



"Naming And Shaming" - Could the UK's Approach To Bridging the Pay Equity Gap Be Coming To America?

Insights

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No one denies the pay gap between men and women exists. However, there is much debate as to how best to close that gap. In the United Kingdom (UK), legislators are employing a "naming and shaming" strategy to try to use the power of public accountability to push employers toward greater pay equity.

Businesses in the UK with 250 or more employees are now required to publicly report differences in pay between men and women on their own websites and also upload the information to a government-sponsored website.

Specifically, businesses must report the mean and median difference between male and female employees' pay, the number of men and women in each quartile of the employer's full pay range, the difference between the average bonuses paid to women and men, and the proportion of men and women who receive bonuses at all. The information on the employer's website must be freely searchable, must be able to be seen by its employees as well as the public, and must remain online for three years. The expectation is that fear of being publicly shamed about pay inequities in their own businesses will cause employers to take proactive steps towards eliminating pay gaps.

California recently considered similar legislation, but the proposed legislation was vetoed by California Governor Jerry Brown. The California Gender Pay Gap Transparency bill would have required companies with 500 or more employees to collect and submit the pay data to the California Secretary of State, who was slated to publish the pay data on a public website. That pay data included:

- the difference between the mean and median wages of male and female exempt employees located in California, by job classification or title;
- the difference between the mean and median wages of male and female board members located in California; and
- the number of employees used in these determinations.

In vetoing the bill, Governor Brown said it was unclear whether the bill, as written, would provide data that would meaningfully contribute to efforts to close the gender wage gap. He also cited concerns that ambiguities in the bill "could be exploited to encourage more litigation than equity."

concerns that emerged in the UK. [Data is expected to encourage more litigation than equity.](#)

The deadline for businesses in the UK to publicly publish their pay data is March 31, 2018. It will be interesting to see what impact, if any, the UK's "naming and shaming" strategy has on its pay gap. If it's deemed a success, it could cause California to revisit, and other states to consider, similar "naming and shaming" legislation.

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