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## Tackling the gender pay gap

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They say the devil's in the detail. The good stuff is in there too. And the detail will be telling when the new law is introduced, requiring employers with at least 250 employees to publish gender pay gap information.

David Cameron's announcement to force large employers to disclose data on the gender pay gap among staff has coincided with the start of a consultation - 'Closing the Gender Pay Gap' - which seeks views, among other things, on the gender pay gap information that will be required and the frequency of the disclosures.

Commenting on the move, Cameron stated that it will "cast sunlight on the discrepancies and create the pressure we need for change, driving women's wages up."

Currently, the overall UK gender gap is 19.1 per cent and it is anticipated that the Government's proposals will significantly narrow the gap. It has also been pointed out that equalising women's productivity and employment to the same level as men's could add almost £600bn to the UK economy.

Under current law unequal treatment between men and women in terms of pay and conditions of employment is unlawful. The equality legislation provides that employers must give men and women equal pay if they are employed on equal work, that is, like work, work rated as equivalent or work of equal value.

The problem is that is often difficult to know whether there is disparity of pay, and greater transparency will make it much easier to challenge employers. Employees can potentially claim back arrears over six years – and the financial implications for employers could be significant.

A key issue though is what information is actually going to have to be provided by employers. The consultation asks whether the information to be disclosed should be the overall difference between the average earnings of men and women as a percentage of men's earnings.

Another suggestion is whether it should be broken down by full-time and part-time employees or, alternatively, by grade or job type. The consultation also asks whether employers should be required to give additional information with explanations for anomalies and any proposed remedial action.

Requiring employers to publish pay differentials for jobs within bands, for example, will of course make it much easier to identify differences than if only general averages are published. More sophisticated audits will increase costs for businesses, but those in favour would argue that closing the gender pay gap will improve productivity.

So, while these changes are a positive step to ensuring greater pay equality, their impact will depend on the small print. There also needs to be a cultural shift from businesses, ensuring recruitment processes are fair and transparent and the working environment attracts and retains both men and women.

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