

## Submission - Liberate

### Do you think statutory measures should be introduced in Jersey for gender pay gap reporting?

The UK will implement mandatory gender pay gap reporting on 5 October. It has been voluntary up to now. In June 2021 the FT reported that only 25% of those UK companies who would be eligible to report their gender pay gap had done so voluntarily (<https://www.ft.com/content/24d5caad-9c67-4f78-9d85-7ef6dc71a93d>).

Even when mandatory reporting is enforced there will be no requirement for organisations to say what they will do about any gap. The EHRC has recommended that the UK government make it mandatory for companies to publish action plans alongside gender pay figures and to empower them to issue fines for late reporting.

Gender pay gap reporting is an important tool for organisations to use to understand the size and cause of their own gap. The analysis can help organisations to develop action plans to tackle the gap and to monitor, over time, how they are shrinking the gap. But should it be compulsory?

It is currently unclear how effective gender pay gap reporting is going to be at closing the gender pay gap in the UK. By extension, is it going to be an effective tool in Jersey's armoury against the gender pay gap, or are we in a different place (in terms of equality) from the UK and should we consider a different approach?

Gender pay gap reporting is a blunt instrument without context for customers, employees and other stakeholders. Any gender pay gap is likely to reflect a combination of internal and external factors that need to be examined.

Having a small pay gap does not necessarily translate into a fairer place to work, and it also doesn't mean that these organisations have a more diverse workforce, e.g. Vauxhall UK reports a mean gender pay gap of -0.8% which means that women on average earn 0.8% more than men. At first sight this may seem advanced, but a closer look reveals that the percentage of women in each pay quartile is still less than 15%.

Unlike the UK, which has had equal pay legislation since 1970, Jersey does not. Jersey needs to consider equal pay first. If this is not happening then it will be accounting directly for some of the gender pay gap. Equal pay is an easier problem to address. The gender pay gap is much harder to solve as there are a plethora of reasons why women do not rise to the top of organisations, yet are numerous at the lower levels.

Iceland's equal pay standard is often cited as being the best in terms of equalising pay. A balanced view of its pros and cons is provided here - <http://www.nordiclabourjournal.org/i-fokus/in-focus-2019/future-of-work-iceland/article.2019-04-01.4989008637>

In the above article, Aðalsteinn Þorsteinsson, Director General for Byggðastofnun says "The wage system is based on stability and equality. This creates positivity and trust, but sadly, in practice salaries are still secret in Iceland. As long as this is the case, a certain level of distrust will remain."

This is the crux of the problem in Jersey, too, and gender pay gap reporting is unlikely to solve it. What is needed is a means for employees to legitimately see how much other people in their workplace are being paid.

This could be done with an amendment to Jersey's Employment Law that allows employees to ask what other people in their workplace on their grade are paid and for that request to have to be honoured by employers. On discovering an imbalance with someone on their grade employees could then take a discrimination case to tribunal on the grounds of a particular protected characteristic (be it gender, race, disability etc). Knowing that employees can scrutinise salaries would lead employers to adopt clear pay scales.

An amendment to Employment Law that required all job advertisements to state the salary (or salary range) offered would also help. This is advantageous for women because salary then becomes a fixed element of the package and research shows that pay negotiation is more problematic for women than men (<https://www.bbc.com/worklife/article/20210615-how-the-salary-ask-gap-perpetuates-unequal-pay>). A stated salary relieves employee and employer from the pain of negotiation. This is preferable as research has found that a salary range can encourage all applicants to negotiate including women, but that women still come away with less than men.

Finally, legislating to prevent employers from asking applicants about their previous remuneration would also help enable women to achieve a jump in salary where a previous employer had kept their wages unreasonably low.

None of the above options require any additional government manpower to implement and are not onerous on employers. Gender pay gap reporting is onerous on employers and will require government officials to administer the scheme and monitor the submissions from employers. This is not necessarily a reason not to do it, but it may not be a cost-effective solution to the problem.

Whilst gender pay gap reporting encourages organisations to engage in discussions about what equality in the workplace truly means, tackling equal pay, which has not been done in Jersey, has the potential to directly impact the pay gap.

### **What are your views on other types of mandatory reporting such as the ethnicity pay gap?**

Making pay transparent (as the above suggests) would benefit all minority groups.

The disability employment gap is also of concern. Many of the solutions that work to solve this problem also work to reduce the gender pay gap, such as flexible working.

### **Do you think there has been any change in the cultural influences which affect the gender pay gap in Jersey?**

This question is difficult to answer without a timescale. In my lifetime, yes there has been positive progress for women in the workplace. More women are achieving top/influential roles, more women are working in traditionally male occupations, more women are able to choose how they balance work and family (although more needs to be done on all three). In the last five to ten years, not so much.

Social media is without doubt the biggest cultural influence of the last five to ten years and it serves to polarise opinion, give people a platform to anonymously hate others and spread lies. But it can also serve to bring an issue to the attention of the wider public.

Liberate's work with organisations shows that in employee surveys the majority of employees are aware or very aware of Black Lives Matter, Me Too and the Gender Pay Gap. Awareness of an issue is not necessarily a measure of support for its values, but it does suggest that people are thinking about its implications for them.

The response to MeToo saw a misogynistic backlash from some men that gained support on the Internet and created movements like MGTOW, who advise men to follow the ex-US Vice President Mike Pence's advice, now known as the Pence Rule after he remarked that he would never eat a meal alone with a woman who is not his wife. One 2019 study found that 27% of American men now avoid one-on-one meetings with female colleagues.

There is no measure of how widespread this sort of misogyny is in Jersey, but it will be here because the Internet is. This is concerning because to achieve gender equality women need men to be part of the conversation and active participants in the solution, not afraid to take meetings alone with women colleagues.

### **Do you think the Government took a gender-sensitive approach to its Covid-19 policies?**

The sensitivity to the needs of minority groups during COVID was not always apparent in Government's approach both here and in the UK.

COVID-19 has impacted members of minority groups disproportionately. Women have carried the burden of home-schooling, low income and non-white communities have been hit hardest by the virus in terms of healthcare, people from the LGBTQ+ community have been locked down in unsupportive or hostile home environments, the old have been isolated and the young have missed out on schooling, critical exams and university experience, and people with disabilities have been (and continue to be) shielding. These inequalities existed before coronavirus, but the pandemic has highlighted them.

### **What impact do you think Covid-19 has had on men and women in the home and workplace?**

The different impacts felt by men and women during COVID-19 have been well documented by the media. Liberate has no additional information to add.