

Equality of Opportunity Committee

EOC(3)-05-09 (p1): 24 March 2009

Update on the Close the Pay Gap Campaign

Background

During autumn 2008 the Minister for Social Justice agreed funding for the current phase of the Close the Pay Campaign. Close the Pay Gap is a partnership between the Welsh Assembly Government, the Equality and Human Rights Commission and the Wales TUC. This collaborative approach was specifically identified, by the evaluation of the previous phase of the campaign, as a key success factor in the campaign's achievements. This paper provides the Committee with an update on progress with the campaign.

The following initiatives have been supported during the current phase of Close the Pay Gap:

Business Benefits Research

Equal Pay Conference

Employer - Trade union seminars and fringe events.

Business Benefits Project

A research project to measure the benefits of settling equal pay in a Welsh local authority was identified as likely to be helpful in influencing other local authorities to make progress. Neath Port Talbot Council agreed to participate in the project.

The research is now complete and a short paper describing the Neath Port Talbot experience is attached. The researchers who carried out the NPT case study identified a number of success factors that could be replicated by any public authority wanting to effectively deal with equal pay. These include:

Leadership and commitment - a shared commitment to resolve the issue between staff and board or executive leaders underpins a successful outcome on equal pay.

Partnership working - allied to the leadership commitment, involvement of trade unions and ACAS as active partners increases engagement and keeps progress moving.

Pragmatism and persistence - describes the approach required to see the process through to a solution at every stage.

Capacity - equal pay reviews take time, money, staff resources and expertise but building capacity in these areas is essential. Expertise can be bought in or shared between organisations.

Transparency and communications - sustaining the partnership approach takes effective communication at all levels.

The case study of NPT has identified early benefits of the settlement in terms of the council's reputation, industrial relations and the financial impact on low paid employees.

The following quotes, taken from the full report, illustrate the benefits to the women concerned. The union welfare officer involved with advising beneficiaries recalled a 'feel good factor' about the whole process for the staff, and pride that NPTCBC, with the unions, had made a huge difference to: low paid workers who had been struggling for a number of years .. many paid off outstanding credit cards and loans... and could be debt free for the first time in a number of years pleasure to see someone at the lower end of the pay scale getting what they deserve some were skipping down to the payment centres It feels like we've really bridged the poverty gap in NPT (Union welfare officer).

The interviewees recalled how the ability to pay off debt and remove that burden had a dramatic impact:

Wonderful because I knew I could get rid of those two cards you know, because they had been hanging over my head for a long time. [I had] £5,300, and had a bit left over that is in my bank you know something to fall back on ... it was a weight lifted then, you know, otherwise we were struggling every month paying them ... I didn't have to fork out £140.00 a month between the two - you know I had that bit extra (Domestic).

Many of the women paid bills, including household bills and university loans/fees, or made home improvements to kitchens and bathrooms especially, and in one case took the whole family on a holiday - the first time they had all been able to go together in many years. Several had a 'bit put by' as security.

One of the recommendations of the researchers was the need to put in place quantitative and qualitative measures to assess, on an on-going basis, the impact of pay settlements on disposable income in the area, on the local economy, upon child poverty or on workforce engagement.

The summary paper will be shared across the public sector and is being highlighted at the Equal Pay Conference, at the employer-trade union seminars and at the party conference fringe events.

2. Equal Pay Conference

An equal pay conference, specifically but not exclusively, aimed at LA Chief Execs, Council Leaders and Cabinet equality leads, took place on 11th March. The purpose of the event was to engage with new leaders in key areas at risk of equal pay claims. It also enabled them to engage with each other, trade unions, and equal pay experts. It provided them with an opportunity to discuss the impact of recent legal developments and share some learning from outside Wales.

Keynote speakers at the event included the Minister Dr. Brian Gibbons AM, EHRC Wales Director Kate Bennett, Wales TUC General Secretary Martin Mansfield, Mick Brodie from the North East Regional Employers Organisation as well as Cllr Derek Vaughan and Graham Jones, the Leader and Head of Human Resources of Neath Port Talbot Council.

A report of the event will be produced in due course.

3. Employer and Trade Union Events

A series of practical employer and trade union events aimed at human resources and equality practitioners and trade union negotiators are taking place across Wales. The seminar in North Wales took place in January and the South Wales event will take place on 1st April. A seminar on West Wales was scheduled but was cancelled due to insufficient numbers.

The purpose of the events is to address several aspects of equal pay:

Firstly, to update employers and trade unions on the implications of the latest legal situation following recent high-profile case law;

Secondly, to discuss the role of trade union equality reps as well as to explain any likely equal pay measures envisaged in the Equality Bill;

Thirdly, to highlight equal pay solutions, including the Neath Port Talbot experience.

In addition to these employer-trade union seminars the Close the Pay Gap campaign will hold fringe events at each of the four Welsh political party fringe events during March and April. The purpose of these fringe events is to engage with party representatives on equal pay and to strengthen the cross-party support for action on equal pay that exists in Wales. We would welcome the attendance of Committee members at these events.

Recommendations

Further information about the wider equal pay landscape can be provided to the Committee during discussion. The Equality and Human Rights Commission and the Wales TUC invite the Committee to comment on the equal pay situation across Wales and identify possible next steps for the campaign.