



WE Party Conference

15 – 18 October 2020

Title: What's it worth? Addressing income inequality through pay transparency

Proposed by: Policy Committee

Proposer: Celine Thomas

Seconder: Kathryn Adkins

Type of motion: Policy Motion

Motion text:

1 50 years since the introduction of the Equal Pay Act, pay inequality remains a key driver of the
2 persistent gendered economic inequality which disproportionately affects women of colour and
3 those who are disabled. The COVID-19 pandemic is reversing progress that has been made, with
4 women bearing the brunt of the unpaid work burden and being hardest hit by job redundancies and
5 reduced hours. It has also raised pressing questions about the nature and value of work.

6 While gender pay gap reporting has begun to reveal the scale of this gendered income inequality,
7 the continued secrecy of pay and reward practices allows discrimination on any grounds – including
8 gender, ethnicity and disability – to thrive.

9 Pay and tax transparency will make such pay discrimination visible and force employers to address
10 unlawful practices around equal pay, leading to equal remuneration by default. It will also ensure
11 everyone is contributing fairly in terms of tax.

12 WE therefore call upon the four national governments of the UK to introduce the following measures:

- 13 1. Legislation that requires all organisations to make their workers' individual remuneration visible
14 to all within their organisation. Workers in this context include both permanent and temporary
15 employees, both part-time and full-time employees, and all contractors and consultants.
16 Remuneration includes wages, bonuses, dividends, and employee benefits (including, but not
17 limited to, healthcare and company car allowance);
- 18 2. Launch a public consultation on the appropriate scope and most effective means of
19 implementing a publicly available record of work and income in England, Wales, Northern
20 Ireland, and Scotland, including in respect of collecting information on unpaid work;
- 21 3. Implement this public record, requiring information to be collected and published by HM
22 Revenue and Customs on individual income (anything on which income tax is payable), tax
23 and paid as well as unpaid work.



Motion rationale:

The 1970 Equal Pay Act prohibits any less favourable treatment between men and women in terms of pay and conditions of employment. Yet 50 years on, we are still a long way from equality:

- Employment tribunals in England and Wales receive an average of 29,000¹ complaints a year relating to equal pay, and this is the tip of the iceberg, with 61% of cases being withdrawn before hearing.
- Four in ten people (40%) do not know that women have a right to equal pay for work of equal value.²

The COVID-19 pandemic is exacerbating gender inequalities and threatening to reverse progress that has been made, with women bearing the brunt of unpaid care work³ and mothers being 47% more likely than fathers to have permanently lost their job or quit.⁴ It is also highlighting the extent to which vital sectors, such as health work and childcare, are under-valued and under-paid.

Our culture of shame and secrecy around incomes and taxes contributes to the systemic oppression of women, especially women of colour and those with disabilities, who are over-represented in low-paid sectors. Lack of transparency for part-time and self-employed workers is particularly endemic because rates are rarely published.

The only way we will combat this structural inequality is to pull back the veil of secrecy and shame, shining a light on remuneration policies and practices, how we value work and how people contribute. To do this we need to implement open and transparent systems where there is nowhere for discrimination and inequity to hide.

Our proposal draws on successful examples of transparency in practice, at both organisational and societal levels.

Starbucks has achieved equal pay across race and gender after a decade of work. This has included being radically transparent about wages and being open to talking about any unexplained pay differences. Equal Pay has stopped being a defensive conversation and has become an aspiration for organisations.⁵

A publicly available record is a tested model in Norway. It is based on the idea of public accountability and has led to a positive and open culture around what citizens earn and contribute to society. It is likely to have contributed to a flatter model of pay across Norwegian society and a smaller gender pay gap than the UK⁶. We propose to adapt this model to include information on the work people do, including the unpaid work contribution made by many women and some men.

This motion complements and builds on existing WE policies⁷, and will:

- give power to anyone who believes they are being discriminated against on any grounds, such as gender, ethnicity, or disability;
- see timely resolution of unlawful practices, avoid costly and exhausting litigation, and move to equal remuneration by default;
- create public awareness and greater transparency in relation to income and work, whether paid or unpaid;
- ensure tax contributions are fair, through increased visibility and accountability.



References

1. <https://www.theguardian.com/inequality/2020/may/25/29000-annual-claims-50-years-equal-pay-act>
2. <https://www.fawcettsociety.org.uk/right-to-know>
3. <https://oecd-development-matters.org/2019/03/18/why-you-should-care-about-unpaid-care-work/>
4. <https://www.theguardian.com/world/2020/may/29/covid-19-crisis-could-set-women-back-decades-experts-fear>
5. <https://www.forbes.com/sites/tanyatarr/2018/03/22/how-starbucks-achieved-100-equal-pay-in-the-united-states/>
6. <https://www.dailyscandinavian.com/income-tax-transparency-norway-sweden/>
7. https://d3n8a8pro7vhmx.cloudfront.net/womensequality/pages/279/attachments/original/1487934933/WEP_policy_document_2017.pdf?1487934933