



JERSEY Chamber of Commerce

Gender Pay Gap Review

Following consultation through the various Committees and membership of the Jersey Chamber of Commerce, the following responses were forwarded for the review panel to consider. Due to the wide range of sectors consulted with, the responses vary from a consolidated response from a Committee, in this case our Finance and Chamber Connection Committees to individual Member responses, as indicated. It was clear from the responses that answering the final three questions, that statistics were not available to answer these.

Jersey Chamber of Commerce Finance Committee Written Submission

1. Do you think there is a gender pay gap in Jersey? Based on the measure of average pay of women versus men we would expect a gender pay gap to exist in Jersey in similar ways to similar sectors in UK companies. The gender pay gap should not be misconstrued as an indicator that evidence of gender pay inequality exists, which is a different issue to the pay gap. We have not seen evidence of gender pay equality although we suspect it may occur more in other industries outside of the Finance industry.

2. Do you have any evidence to support your perception? A number of companies in the Island are required to report gender pay gap to parent companies and the results would not be dissimilar to many companies in similar sectors in the UK.

The government has sector analysis of pay and publishes average pay by sector I would imagine they could request this from Soc Sec and income tax – rather than creating any industry wide reporting.

Finance industry firms, and in particular larger firms, tend to have gender agnostic detailed matrix to determine pay grades, there are also external and independently prepared surveys for most roles in the Finance Industry, so companies and individuals can obtain a better understanding of the standards and pay ranges.

3. What initiatives do you think businesses could adopt in order to reduce a gender pay gap? Gender pay gaps need to be understood at what level the gender pay disparity is appearing within each organisation. Typically, we see at more junior levels there is limited gender pay gap however, as you look further up the hierarchy this becomes more apparent. It is therefore, usually at more senior levels where initiatives are focused i.e. how we retain gender diversity and therefore close the pay gap.

A number of businesses in the finance sector have implemented initiatives to address the gender pay gap through:

- Creating champions, in senior roles, to promote diversity and equality in order to create positive role models and opportunities
- Making the working environment more appealing through flexible working and other initiatives
- Creating pathways for second careers i.e. those returning to work after taking long term sabbaticals for childcare

However, government also has a role to play as an enabler to ensure parents who want to return to work are not financially penalised for example areas such as nursery/childcare and other supporting enablers which can ensure parents are not disadvantaged. This is particularly important for smaller businesses who are disproportionately affected by long term absences. It should be noted that the above is focused on a typical and nuclear family and care should be taken that could adversely affect same sex couples.

Businesses could put in place a grading mechanism, as part of a job description/contract, which includes the role, grade, experience, longevity (time with firm), qualifications, performance and any other relevant quantitative/qualitative factors to enable a fair comparison across genders. Where there is inequality, this should be documented with a reasonable justification.

4. What are your views on making it a disciplinary matter if staff discuss salary? In Scandinavian countries transparency on salaries is culturally accepted. Whether an employee chooses to reveal their salary is a matter for them alone to decide. We would not support any proposal to make this part of any employment legislation.

We feel that salary conversations should not result in disciplinary action unless it puts the company at risk. Transparency and honesty should prevail, so if salary information is discussed and if a recipient of such information becomes dissatisfied they should be made aware of the factors that have contributed to any disparity. As long as the grading mechanism is accurate and available to all staff, any aggrieved individual can understand how pay levels are justified. Where there are genuine misalignments this can then be addressed.

5. Across businesses, how many Directors are male and how many are female? We do not have access to the statistic, but firmly believe that there are more males than females.

6. How many females occupy senior roles? We do not have access to the statistic but believe that there are broadly similar males than females in senior roles with a possible slightly higher number of males than females.

7. How many females are non-executive directors? We do not have access to the statistic, but firmly believe that there are more males than females.

Additional Comments

There was a period of years recently where there appeared to be gender discrimination in favour of females in the form of companies wishing to increase the percentage of females in senior roles in an attempt to be perceived as not having a gender bias. This was potentially more prevalent in the non-

executive directorship roles. This may not have been evidenced in the form of company policies, as it was instigated via less formal channels of direction and communication. This potential bias no longer appears to be the case and we now feel that there is little evidence of gender discrimination in the Finance Industry at junior or senior levels. In most, if not all, cases which we have had knowledge of, roles are now filled with the most suitable and available individual, regardless of gender. We therefore conclude that there are less females than males available and with the required skills and/or the desire to perform senior roles.

Where we do believe there is likely to be gender differentiation (voluntary discrimination) is in the home, as there still appears to be significantly more females than males taking the lead with home and family responsibilities. To some extent this inevitably reduces the levels of availability of females in the workforce and can also impact on the desire of some females to take on more senior roles that could result in greater workplace demands and longer hours.

We also believe there is a hurdle for individuals to return to work after long periods outside of the Finance Industry such as with periods spent supporting and raising young members of the family. The amount of changes in the Finance industry (regulatory, statutory, technological etc.) increase cost and risk to financial services firms who will need to support training costs and productivity shortfalls while supporting an individual in becoming familiar with the changes. Many companies are introducing measures such as flexible working hours/conditions, job shares, changes to roles (no long-haul flights and unsociable hours) to encourage individuals not to leave their employment to raise a family. These measures will continue to increase the availability of individuals who wish to balance family and household responsibilities.

The Chamber Connection Committee is made up of members in the 18 to 35 age-bracket and provided the following responses

Do you think there is a gender pay gap in Jersey?

- From our experiences, we do not believe there is a pay gap in Jersey in terms of businesses giving women less money than men for the equivalent roles.
- However, we believe a pay gap may exist in terms of more men than women holding roles that command a higher salary. For example, whilst the overall public sector workforce in Jersey is 63% female, 66.9% Senior Managers are male and 86.7% of directors are male. Point was made that more research is needed in this area, as we believe you should place the right person in the role despite gender.

Do you have any evidence to support your perception?

- See statistics above.
- Looking at a selection of company websites in Jersey, it appears that there are less women in senior roles in most companies.
- We concluded that a pay gap does not exist in terms of businesses giving women less money than men for the same roles, via people who have had awareness of salaries in their organisation (i.e. have been involved in recruitment and selection).
- We do believe that further surveys/research are needed in this area.

What initiatives do you think businesses could adopt in order to reduce a gender pay gap?

- We believe open discussions around salary could reduce a gender pay gap. If pay gaps do exist, there may not be a widespread awareness of them. No action can be taken without awareness.
- Targets for Senior Leadership / Board roles could be used, for example, 50% are female. However, these would need to be soft targets because as mentioned above, roles should be assessed objectively on capability rather than gender.

What are your views on making it a disciplinary matter if staff discuss salary?

We thought did not feel that discussing salary should not be a disciplinary matter. Disciplining employees for discussing wages could lead to increased tension and industrial action in extreme circumstances. If employees wish to discuss wages they should be allowed, which will also ensure fair play by management.

Across businesses, how many Directors are male and how many are female?

How many females occupy senior roles?

How many females are non-executive directors?

The above points seem to vary across industries and businesses. For example, we found one local finance company with a board of 8, all of which were male, whereas other companies had a 50-50 split.

Jersey Chamber of Commerce received the following additional individual responses

As a Fellow of the Institute of Directors, you would expect me to say that not only diversity is important but having qualified Directors is also very important to ensure good Governance. Recruitment to Boards is also an issue, too many organisations have people on Boards for the wrong reason, often conflicted and often unaware of their responsibilities particularly towards the organisation.

Board Apprentice is a good organisation giving people of both genders the opportunity to experience how a Board operates.

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- 1. Do you think there is a gender pay gap in Jersey? – Yes, I do**
- 2. Do you have any evidence to support your perception? – No, no real evidence**
- 3. What initiatives do you think businesses could adopt in order to reduce a gender pay gap?**
– promote flexible working practices for all, provide training and development to enable all to reach their full potential, change culture to embrace equal opportunities, promote schemes such as mentoring to assist with succession planning
- 4. What are your views on making it a disciplinary matter if staff discuss salary? – Personally,**
I agree with this approach as the consequences are far reaching, however I understand that organisations may not take this approach as they are confident that they do not have a gender pay gap and are therefore not concerned with staff discussing salary

- **Across businesses, how many Directors are male and how many are female?** – not able to answer
- **How many females occupy senior roles?** – not able to answer
- **How many females are non-executive directors?** – not able to answer

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1. **Do you think there is a gender pay gap in Jersey?** Not personally aware of this in IT but am aware of it in Finance. There are so few technical and computer science women I'd argue that those in it would be payed based on skill. I am not sure that we in technology support the needs of women fully and this contributes to their lack of involvement or motivation to work in our field.

2. **Do you have any evidence to support your perception?** Sure – there are probably 200-300 women working in and around IT and 2000-3000 men.

3. **What initiatives do you think businesses could adopt in order to reduce a gender pay gap?**

There should not be, but the largest firms are best equipped to establish if they have one an abolish the promote equality in pay.

4. **What are your views on making it a disciplinary matter if staff discuss salary?**

I would not agree with discipline but do think an amount of professionalism is required within an organisation to promote quality work and a sound working environment.

- **Across businesses, how many Directors are male and how many are female?**

I don't have that information

- **How many females occupy senior roles?**

I don't have that information

- **How many females are non-executive directors?**

I don't have that information

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Firstly, I think that the term "gender pay gap" often gets confused.

There are two topics that are usually conflated:

1 As a rule, there are fewer women in senior positions within most organisations (especially within the States of Jersey amongst its senior civil servants to use a recent local example), which automatically results in a "top level" GPG. This is usually for the reasons set out below and also because boards tend to recruit in their own image, replicating the pattern that we still see on most company boards, white, male, senior in years.

2 Secondly, the term Gender Pay Gap also is frequently applied when comparing women who have been out of the workplace (usually due to family commitments) with men operating at a similar level, as females in this situation can be deemed to have fewer skills, or there is a GPG because females may not be able to obtain the next level of seniority because they are deemed not to be

committed to their career and to seek flexible working. A secondary pay gap can also arise when females who do not have children are grouped with other females who have had children and are kept at a similar level in the minds of their employer because of the perception that they “might” have children. I also refer to this as unconscious bias.

1. Do you think there is a gender pay gap in Jersey?

Yes, as evidenced by the lack of females at the top level of organisations in The States of Jersey (as civil servants), and as minorities as partners and directors in professional services firms.

The lack of females working at the same level as their male counterparts automatically produces a gender pay gap, in my view.

2. Do you have any evidence to support your perception?

Please see answer to (1) above and also look at the partnership composition of most Jersey professional services firms, which is usually available on their websites. I can't speak for other sectors.

I think that the amount of single gender networking groups also supports this perception (I don't support these, whether male or female, as they could encourage introspective thinking and a silo mentality).

3. What initiatives do you think businesses could adopt in order to reduce a gender pay gap?

- Create and adhere to a fair selection process;
- Don't favour one gender for higher paid or lower paid roles (unconscious bias may also be an issue here);
- Do pay the same rate for the same job from the start and then back this up with transparency and consistency in pay scales, which are then applied fairly by the HR team / recruiters.
- As an employer, don't make an assumption that all females want to be parents and will therefore leave / “let you down” / be the stay at home parent / not provide value for money;
- Retain promotional opportunities to those who have been away from the workplace, for whatever reason, to encourage a level playing field. You wouldn't penalise secondees for having time away from the office – consider how those on family leave are treated;
- Encourage continuing professional development / learning for all staff;
- Critically review business processes by seeking and listening to staff feedback and reviewing policies and procedures to ensure that these maintain fairness in the workplace (and not just for gender – bias against one gender can also encourage bias against other groups in a workplace).

4. What are your views on making it a disciplinary matter if staff discuss salary?

It depends on the extent of the discussion and the work environment, and whether this is expressly contained as a breach of contract in an employment agreement or handbook.

In my personal experience, staff don't discuss their salaries and maintain confidentiality, but they may well discuss their bonuses.

An employer could of course make this a disciplinary issue if express contractual terms of an employment contract have been breached, but if as an employer you are using your discretion

correctly in terms of bonus payments / training opportunities, etc., there shouldn't be such a level of concern.

If the employee feels able to talk to their employer constructively regarding salary matters (rather than airing grievances with other colleagues), then you avoid this issue. It's really about employers accepting feedback as well.

- **Across the business, how many Directors are male and how many are female?**

I work in business where there are four males one female Director.

- **How many females occupy senior roles?**

Other than the five Directors, there are 36 staff.

21 are female and 10 are male.

Of these staff, I would say that 4 females have senior roles who are not Directors, and that 6 men have senior roles.

- **How many females are non-executive directors?**

Not applicable.