

PRESS RELEASE

01 April 2019

One in four Irish companies admit gender pay gap ***CIPD Ireland says survey shows majority of companies “in denial”***

The 2019 Pay and Employment Practices Survey from CIPD Ireland and Industrial Relations News (IRN) has found that a quarter of companies in Ireland say there is a gender pay gap at their firm.

This is in stark contrast to figures showing that the gender pay gap in Ireland has changed little in recent years. The gap remains relatively static at 14% despite the looming introduction of legislation to force some companies to reveal the figure.

The survey also found that only one in five companies had actually calculated their gender pay gap, meaning that the majority were ignorant as to the scale of the problem internally.

CIPD, the umbrella body for human resource and learning & development professionals in Ireland, says the responses show that there is a chronic lack of information and insight on gender pay analysis, and that a high level of awareness-raising is needed before the law changes.

Director of CIPD Ireland, Mary Connaughton says, *“The gender pay gap is real, and legislation is being introduced that is going to force companies to acknowledge that it is a problem. While there had been hope that the market would correct itself, it’s clear that few firms have taken the opportunity to get ahead of the looming change and are in fact in denial. If they fail to address it now, then the law will address it for them through mandatory reporting. HR professionals need to do more to make their companies aware of the reality of the gender pay gap, and the benefits of proactively addressing the issue”.*

The 2019 Pay and Employment Practices Survey also found that less than half of all respondents (44%) confirmed plans to increase basic pay this year, down from 56% in 2018. A quarter of businesses are planning to maintain basic pay rates, and a third have yet to make a decision. Amongst those planning pay rises, the forecast is an average increase of 2.8%.

The tight labour market and pressures of attracting and retaining suitable employees was reported as the biggest external influence on pay, followed by Brexit and the housing market.

Other key findings include;

- the most popular benefit amongst those listed was pension contribution, provided by 79% of respondent organisations
- 72% of companies were planning to pay staff a bonus payment at some point during 2019
- less than one third of companies in the survey engaged with trade unions for collective bargaining
- amongst the organisations that availed of the WRC's services in the previous 12 months, most were either positive or neutral in terms of satisfaction
- 83% of organisations reported having a performance management process in place

The CIPD / IRN 2019 Pay and Employment Practices survey found that organisations will continue to flex their approach to pay and additional benefits to respond to the dynamics of a tightening labour market, always considering overall company performance. CIPD Ireland Director Mary Connaughton says; *“This approach will no doubt increase the ‘war for talent’ as organisations continue to seek ways to retain and attract the skills and talent they need for the future. That is why CIPD is encouraging the Government to engage with industry on the urgent need to develop skills for the future.”*