



## Celebrities and the gender pay gap

Over the last month, equal pay for men and women has been making headlines following the release of pay data for well-known celebrities.

- The BBC published a list of stars earning more than £150,000 a year, which revealed that the top seven earners were men and just a third of the 96 people listed were women. In fact, the top four male BBC presenters collectively earn £5.5 million a year whilst the top four female BBC presenters collectively earn only £1.75 million. The BBC's female presenters have publicly challenged their bosses on the issue and the BBC has committed to closing its gender pay gap, and having an equal split of male and female presenters, by 2020. However, many critics have complained that this is not fast enough.
- Forbes published a list of the world's highest paid actors and actresses, drawing attention to a gender pay gap in Hollywood. The report shows that the 14 highest paid actors all earn more in a year than the highest paid actress. The top 10 actors make a cumulative \$488.5 million - nearly three times the \$172.5 million earned by the 10 top-earning women.
- The broadcaster ITV has had the only positive equal pay coverage, after making headlines for matching Holly Willoughby's pay with Philip Schofield's. It was reported that the 36-year-old was originally on a wage of £400,000, earning a third less than her male co-presenter of 11 years who was on £600,000. However, the broadcaster has declined to follow the BBC and reveal salaries for its high earners and has said it will publish its gender pay gap figure in April next year as required.

Since 1970, legislation has been in place to try and achieve equal pay for men and women when they are doing equal work for the same employer. The gender pay gap has come under the spotlight recently, however, due to new mandatory gender pay gap reporting requirements which came into effect in April 2017. Under these rules, employers who had more than 250 employees on 5 April 2017 must publish their gender pay gap figures by April 2018, which can be accompanied by a narrative. This will need to be done for each employing entity within the group. More than 8,000 UK businesses are expected to be subject to the reporting requirement.

Although there are no specific enforcement provisions or sanctions for non-compliance, the government has stated that it will monitor non-compliance and publish league tables of employers' reported gender pay gaps. Additionally, the Equality and Human Rights Commission is able to use its existing enforcement powers for failure to comply with equality legislation, though in practice this is expected to be rare. It is likely therefore that the power of the mandatory pay gap reporting will be in how it publicises pay gaps, with

the weight of public opinion forcing companies to take action.

For instance, high pay gaps might discourage women from applying for jobs in such organisations: according to the government's response to the "Closing the Gender Pay Gap" Consultation, 84% of women aged 16 to 30 said they would consider an employer's gender pay gap when applying for a job, and 80% said they would compare prospective employers' gender pay data when looking for work. The risk of losing out on talented staff might force companies to address pay gaps.

Celebrity pay gaps have made headlines due to the huge salaries and stars involved, but they show the reputational impact that publication of gender pay gaps can have. It remains to be seen whether the mandatory pay gap reporting regime will be a sufficient motivator for employers to improve their recruitment, pay, promotion, flexible working and family friendly practices.