THE
INSTITUTE
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Equal Pay Act at 40 Wednesday 23rd February, 2011



GIBSON V SHEFFIELD CITY COUNCIL

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GIBSON V SHEFFIELD

- Equal Pay Case
- 136 women (and 1 man) GMB and UNISON members employed by Sheffield City Council as Care Workers
- Supreme Court 28/29/30 June 2011



SHEFFIELD: THE STORY

- 2006/2007 mass equal pay claims submitted by GMB and UNISON members in Sheffield
- First hearing in Employment Tribunal November 2007: the employer's GMF defence
- Further mass claims submitted



BASIS OF CASE

- Claimants are carers, in mainly female dominated job roles
- Work was rated by the employer as equivalent to comparators: street cleaners, gardeners, in mainly male dominated roles
- Comparators paid more (33% to 38%)



EMPLOYER'S GMF

- The reason for the difference in pay was historical
- A genuine productivity scheme introduced 40 years earlier
- The reason the women did not receive the bonus was because their work was not capable of "incentivisation" in the same way



EMPLOYMENT TRIBUNAL

- Accepts the GMF for the Carers (but cleaners win their case)
- The reason for the bonus was nothing to do with gender and therefore the employer did not have to show "objective justification"
- But was evidence of significant disparate impact and men and women were doing stereo-typical work roles



APPEALS

- Employment Appeal Tribunal upholds the employer's GMF
- Court of Appeal overturned the decision of the ET and the EAT and referred back to ET to consider "objective justification"
- Employers have appealed to the Supreme Court (Unions have crossappealed)



THE WOMEN'S CASE

- Given the evidence of significant disparate adverse impact, the employer has to show objective justification
- ET had confused direct discrimination with indirect discrimination
- Should have looked at the effect of the bonus rather than the cause (and employer cannot objectively justify)



CASE LAW ISSUES

- The problem of Armstrong v Newcastle Upon Tyne NHS Hospital
- The help from Enderby v Frenchay Health Authority
- Cost as justification?



WIDER SIGNIFICANCE

- Many employers rely on this approach to defeat equal pay claims
- In Sheffield (and else where)
 many claims turn on the approach
 to be taken by the Supreme Court
 in June



FIT FOR THE PURPOSE?

- Individual complaints approach still applies
- 5 years to determine case at least
- Employers able to run arguments to delay and frustrate
- Legal costs in litigation



SOME OTHER PROPOSALS

- Existing litigation: single senior judge
- Use of the Central Arbitration Committee
- Revised Code of Practice
- In the meantime Victory to the women members in Sheffield!

