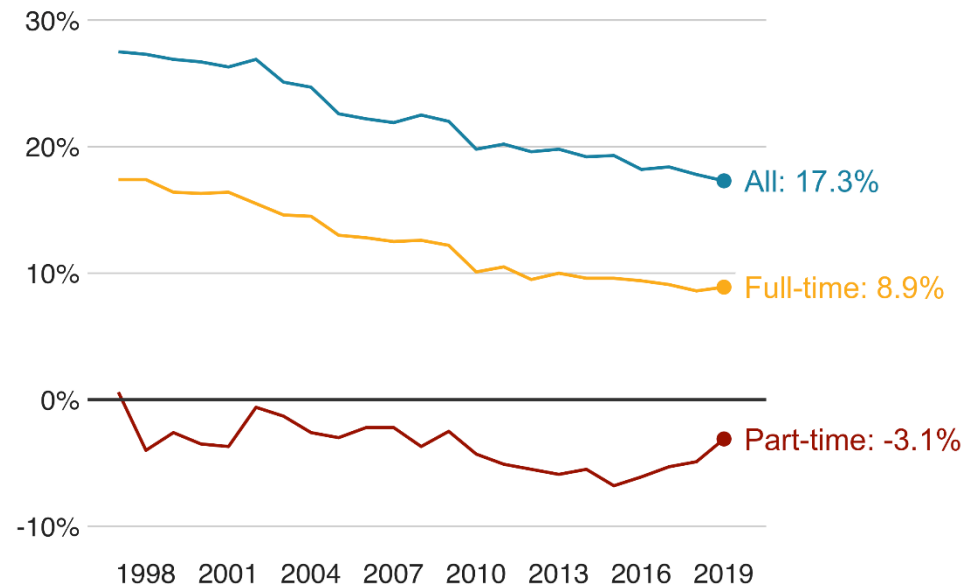
# Gender pay gaps

## Pay gap

- Difference between the median hourly earnings

### The gender pay gap in the UK workforce

Gender pay gap for median gross hourly earnings



Note: Excluding overtime

Source: Office for National Statistics

BBC

# Gender pay gaps

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## Difference between pay and bonuses for men and women at the Babraham Institute

	Mean <sup>1</sup>	Median <sup>2</sup>
Hourly Fixed Pay (April 2018)	<b>14.27%</b>	<b>7.62%</b>
Hourly Fixed Pay (April 2017)	<b>14.82%</b>	<b>8.71%</b>
Bonus Pay (April 2018)	<b>40.92%</b>	<b>18.05%</b>

<sup>1</sup> Mean: the percentage difference in average pay between male and female employees

<sup>2</sup> Median: the percentage difference in the middle value pay between male and female employees

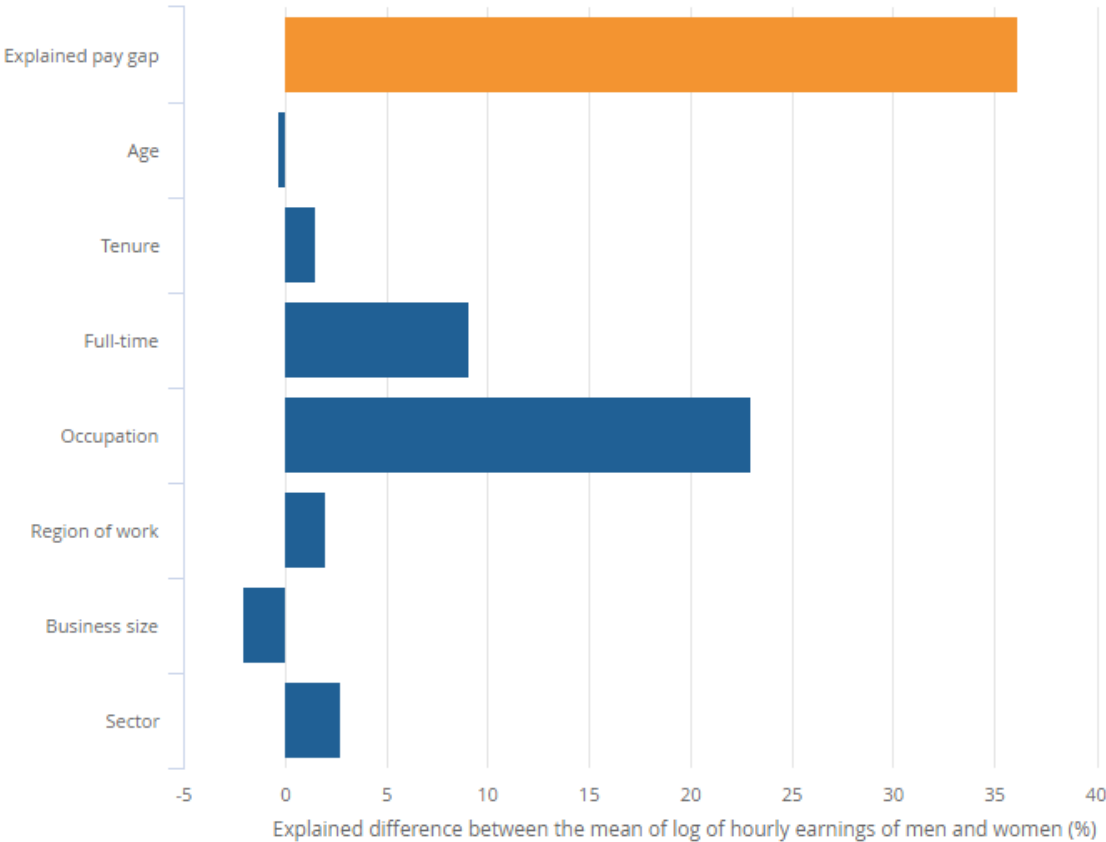
## Factors that influence the gender pay gap

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- Age: for under-40s, the gender pay gap for full-time employees is now close to zero
- Working patterns: women are much more likely to work part-time
- Occupation: men and women tend to be employed in different fields
  - 5 Cs – cleaning, catering, caring, cashiering and clerical work
- Region: the gender pay gap is larger in England than Northern Ireland, Scotland, and Wales
- Business size: larger employers have bigger gender pay gaps

# Factors that influence the gender pay gap

Figure 13: The overall explained part and its components expressed as a percentage of the difference between log hourly earnings of men and women, UK, 2017



Source: Office for National Statistics

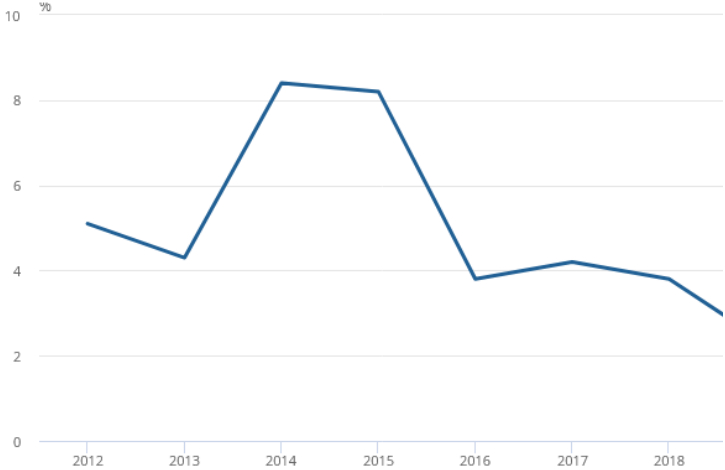


# Ethnicity pay gaps

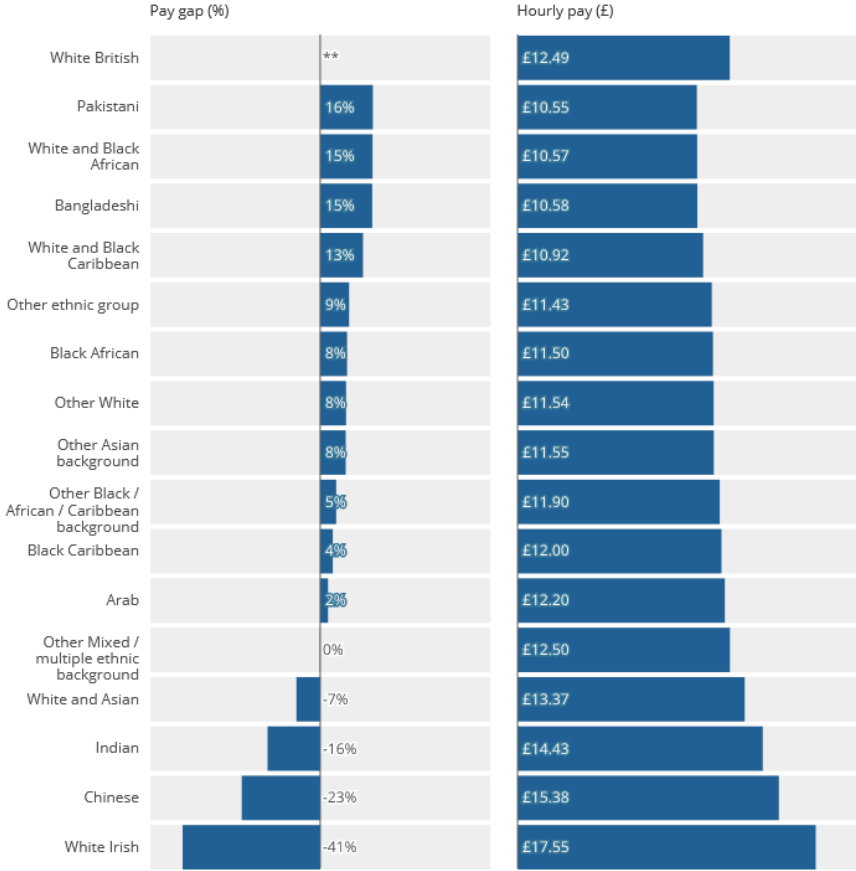
Median hourly pay and pay gap, 17 ethnic groups, England and Wales, 2019

**Figure 1: The hourly median pay gap between White and the ethnic minority group has narrowed to the smallest since 2012**

**Pay gap between the White group and the ethnic minority group, England and Wales, 2012 to 2019**

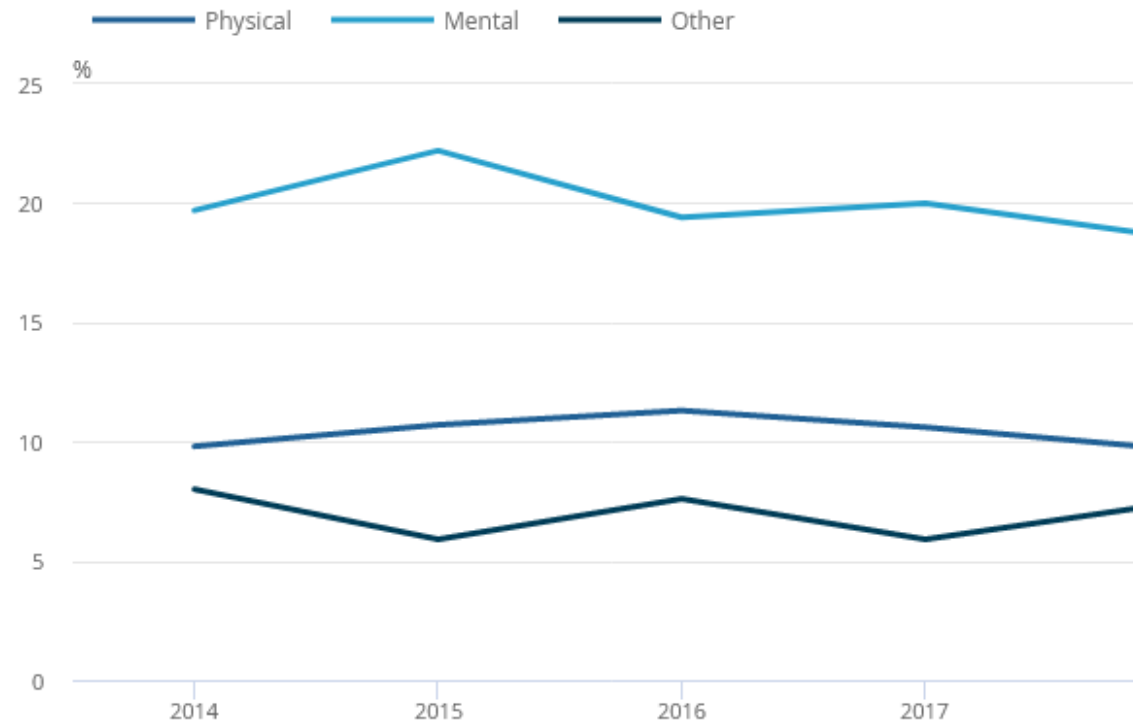


Source: Office for National Statistics - Annual Population Survey (APS)



# Disability pay gaps

Percentage difference in median pay between disabled and non-disabled employees for different types of impairments, UK, 2018



Source: Office for National Statistics - Annual Population Survey

# Causes of the gender pay gap

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- More men are in senior roles
  - The occupation with the largest gender gap is manager with women earning 23% less than men
- Occupational segregation and how work is valued
  - When a sector becomes female dominated, pay drops
- Working part time and unpaid work
- Unequal pay

# How to minimise pay gaps

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- Be transparent about pay
  - Don't disclose your current salary at interviews
- Make it a norm for women to negotiate salaries
- Reduce bias in recruitment, promotion and reward policies
- Encourage men to take paternity leave and more caring responsibilities
- Ensure flexible working remains an option
- Take part in campaigns
- Join a union

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# Discussion time

## Further reading

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- [Understanding the difference between 'equal pay' and 'gender pay gaps'](#)
- [UK gender pay gap datasets from ONS](#)
- [Understanding the gender pay gap: definition and causes](#)
- [Causes of gender, disability, and ethnic pay gaps](#)
- [Closing Gender Pay Gaps: 12 Solutions for Pay Equality](#)
- [Fair Pay Campaign](#)