New ONS figures show it is time to introduce ethnicity pay gap reporting

Black workers earn less (£13.53 median gross hourly) than white employees (£14.35), according to new figures released by the Official of National Statistic (ONS).

The 'ethnicity pay gap' is the difference in average earnings between various ethnic groups. Although reporting on the ethnicity pay gap is not a legal requirement, evidence shows that there is a systemic pay bias in the UK workforce.

The <u>latest ONS figures</u>, which were released on Wednesday (29 November), show that black workers have earned less than their white counterparts since at least 2012, when the statistics began to be recorded properly.

They also show that black migrants earn less than black workers born in the UK. Dr Shabna Begum of the Runnymede Trust <u>told the Guardian</u> that "hostile migration policies" played a role in these figures.

Black women also earn substantially less their white British colleagues, according to the new statistics. Bangladeshi women are paid 14.7% less on average than white British women, while Pakistani women are paid on average 11.8% less.

These unacceptable figures show that it is time to introduce ethnicity pay gap reporting.

Key trade union demand

Mandatory ethnicity pay gap reporting is a key trade union demand for addressing pay inequality, especially amidst a cost-of-living crisis that is hitting black workers particularly hard. PCS is actively gathering data from employers across government departments so that we can challenge ethnicity pay gaps and discriminatory performance management systems.

Earlier this year, in July 2023, the Department for Business and Trade said that now is the right time to take forward a mandatory approach to ethnicity pay reporting.

As <u>Dr Begum points out</u>: "Amid a cost of living crisis in which people of colour are disproportionately struggling to feed their families or keep the heating on, these gaps aren't just data points, they represent people's lived realities and demand immediate, overdue action."

Responding to these latest figures on the ethnicity pay gap, TUC general secretary Paul Nowak said: "No worker should be held back or paid less because of racism at work. But structural racism still plays a big role in determining Black workers' pay and career prospects – and this government has done nothing to change that."

Reps and members can <u>read more information about the ethnicity pay gap issue</u> in PCS Knowledge.