

2 September 2015

British Hospitality Association Response to Gender Gap Consultation

The British Hospitality Association represents the hotel, restaurant and catering industry.

Hospitality employs directly some 2.9 million people across the United Kingdom, of whom close to two thirds are women. Around half of the workforce works part-time. According to the industry's Sector Skills Council, People1st, and based on 2012 data, only one hospitality business in 250 (0.4%) employs more than 250 people, but these businesses employ in total some 42 per cent of the workforce, so the impact of implementing section 78 of the Equality Act 2010 at the 250 employee level could be considerable in terms of the data required- and see, below, our comments on the threshold.

In response to question 3 on metrics, a specific issue for our industry is the high proportion of part-time workers, which, as indicated above, is around 50 per cent. People1st data from 2013 indicate that this status applies to 54 per cent of women, but only 48 per cent of men. Data from the 2009 Labour Force Survey indicate that 16 per cent of male chefs and cooks were part-time compared with 49 per cent of female chefs and cooks. The respective numbers for part-time kitchen and catering assistants were 54 per cent for male and 71 per cent for female employees, while the numbers for waiting staff were respectively 58 and 77 per cent. We do not think this tendency for female workers to be more likely to be part-timers than male workers will have changed significantly since 2009.

Any metric based on calculating annual earnings of men and women will therefore be likely to show lower earnings for female workers partly because of this tendency towards part-time work.

Metric (a) in the consultation (an overall gender pay gap figure...calculated as the difference between the earnings of men and women as a percentage of men's earnings) is likely therefore to provide a distorted view of the gender pay gap by comparing annual earnings of the average male with those of the average female, ignoring the issue of part-time working.

Metric (b) in the consultation (figures broken down by full-time and part-time employees) would seem more likely to produce a valid assessment of the gender pay gap, but even this would suffer from the difficulty that the two sets of data (full-time and part-time) would each need to cover a wide range of hours. A further issue arises as to how the calculations are to be made under metric (b) if some posts are vacant, so that those posts are not paid for a full year and it so happens that these vacancies are 'biased' towards male or female workers. Overall, metric (b) would seem the best option of those offered in the consultation, but with pay per hour, if known, available to employers as an alternative metric to deal with the vacancies issue.

Metric (c) would be difficult to use because it would require detailed assessment of grade and job type boundaries and would suffer, along with metric (a), from the tendency towards part-time work for female workers.

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Question 10 on the threshold also ignores the large number of part-time employees in our industry. A threshold based on full-time equivalents and, presumably, average numbers during each reporting year would be preferable.

The cut-off date (question 11) is important. The year-end date to which accounts are made up is preferable, since employee data have to be assembled anyway for annual report purposes. Any other requirement would lead to additional work and cost in producing data.

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