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union
STRONGER TOGETHER

Submission from the Financial Services Union to the

GENDER PAY

Information Regulations Public Consultation



Who are we

The Financial Services Union (FSU) is the leading Trade Union representing staff in the Financial Services, Fintech, and Tech sectors. We support employees of retail banks, global financial services organisations, technology and FinTech organisations and workers in the Games and Animators sector. We understand what employees want, we give sound advice, and we secure better outcomes in pay and conditions for our members. We are a representative and campaigning union based on shared common values of decency, fairness, equality, and respect in the workplace.

Our purpose is to support, enable and empower members to achieve their career ambitions while leading the development of a sustainable, ethical financial services sector.

Our ambition is to be a progressive and innovative trade union, recognised for supporting, representing, and enabling members.

Our vision is of an FSU that is at the heart of the financial services community. Through our deep understanding, insights and focus on the changing world of financial services and our members' needs, we enable progress that benefits consumers, the sector, and the economy.

Submission

The Financial Services Union (FSU) welcomes the opportunity to participate in the Gender Pay Information Regulations Public Consultation. This is an important topic which requires direct intervention by Government and the employer. It is unconscionable that the Gender Pay Gap is allowed and, in some cases, increase in today's workplace.

What is the GPG

The explanatory documentation accompanying the consultation explains the Gender Pay Gap (GPG) in some detail. The GPG is the difference between the earnings of men and women. It is one of the main mechanisms used to assess the extent of gender inequalities in the labour market. Principally the GPG captures the differential economic returns from paid work rewarded to females as compared to males.

Republic of Ireland Gender Pay Gap Information Act 2021

In the Republic of Ireland the Gender Pay Gap Information Act 2021 requires organisations to report on their hourly GPG across a range of metrics. From 2022, organisations with over 250 employees began reporting on their GPG. Since 2024 organisations with over 150 employees are being asked to report on their GPG for the first time.

The Financial Services Union lobbied extensively on this issue prior to the introduction of the 2021 Act and published a report and roadmap for action on the issue.

You can find a copy of the report here www.fsunion.org/latest/gender-pay-gap/

The report makes recommendations on how the GPG can be closed and highlights issues that need to be addressed. The report recognises that analysing and publishing the GPG is the first step in addressing it. It is an acceptance by the employer the GPG exists and brings the issue to the attention of the employee.

Republic of Ireland experience and learnings

The experience and success in the Republic of Ireland of the 2021 Act is at best mixed and would be described as disappointing by many observers.

The Financial Services Union has more female members than male. We are a member of the Women in Finance group which is an industry funded group supported by the Government of Ireland, to see increased participation of women at all levels, including junior, middle, and senior management, leadership and board roles within financial services organisations based in Ireland.

We want to see the GPG closed and support direct action from Government and employers to achieve this. This is why we are disappointed the GPG has actually increased across the retail banking sector since publication of the Gender Pay Gap Information Act 2021.

As previously noted, publication of the GPG in a company is only a first step. Publishing an action plan is a necessary second step but without an implementation plan it is worthless. Without board level participation, engagement and belief that this is a priority issue for the company then the reporting of the GPG is pointless.

The FSU have consistently called for a central data base where everyone can access the GPG of all companies. We need to put the issue in the spotlight so it cannot be ignored.

We need to make pay ranges public for workers to see and end pay secrecy.

We need to make employers agree annual reduction targets through actions agreed with trade unions.

We need to encourage part time and flexible working arrangements for staff at all levels of a company.

We need to audit pay increases and performance ratings each year for fairness and equality.

We need to ensure that collective bargaining is a right for all workers.

The FSU support the requirement that companies publish their Gender Pay Gap but recognise this is a first step of many to ensure that the GPG is closed.

Threshold

We do not agree that the threshold of 250 employees is appropriate for Northern Ireland. The FSU are of the opinion that a threshold of 250 is too high and an appropriate first step would be to require any company with 100 or more employees be required to report. This should be reduced overtime to 10 in line with the Fair Employment Threshold which requires all private sector employers with more than ten employees to register with the FEC. We agree that the public, private and voluntary sector should all be included.

Use of the ONS (Office for National Statistics) definition

We do not agree to the usage of the ONS (Office for National Statistics) definition of calculating pay. In our considered opinion hourly earnings fails to show the full discrepancy between the earnings of male and female employees. We would recommend that annual earnings are used. How the data is presented is important.

For example using the Eurostat “ Structure of Earnings Survey the degree of the GPG changes on how the data is presented. In 2014 it found that

- **Mean Annual Wage:** Men are paid 13.9% more than women
- **Median Monthly Wages:** Men are paid 22.8% more than women
- **Median Hourly Wages:** Men are paid 10.9% more than women

Mean and Median figures

The use of mean and median figures is the appropriate and accepted method and is a suitable mechanism to ascertain true data.

Snapshot date

Using a specific snapshot date does not come without risk when attempting to validate the data. Workforce size can fluctuate throughout the year and any report should be able to recognise and included these differences.

Regulations should specify where the employer publishes their Gender Pay Gap information. Full transparency is vital in the process. Publishing on the back end of the company website is not sufficient. All employees should be directly informed of the report findings and sent a copy of the action plan.

There should be a requirement for a Government held central database where all companies' GPG reporting is presented and easily searched by employees or the general public.

Publication of Gender Pay Gap information

Publication of Gender Pay Gap information will encourage employers to take action to close the Gender Pay Gap. Publishing the GPG is the first step. It is the experience of the FSU that unless the issue is prioritised at board level then little, or no action will be taken. Any action plan should be agreed between the employer and the recognised Trade Union. Employers should publish this information on an annual basis. This will give us an accurate assessment of where any given firm is at a particular time.

Gender Pay Gap information relating to a workers a) ethnicity and/or b) disability

On balance it is a good idea to publish this information but a number of questions may arise such as:

Will this require someone to report to their company any disability they may have and if so, how would this be done?

Would there be consequences for someone who has not reported their disability previously but now informs their company due to this requirement?

Action plans

Employers should produce and publish action plans. The FSU strongly feel that not only should there be a requirement for a company to publish an action plan but that an implementation plan is also a necessity. This implementation plan should be agreed with the relevant Trade Union, sent to all staff, properly resourced by the company and measured for its success at the end of the year.

Responsibility

The Equality Commission of Northern Ireland should be responsible for monitoring and enforcing the gender pay information that employer's will be expected to calculate and publish, in Northern Ireland.

Cost to business

This question should be deemed irrelevant to the consultation. The consultation is about the processes to be used and not the cost. Nowhere in the consultation are employees asked or is it stated what the cost of the GPG to the earning of employees in each sector.

Possible sanctions.

A central database where companies can be named and shamed for not addressing the issues. Financial penalties should be explored and utilised perhaps on a sliding scale for smaller infringements. Public procurement opportunities should be limited to those companies who are prioritising the issues through direct actions.

In conclusion :

Full transparency from the company is vital. Publishing the data is a good first step but will not address the problem.

At a minimum:

We need to make pay ranges public for workers to see and end pay secrecy.

We need to make employers agree annual reduction targets through actions agreed with trade unions.

We need to encourage part time and flexible working arrangements for staff at all levels of a company.

We need to audit pay increases and performance ratings each year for fairness and equality.

We need to ensure that collective bargaining is a right for all workers.