This briefing is designed to equip campaigners with an understanding of the issues relating to unlawful unequal pay in the UK. As a result, you will be able to join the campaign to mark the 50th anniversary of the Equal Pay Act, highlight the prevalence of gender pay inequality, and call on those in power to take action.

What's in this toolkit?

- Why Are We Coming Together for Equal Pay?
- Equal Pay as a Means to #BuildBackBetter From COVID-19
- A History of Equal Pay
- Distinguishing Between Equal Pay and the Gender Pay Gap
- The Limitations of Gender Pay and Bonus Reporting
- The Impact of Gender Pay Inequality
- What Are We Trying to Achieve?
- Our Recommendations
- Our Targets
- Contact Us
- Take Action
- References

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Why Are We Coming Together for Equal Pay?

29th May 2020 will mark 50 years since the Equal Pay Act 1970 was passed in Parliament. Yet women, on average, still only earn 82p for every £1 a man earns.

The gender pay gap currently stands at 17.3%, with disadvantage multiplied for black and minority ethnic (BAME) and disabled women, who tend to experience even greater pay gaps. Meanwhile, women working for some of the UK’s largest and most reputable employers continue to undertake legal cases each year in order to secure their legal right to equal pay: a right they have been entitled to for 50 years. Based on current progress, it will take around 60 years to close the gender pay gap.

Recent research found that 81% of customers cared whether a business paid employees of different genders equally in the same role. Companies cannot afford to be known for underpaying women, but with many successful cases containing a gagging clause, bad employers have little incentive to change systemic drivers of unequal pay. To end unequal pay, employers who refuse to take necessary steps to meet their legal obligations must face public scrutiny.

50 years is long enough.

Equal Pay as a Means to #BuildBackBetter From COVID-19

In the context of the COVID-19 crisis, securing women’s right to equal pay is more important than ever before. Women are bearing the brunt of the economic fallout, with greater impacts already measured on women’s financial security and mental wellbeing. The virus has had a bigger effect on women’s earnings, partly due to a disproportionate amount of women working in the arts, retail, hospitality and tourism, but also as a result of existing gender inequalities within society. The crisis has drawn attention to how low paid some essential work is, with 69% of people working in the lowest-paid, lowest-status and precarious jobs, being women. Those jobs were classed as “low-skilled” but are now often recognised as “essential”. Many of these jobs are in sectors dominated by women - including retail, care work, social care and nursing.

At the same time, many women are taking on much of the burden of unpaid care and domestic work at home, given school and childcare facility closures. Before the crisis hit, women already carried out 60% more unpaid work than men and earned 43% less. The latest research has revealed that women are typically spending at least an extra hour-and-a-half on childcare and homeschooling each day, compared to the average man in the same circumstances. In the academic sphere, men are submitting more academic papers, while women’s research output has dropped by up to 50% compared to last year. While the pandemic offers an opportunity for us, as a country, to reassess how we view and value both paid and unpaid work traditionally undertaken by women, there is a risk that inequalities may also be further entrenched. Securing fair incomes for women must be seen as a vital component of how we #BuildBackBetter.

Overall, the changes in income and employment as a result of the crisis are expected to result in an increase to the mean gender pay gap of £62 a month. While the Government has made the decision to suspend companies’ gender pay reporting requirements for 2020 in light of the COVID-19 crisis, this in and of itself may have implications for how employers value closing the gender pay gap. The delayed reporting will also affect the ability of the Third Sector and employers to scrutinise and analyse companies’ progress from 2018-2019.
A History of Equal Pay

The fight for equal pay in the UK has a long history.

1888: Clementina Black, Chair of the Women’s Trade Association won a resolution on equal pay for equal work at the Trades Union Congress.16

1914 - 1918: The involvement of women in the workplace during the First World War changed perceptions of their role in society. During the war years, women undertook jobs normally carried out by men and proved they could do the work just as well. An estimated two million women replaced men in employment.

1919: Poplar Borough Council undertook a comprehensive programme of social reform and poor relief, including passing a budget that awarded equal pay for women and men. The budget was ruled unlawful by the courts, with the judges deciding that the councillors had allowed themselves to be guided ‘by some eccentric principles of socialistic philanthropy, or by a feminist ambition to secure the equality of the sexes in the matter of wages in the world of labour’.17 Thirty councillors were jailed for contempt of court when they refused to revise it.18

1955: After mass public campaigning, a scheme was established to secure equal rates of pay for men and women doing the same job in the non-industrial civil service. In its wake, women teachers were also given equal pay in 1961.

1968: A key turning point for the passage of equal pay legislation was the strike action undertaken by women sewing machinists at Ford’s Dagenham plant. Ford had graded the machinists at a lower grade and were paid 15% less than men in the same grading.

The women in London walked out, followed later by the machinists at Ford’s Halewood Body & Assembly plant. The machinists made car seat covers and, as stock ran out, the strike eventually resulted in a halt to all car production. After three weeks of strike action their wages increased, however this still did not give them full parity with men. Despite only being a partial success, the strike was a landmark win for pay equality and a key driver for the passage of the Equal Pay Act 1970, which was finally passed on 29th May 1970.

But the fight for equal pay did not stop there, with countless equal pay cases involving many reputable British brands and employers in the last 50 years. Julie Hayward’s landmark case in 1988 was the first significant challenge to the legislation.19 Julie worked as an apprentice cook in the Cammell Laird shipyard in Birkenhead. When she and her fellow apprentices completed their training, the three men in the group were categorised as “craftsmen” and given a raise, while she was deemed a “labourer”. After a 10 year battle and three industrial tribunals, she finally won an appeal at the House of Lords.

Since then, a number of high profile equal pay cases have been won, including claims against the Home Office,20 Birmingham City Council,21 and Glasgow City Council.22 Sainsbury’s, Tesco, Asda and Morrisons are currently facing long-running legal disputes from shop-floor staff (predominantly women), who claim that their work is of equal value to the higher paid warehouse staff (predominantly men).23
In recent years, the BBC has come under fire for its pay culture and practices.

In 2018, the BBC’s former China Editor, Carrie Gracie, won her battle over gender pay inequality, receiving an apology and a large payout, which she donated to the Fawcett Society to help assist low paid women to assert their legal right to equal pay.24

In 2019, Samira Ahmed, the presenter of BBC’s Newsnight, won her claim after claiming she had been underpaid by £700,000 in relation to male colleagues in comparable roles.25

This year, BBC Radio 4 presenter of 18 years, Sarah Montague, won a £400,000 settlement and an apology from the corporation.26

While the specific obligations of the Equal Pay Act 1970 have now been incorporated into The Equality Act 2010, neither acts have achieved their objective of ensuring everyone, regardless of their gender, receives equal pay for ‘like work, work of equal value, or work rated as equivalent’. Instead, where employers ignore the legislation, women must gather evidence of discrimination, navigating secretive pay systems to take forward their cases. To do this, they often must bear the significant financial and career risks, not to mention taking on the stress and psychological burden. Often women know they are underpaid when compared with a male employee, but do nothing for fear of being victimised.
Distinguishing Between Equal Pay and the Gender Pay Gap

The gender pay gap is often used as a proxy measure of gender pay inequality, however it is important to note that it does not actually measure the difference between what men and women are paid for the same, or equivalent, work.

Unequal pay

Unequal pay refers to paying men and women differently for:

a. **doing the same (or similar) jobs**, 
b. doing work that has been rated as “equivalent”, or in the same grade or, 
c. **doing work of “equal value”**, where jobs might be different but require a similar level of skill.

As well as basic salaries, “pay” also includes bonuses and employee benefits like holidays, pension contributions and other benefits, such as company cars.

The gender pay gap

The gender pay gap is a calculation of the difference between the average hourly pay of the average man and of the average woman. Factors such as part-time working, caring responsibilities, a lack of women in senior roles, different educational opportunities, the undervaluing of jobs and sectors traditionally dominated by women, and the phenomenon of unequal pay all contribute to this figure. Unlike unequal pay, it is not unlawful for companies to pay women less than men on average, although it might suggest that the company has procedures or practices that either directly or indirectly discriminate against women, which is also unlawful.27
The Limitations of Gender Pay and Bonus Reporting

While gender pay gap reporting has shone a light on the shocking extent of gender pay and bonus gaps within companies, it has not driven the necessary cultural shift or led to significant action to close the gap.

The overall gender pay gap for 2019 was 17.3%,
while some FTSE 100 companies reported gaps as high as 50% in their 2018 reports. Despite a number of high-profile equal pay cases in the media, research by the Fawcett Society in 2019 found that a shocking 4 in 10 people do not know that women have a right to equal pay for work of equal value.

It is difficult to draw firm conclusions about any movement in gender pay equality over the last 12 months while the suspension of reporting deadlines is in place during the COVID-19 crisis, and approximately 50% of large companies have yet to report. Early indications show a negligible improvement on the gender pay gap but an increase in the gender bonus gap. This follows a trend that we have observed; as companies reduce their pay gaps, they appear to compensate senior male employees with bigger bonuses. With much of the data unreported, the only significant conclusion is that progress in closing the gap is not happening as quickly as we need.

However, the biggest limitation of gender pay reporting is that it significantly highlights “vertical” gender pay issues over “horizontal” gender pay issues. In other words, there are not enough women in high-value roles. While this is a significant factor, and while companies often appear at a loss as to how to address it, it is not the only factor. The “horizontal pay gap” measures the difference between men and women working at the same grade. If the Equal Pay Act 1970 were at all effective and enforceable, this should be close to zero, but the lack of any requirement to publish horizontal pay data allows companies to make reassuring assertions that there is not an equal pay problem, without any evidence base.

The Impact of Gender Pay Inequality

Women are more likely to experience poverty in the UK than men. Persistent low incomes coupled with caring responsibilities are a major contributor to women’s poverty.
Black and Minority Ethnic (BAME) women experience considerably higher rates of poverty than white women in the UK. Low pay for women and BAME workers results in these groups having far smaller pensions and increased poverty in old age. There is also a strong link between female poverty and child poverty, with lone mothers in particular at a greater risk of experiencing poverty.

Nonetheless, the impacts of pay inequality are severe not only for individual women and their families, but for our communities as a whole. UK income inequality is among the highest in the developed world and evidence shows that inequality has a negative impact on everyone. People in more equal societies live longer, have better physical and mental health and attain better educational outcomes, regardless of their background. Community life is stronger where the income gap is narrower, children do better at school and they are less likely to become teenage parents. When inequality is reduced people trust each other more, there is less violence and rates of imprisonment are lower.

Eliminating unfair and discriminatory pay practices sits alongside political decisions that would bring women closer to achieving economic equality. Policies such as those designed to end child poverty, ensure adequate funding for vital public services, improve access to free childcare and work towards a fairer distribution of unpaid care and domestic work between the genders would contribute significantly to raising the incomes of women and reducing rates of poverty for them and their children.
What Are We Trying to Achieve?

Our activities around the 50th anniversary of the Equal Pay Act have the following objectives:

1. To influence policy reforms and business practice to promote gender equality and women’s rights.
2. To highlight pay equality as an integral part of the struggle for women’s rights and gender equality.
3. To alert a new audience to the injustice of pay inequality in the UK and encourage more women to take up the issue of equal pay in their workplace and in their unions.
4. To show businesses and the Government that citizens will not accept damagingly high levels of inequality, and that there is a constituency of ordinary people who will not accept a return to the old, unfair “normal” in the wake of the COVID-19 crisis.
5. To build the power of activists in the UK to campaign against pay inequality and hold elite and corporate power to account.
6. To bring together feminist activists, voluntary organisations, employers, lawyers, trade unions, students, academics and workers to take action to demand equal pay.

Our Recommendations

Here are some key changes which could be made by businesses and the Government that would help to end gender pay inequality once and for all.

1. **The Government mandates horizontal pay reporting as part of gender pay gap reporting** – this would require companies to identify whether there is actually an equal pay problem (people being paid differently for doing the same work), rather than a progression problem (not enough women in higher paid positions).

2. **The Government extends gender pay gap reporting requirements to companies with more than 100 employees** – currently only companies with 250 employees or more are mandated to report on their gender pay gaps.

3. **The Government introduces ethnicity and disability pay gap reporting, on the same basis as gender pay gap reporting** – we know that the ethnic minority and disabled workers in the UK earn less per hour than their non-disabled and white counterparts respectively.

4. **The Government requires companies with a gender pay gap above the national average to publish an evidence-based action plan to address their failure to recruit and retain women in high value roles.**

5. **In advance of legislation proposed by the Fawcett Society, companies adopt a contractual ‘right to know’ policy so that women can ask for and receive details of the pay of potential comparators.**

6. **Companies commit to eliminating those elements of their pay and reward structures that are defined as ‘high risk’ by the Equality and Human Rights Commission** – this includes, for example, a failure of companies to include a salary in job adverts. When this happens, it often results in new starters being paid a rate based on their previous salary. This practice, common in the private sector, risks importing existing pay inequalities.
Our Targets

Those with the power to make change need to hear these messages loud and clear. Despite physical distancing measures being in place, our key targets for this campaign remain the same:

1. **National-level decision makers**: this can include your local MP, Boris Johnson MP (Prime Minister), Rishi Sunak MP (Chancellor of the Exchequer), Elizabeth Truss MP (Minister for Women and Equalities) and their equivalents in the Shadow Cabinet, in addition to the Women and Equalities Committee. These people are targets for both social media campaigning and direct lobbying through letters and emails. This will ensure that they hear your message and know that their citizens want them to take action on gender pay inequality.

2. **Businesses and employers**: through online meetings, emails and social media actions, you can raise the issues in our advocacy letter and call on employers to take urgent action to address pay inequality in the era of COVID-19.

3. Our campaigning activity also targets the general public to raise awareness about, and visibility of equal pay issues impacting on women. We want to support more people and organisations to take action on gender pay equality.

Take Action

Support the #EqualPay50 campaign by taking action wherever you are.

We’ve produced a campaign toolkit that provides you with the tools to fight for equal pay at work, within your trade union, at university, and online.

The toolkit includes:
- template letters to send to your employer, university Vice-Chancellor and local newspaper
- social media graphics and videos
- a template trade union motion on equal pay
- an easy online tool to contact your MP

Contact Us

We’d love to discuss your ideas with you!

Contact Rianna, Campaigns Officer, to discuss your plans for the 50th anniversary:

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