

Response to the Equality (Race and Disability) Bill: mandatory ethnicity and disability pay gap reporting

Who we are:

 The Public Relations and Communications Association (PRCA) welcomes the opportunity to contribute to this consultation. The PRCA is the world's largest professional PR body. We champion high standards, promote ethical practice, and support professionals across the industry seeking growth and excellence.

Summary

- The PRCA response is informed by existing PRCA positions on pay gap reporting along with feedback from members from our Equity, Inclusion and Advisory Board (EIAB) and our Race and Ethnicity Equity Board (REEB) who are made up of industry experts from across media and communications experts with a focus on the areas of representation. provided detailed feedback in this response and are and a joint response from experts in the areas of representation and data collection.
- The PRCA's REEB have published 'Closing the Ethnicity Pay Gap' which is a guide for the industry on how to report ethnicity pay gaps. From words to change Four years on: Ethnicity Pay Gap reporting in the communication sector explores the current state of ethnicity pay gaps within the PR and communications industry, highlighting the persistent and pressing disparities in earnings between ethnic groups. Both guides are used across the PR and Comms industry to assist in reporting ethnicity pay gaps.
- The PRCA are supportive of the government's announcements and commitment to introducing mandatory ethnicity and disability pay gap reporting for large employers.
- The PRCA believe strongly that transparency in pay gap reporting is needed across all areas of protected characteristics and that transparency is the first step towards positive change.
- Collection of data on gender pay gaps has not resulted in significant changes, despite
 investment in initiatives to support the promotion of women. Mandatory pay gap reporting
 could help identify and address systemic inequalities, but there must be a commitment to
 structural changes beyond data disclosure. A strengthening of resources and enforcement is
 needed to make real changes in representation the pay gap reporting.
- There are distinct challenges associated for ethnicity and disability, particularly in data collection and analysis. There has never been a full assessment of the impact of gender paygap reporting, and PRCA are highly supportive of having action plans in place and data collection to capture the changes and impact contained within the results.

• Some of the practical challenges around disability needs more development, as gender and ethnicity are largely fixed, whereas disability changes over time. Self-declaration and fear of discrimination needs to be accounted for too.

Detailed Commentary:

Extending mandatory pay gap reporting to ethnicity and disability

The PRCA is pleased to contribute to this consultation and supports both ethnicity and disability pay gap reporting. Many of our larger members already collect data on these areas voluntarily, recognising its importance in attracting and retaining a diverse workforce.

Disability data collection presents a unique challenge as diagnoses can change over time and employees who meet the Equality Act definition may not identify as disabled. However, collecting data for specifical protected characteristics and not all areas, risks increasing discrimination. Organisations tend to focus efforts and resources on what is measured or mandated. Therefore, if only one area was collected, then intersectionality could be overlooked, this would impact areas such as disability, which is often underdeveloped. Clear guidance is needed on how to ask about disability in a way that fosters trust and ensures accuracy, particularly as some people might hesitate to disclose health conditions. The rate of non-disclosure itself may offer early insight into workplace culture. Reporting must be carefully designed to avoid negative legal and workplace consequences.

Geographical scope

The geographical distribution of ethnicity and race varies greatly across the UK, so there will need to be guidance issued to employees are explaining their data based on where they are regionally. Employers will need to benchmark against their local populations and reference this alongside their data.

Pay gap calculations

PRCA are supportive of the same systems that are in place for gender pay gap reporting to be used for ethnicity and disability pay gap reporting. It offers consistency and is easily understood.

We would be interesting to see if data was collected on members of staff receiving Personal Independence Payments (PIP) and other financial support for their disabilities, disaggregated by seniority.

Action Plans

We are very strongly in favour of having action plans to accompany pay gap reporting. When gender pay gap reporting was introduced, investment in DEI initiatives increased to support the recruitment, retention and promotion of women.

We have seen slow changes in the progress of women in the workplace and a development of changes in perceptions. The gender pay-gap still stubbornly persists but the principle underlying representation that it is good for business and improves the talent of organisations has been accepted.

Additional reporting requirements for public bodies



PRCA had mixed views in this area as some of our members thought it was an additional requirement and would add further burden. However, more members thought that given the importance of recruitment, retention and progression, it should be required reporting. Many made the link between restoring public trust and confidence and the importance of any difference in application creating further damage to public trust. Being transparent to the public and to colleagues showed commitment to being inclusive and representative.

Dates and deadlines

PRCA believes that reporting the data on the same dates and publishing in a single report would be the most efficient way to collect and present data and allay some of the fears about the process being onerous. It was felt that this would ease burdens on organisations and provide a clear picture across all areas to illustrate intersectional reporting.

Enforcement

A failure to report on ethnicity and disability pay gap reporting should be included. There is already existing enforcement that is issued for gender pay gap reporting and there was a strong feeling that without an element of enforcement for all reporting, then it would become optional.

Ethnicity and disability: data collection and calculations

The proposed use of 18 ethnicity categories aligns with expectations, but we would like to see better liaising with the industry to ensure compatibility with existing HR systems.

While using ONS guidance can support greater consistency and comparability, relying exclusively on aggregated categories may overlook important differences between specific ethnic groups and conceal disparities within them. This could hinder efforts to identify and address unique inequalities in pay and representation.

Aggregating all ethnicities or disabilities does pose a challenge as this potentially overs implies the differences between groups. Binary comparisons may be misleading without further context, so it would be helpful to provide detailed guidance alongside a requirement to report to help employers to explain more nuanced reporting and provide meaningful insights.

There was broad agreement in reporting ethnic groups above 10 employees in each ethnic group as standard procedure in employee surveys to protect individual identities.

On the reporting of disability, PRCA believe that although a binary approach is straightforward and we support in spirit, it could result in a false reflection of the disability pay gap. The binary approach makes sense but it needs to come with something else to ensure it is not missing people. Fundamentally reporting the disability pay gap is about accessibility and employer compliance with legislation, however, not everyone who requires accessibility will identify as disabled. As such, this needs further thought.

