

# Achieving Equal Pay in the Workplace

Your Guide to Changing Policy and Practice

## Glossary

**Annualised Contracts:** the employer pays the employee a salary for the whole year, in equal instalments every month.

**Collective Bargaining:** discussions concerning the terms and conditions of employment that take place collectively and are coordinated with the support of Trade Union representatives.

**Comparable Worth:** jobs that are equal in their value to the organisation should be equally compensated, regardless of whether the work content of those jobs is similar.

**Employment Tribunal:** the court that hears claims for breaches of employment law.

**Equal Pay:** both men and women who are employed by the same employer and carry out the same kind of work are legally entitled to be paid the same. Any difference in pay must be justified.

**Equal Pay Act 1970:** A key piece of legislation passed by Parliament that made it illegal to treat men and women less favourably than each other in terms of pay and conditions of employment.

**Equal Pay Audit:** An equal pay audit is a process that looks at pay arrangements within an organisation to find, and address, sex discrimination.

**Equal Pay Claim:** a claim lodged at Employment Tribunal where a person believes they are not being paid the same as a comparator.

**Equality Impact Assessment:** An assessment carried out by an employer to ensure that their policies and procedures are fair and do not have a disproportionate impact on protected groups.

**Ethnicity Pay Gap:** ethnicity pay gap shows the difference in the average/median hourly pay between all Black, Asian and minority ethnic staff in a workforce and all White staff

**Freedom of Information Request:** a request to a public sector organisation for information that they hold but is not already in the public domain.

**Gender Pay Gap:** the difference between average gross hourly earnings of men and women as a percentage of the average gross hourly earnings of male paid employees (excluding overtime).

**Gender/Ethnicity Pay Gap:** ethnicity pay gap shows the difference in the average pay between Black, Asian and minority ethnic staff by gender in a workforce and White staff by gender.

**Harassment:** when an individual is subject to unwanted behaviour which is usually related to a protected characteristic.

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**Intersectional / Intersectionality:** the way in which different social categorisations such as race and gender interact to produce and reproduce discrimination and or disadvantage. For example, an intersectional approach may reveal that women from different ethnic groups may earn less than white women, black men may earn less than white men.

**Job Evaluation System:** a system that an organisation uses to evaluate the characteristics of jobs to establish comparative value.

**Maternity (Motherhood) Penalty:** the disadvantage (usually in pay and conditions) women who have children face in the workplace compared to women without children.

**Merit Pay:** the additional pay an organisation pays to its employees to reward high performance workers, usually on an individual basis.

**Occupational Segregation:** the clustering of men and women into different jobs or types of work (horizontal segregation) and into different levels of work (vertical segregation).

**Pay and Grading System:** a system used by an organisation to determine the pay and grading of the workforce.

**Performance Related Pay:** an additional payment for workers based on performance, which can be based on individual or group performance.

**Public Sector Equality Duty:** a legal duty, part of the Equality Act 2010 that requires public bodies to have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010; to advance equality of opportunity between persons who share a relevant protected characteristic (as defined by The Equality Act 2010) and persons who do not share it; and foster good relations between persons who share and do not share a relevant protected characteristic.

**Recognition (Trade Union):** This is where an employer has agreed to 'recognise' a trade union for the purposes of collective bargaining. There will usually be a 'recognition agreement' where aims and terms of the agreement are set out.

**Statutory:** Controlled or required by law.

**Structural Inequality:** the inequality that results from the systems of privilege that give status and power to certain groups over other groups.

**The Equality Act 2010:** the main legal instrument in the UK that protects individuals from discrimination, harassment, victimisation in employment and society.

**Unconscious bias:** biases that an individual or a group of individuals hold against others that are outside of their own conscious awareness.

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**Unequal Pay:** this is when men and women receive different levels of pay when they carry out work that is of equal value.

**Unlawful Discrimination:** the illegal treatment of an individual based on a protected characteristic.

**Victimisation:** when an employer treats an employee badly because they have taken a case or are supporting a legal case. Victimisation can occur when an employer thinks an employee has taken such action even if they have not done so.