

**Macfarlane Group UK Limited**  
**Gender Pay Gap Report – 2017**



## Statement

Macfarlane Group UK Limited, (Company number 01630389) which has over 250 employees, is required by law to carry out Gender Pay Reporting under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. This report covers the legal entity, Macfarlane Group UK Limited, which includes Macfarlane Packaging, Macfarlane Design and Manufacture, Network Packaging, Nelsons for Cartons and Packaging Ltd and any acquisitions that were part of Macfarlane Group UK Limited on 5<sup>th</sup> April 2017.

Gender Pay Reporting is a different requirement to carrying out an equal pay audit. It is not a review of equal pay for equal work, rather it compares hourly rates of pay and bonuses staff may receive by gender, seeking to expose any imbalance.

The figures in the following report were calculated using the standard methodologies from the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and ACAS, 2017 Managing Gender Pay Gap, they are accurate and have been independently audited by Croner Reward.

We will use the results to assess: levels of gender equality in our workplace; the balance of male and female employees at different levels; and how effectively talent is being recruited, developed and rewarded. Suitable steps will be taken, if required and where possible, to minimise and address any inequities going forward.



Peter D Atkinson  
**Chief Executive Officer**

# Introduction

## What is required?

A wide definition of who counts as an employee is used for the gender pay gap calculation, for Macfarlane Group UK Limited this includes all employees on Macfarlane Group UK Limited's terms and conditions of employment and individuals employed by an acquisition at the point of transfer.

There are six calculations that have been carried out and independently audited by Croner Reward:

- a) The mean (average) pay gap;
- b) The median pay gap;
- c) The proportion of male and female employees in each salary quartile band;
- d) The mean bonus pay gap;
- e) The median bonus pay gap; and
- f) The proportion of males and females receiving a bonus payment.

The snapshot date used for the data in this report is 5<sup>th</sup> April 2017.

# Macfarlane Group UK Limited Gender Pay Data (5<sup>th</sup> April 2017)

Workforce Information – Total Employees  
(Relevant and Full Pay Relevant Employees)

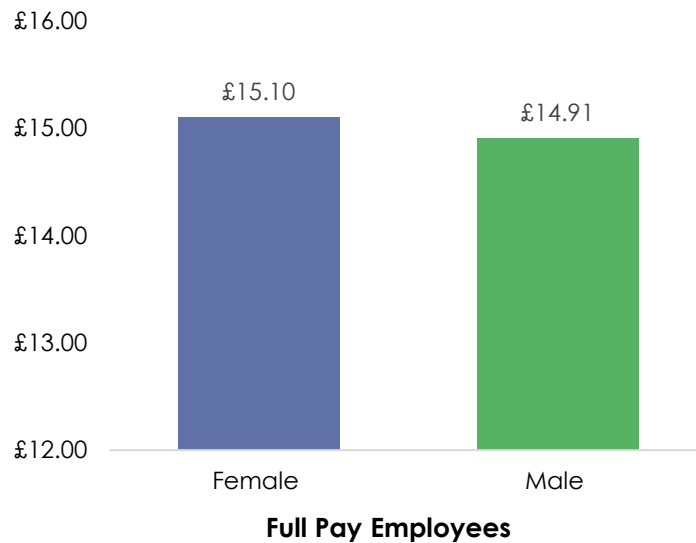
Macfarlane Group UK Limited Employees	
Gender	Employees
Female	270
Male	406
Total	676

## The Mean Pay Gap

The mean pay gap is **-1.3%**.

Mean Hourly Pay Differences	
Full Pay Employees	
Female	£15.10
Male	£14.91
<b>Pay Gap</b>	<b>-1.3%</b>

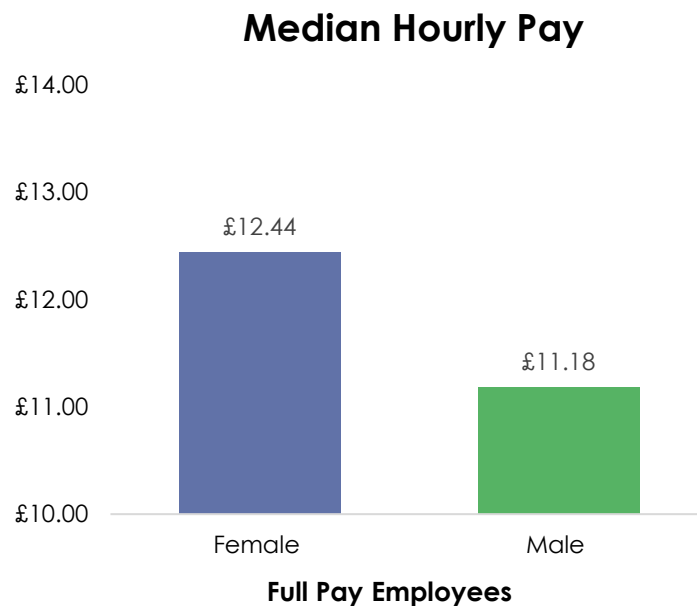
## Mean Hourly Pay



## The Median Pay Gap

The median pay gap is **-11.3%**.

Median Hourly Pay Differences	
Full Pay Employees	
Female	£12.44
Male	£11.18
<b>Pay Gap</b>	<b>-11.3%</b>



The proportion of male and female employees in each salary quartile band.

Total distribution of male and female employees by hourly pay quartile

	Lower		Low Middle		Upper Middle		Upper	
	Number	%	Number	%	Number	%	Number	%
Female	38	25.0%	70	44.6%	74	48.1%	65	42.5%
Male	114	75.0%	87	55.4%	80	51.9%	88	57.5%

## Bonus Payments

Macfarlane Group UK Ltd offer bonus schemes to a wide section of the workforce, these bonus schemes, with the exception of individual's employed in a sales role are paid on an annual basis.

### The Mean Bonus Pay Gap

The mean bonus pay gap is **-17.1%**.

#### Mean Bonus Differences

	Mean Bonus	Number receiving a Bonus	% Bonus Distribution
Female	£3,437.96	151	55.9%
Male	£2,936.42	186	45.8%
Pay Gap	-17.1%		

### The Median Bonus Pay Gap

The median bonus pay gap is **-45.5%**.

#### Median Bonus Differences

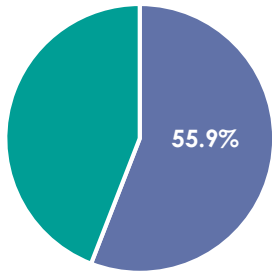
	Median Bonus	Number receiving a Bonus	% Bonus Distribution
Female	£1,819.34	151	55.9%
Male	£1,250.04	186	45.8%
Pay Gap	-45.5%		

**Percentage of males and females receiving a bonus.**

The proportion of males receiving a bonus payment is **45.8%**

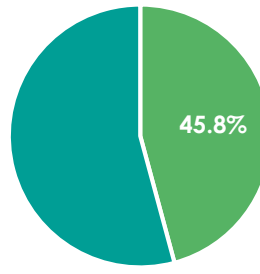
The proportion of females receiving a bonus payment is **55.9%**

**Females**



- Received a bonus
- Did not receive a bonus

**Males**



- Received a bonus
- Did not receive a bonus



## Comments

Macfarlane Group UK Limited employed 616 full pay members of staff, of which, 59.9% were male on 5<sup>th</sup> April 2017. The pay gap for Macfarlane Group UK Limited, favours females, with the mean, median and bonus pay gaps reporting a minus percentage.

These results are reflective of functional demographics and the manner in which reward payments are made and structured by role. With over 31.3% of individuals employed in either a Logistics or Production role, which traditionally pays lower than most other functions across the business, it is no surprise to see the male hourly rate on average (mean) lower than the females, when over 93% of those employed in this category are male.

In contrast, the Sales function, which is 29.4% of the workforce and traditionally paid at a higher level of remuneration is dominated by female employees, with 72.4% being female.

The results of the Macfarlane Group UK Limited gender pay gap is significantly influenced by these functions, and the high percentage of the overall workforce they represent. In addition, during the relevant pay period, individuals employed in the Sales function, were eligible for a bonus payment, which increases the hourly rate. All other departments receive bonus payments, when eligible, on an annual basis.

## Recommendations

Macfarlane Group UK Limited has clear recruitment practices, ensuring offers of employment are made based on skills, knowledge and capability. The results highlight that there may be a need to review recruitment methods to ensure, where possible, a more diverse workforce is engaged within the Logistics, Production and Sales functions. The proportion of male to female representation in these functional areas has a significant impact on the median and bonus pay gaps and highlights a potential area of focus during the coming year.



## References

ACAS, 2016 *Voluntary Gender Equality Analysis and Reporting Paper*.

CIPD, 2017 "Gender pay gap Guide" 30<sup>th</sup> March 2017. Chartered Institute of Personnel Development.

Equality and Human Rights Commission (EHRC) website

ACAS, 2017 Managing Gender Pay Reporting