

27 July 2023

Andrew Boff AM
City Hall
Kamal Chunchie Way
London
E16 1ZE

Dear Andrew,

Thank you for your email regarding the London Assembly (Plenary) – 6 July 2023 on the topic of ethnicity pay reporting.

This Government remains committed to tackling all areas of disparities in this country, including in employment. It is crucial that everyone is treated fairly in the workplace, so that they can thrive and reach their full potential and we want to ensure that everyone has access to the same employment opportunities.

Ethnicity pay reporting is one of the tools employers can use to build transparency and trust among their employees. However, it may not be the most appropriate tool for every type of employer seeking to ensure fairness in the workplace. Ethnicity pay reporting a complex measure and can be affected by many factors meaning it is easy for the data to be misinterpreted or misunderstood. We also want to avoid imposing a significant new burden on business. As set out in our “inclusive Britain” report, which was published in March 2022, we will not be legislating for mandatory ethnicity pay reporting at this stage.

In April the Government published guidance for employers on voluntary ethnicity pay reporting which sets out how to voluntarily measure, report on and address any unfair ethnicity pay gaps within their workforce. It is for employers to decide whether they conduct ethnicity pay reporting and our guidance includes various points for them to consider. I encourage organisations to read our guidance and where they determine that they can conduct ethnicity pay reporting, to do so.

Yours ever,



KEVIN HOLLINRAKE MP
Minister for Enterprise, Markets and Small Business