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Gender Pay Reporting

The Gender Pay Bill is currently progressing through various stages in the Dáil, having been first introduced in June 2018.

What is the correct definition of the gender pay gap and what might businesses be legally required to do to address this issue in the workplace?

Firstly, it is important to point out that equal pay and the gender pay gap are 2 different concepts:

- **Equal Pay** is whereby men and women doing the same job, with the same level of responsibility etc. should receive the same pay
- **The Gender Pay Gap** is a measure of the difference between men and women's average pay across an organisation

The current gender pay gap in Europe is 16.7%; in Ireland that figure is 13.9% (as at June 2019).

The Gender Pay Bill would place a requirement on companies to publicly report on their gender pay gap.

David Stanton TD, Minister of State with special responsibility for Equality, Immigration and Integration stated that "*The Bill is one element in a substantial programme of work by Government to promote gender equality...*" (that programme being 'A Better Balance for Better Business').

The legislation (if enacted) is initially likely to affect/ impact those companies and organisations employing 250+ employees, however it may distil down to smaller companies in due course. It will require reporting of the gender pay gap for both public and private sector companies. Employers will also be required to set out the measures and proactive steps they are taking to address/ reduce any gender pay gap.

In order to get ahead of the curve, those organisations who might be affected and impacted by the proposed legislation should start to assess:

- Their recruitment processes and practices – are they structured in such a way as to ensure balance in how the organisation advertises, shortlists/ selects and appoints employees to the organisation?
- Their promotions process and practices – do you unconsciously promote more men than women to senior positions with the organisation?
- Their flexible work practices – do they appeal equally to both male and female employees and does your organisation's culture support this?
- Is the brand and profile of the organisation welcoming to both genders (or perceived to be more male/ female dominated)?

Again, organisations should consider appointing someone to champion and take responsibility for this issue and to strategically map out the current situation and future roadmap to meet their obligations; not just from a legal perspective but also from a best practice approach.

Recently An Taoiseach, Leo Varadkar, noted that:

"Only 18% of board directors are women. Over one third of companies have no female representation at all and are not positioning themselves well to respond to change or to understand an increasingly diverse customer base. Business cannot afford to ignore the talent of half of the population"

There is proof that gender balanced organisations, particularly at senior management and board level, perform better in terms of employee engagement, brand image, client and staff retention, organic growth and gross and operating profit. It stands to reason why this issue should not be ignored and why those companies who do take positive and proactive steps will be better placed to succeed.

Need Assistance or Further Information?

Do you need to find out more about this issue and what it might mean for your business if Gender Pay Gap reporting legislation is enacted in the near future?

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