



**Macfarlane Group UK Limited**

**Gender Pay Gap Report – 2018**



## Statement

Macfarlane Group UK Limited, (Company number 01630389) with over 250 employees, is required to carry out Gender Pay Reporting under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. This report has been produced for the legal entity, Macfarlane Group UK Limited, which includes Macfarlane Packaging, Macfarlane Design and Manufacture, Network Packaging, Greenwoods Stock Boxes and any acquisitions that were part of Macfarlane Group UK Limited on 5<sup>th</sup> April 2018.

Gender Pay Gap Reporting is a measure that demonstrates the difference in the average pay of men and women, regardless of the nature of their work. This is a different calculation to equal pay, where the calculation used involves direct comparisons between two people or two groups of people carrying out the same or equivalent roles.

The primary objective of Gender Pay Gap Reporting is to highlight any pay inequalities. We will use the information to assess the levels of gender equality in our workplace and the balance of male and female employees at different levels. Suitable steps will be taken, if required and where possible, to minimise and address any inequities going forward.

Macfarlane Group UK Ltd internally collated and calculated the Gender Pay Gap Report. This has been externally audited by Croner Reward.

I can confirm that the data reported is accurate and in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Peter D Atkinson  
**Chief Executive Officer**

# Introduction

## What is required?

The gender pay gap regulations provide a wide definition of who should be included when collating the pay data for the calculations. Macfarlane Group UK Limited includes all employees who have either been issued with a contract of employment by Macfarlane Group UK Limited or by an acquisition prior to the point of transfer.

The following six calculations have been carried out on the data collated. The information has been independently audited by Croner Reward:

- a) The mean 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 2018.

In order to ensure the data is relevant to Macfarlane Group UK Ltd only, any bonus payments relevant to an acquisition prior to the date of transfer, and not allocated to Macfarlane Group UK Ltd, yet paid within the 12 month period prior to the snapshot date, have been excluded from the data.

# Macfarlane Group UK Limited Gender Pay Data (5<sup>th</sup> April 2018)

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

Macfarlane Group UK Limited Employees		
Gender	Relevant Employees	Full Pay Relevant Employees
Female	294	275
Male	482	466
Total	776	741

## The Mean Pay Gap

The mean pay gap is **1%**

Mean Hourly Pay Differences	
Full Pay Employees	
Female	£13.88
Male	£14.02
<b>Pay Gap</b>	<b>1%</b>

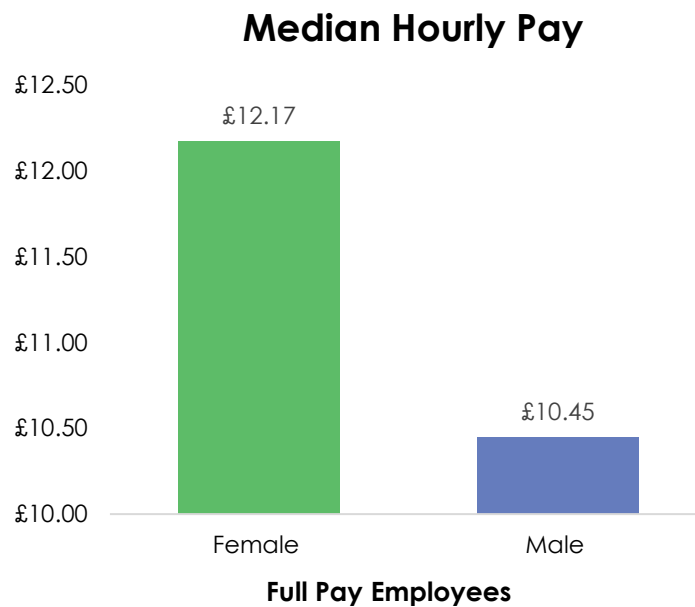
## Mean Hourly Pay



## The Median Pay Gap

The median pay gap is **-16.5%**

Median Hourly Pay Differences	
Full Pay Employees	
Female	£12.17
Male	£10.45
<b>Pay Gap</b>	<b>-16.5%</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	50	27%	63	34%	90	49%	72	39%
Male	135	73%	123	66%	95	51%	113	61%

\*Percentages rounded.

## Bonus Payments

Macfarlane Packaging is the largest employer of Macfarlane Group UK Ltd and provides the majority of its employees with the ability to earn through a variety of bonus schemes. These bonus schemes, with the exception of individuals employed in a sales role, are paid on an annual basis. Individuals employed in the sales function have the ability to earn bonus on a quarterly basis. The mean and median bonus pay gaps are influenced by the sales function and the fact that over 62% of those employed in the role are female.

### The Mean Bonus Pay Gap

The mean bonus pay gap is **-9.6%**.

	Mean Bonus	Number receiving a Bonus
Female	£3,059.62	164
Male	£2,791.11	219
Pay Gap	-9.6%	

### The Median Bonus Pay Gap

The median bonus pay gap is **-30.9%**.

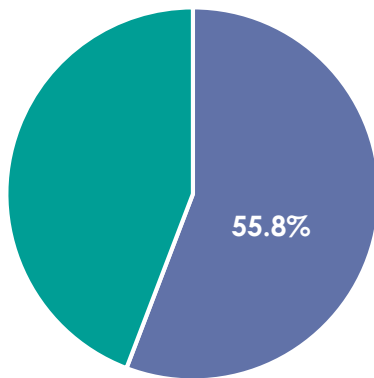
	Median Bonus	Number receiving a Bonus
Female	£1,440.25	164
Male	£1,100.00	219
Pay Gap	-30.9%	

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

The proportion of males receiving a bonus payment is **45.4%**

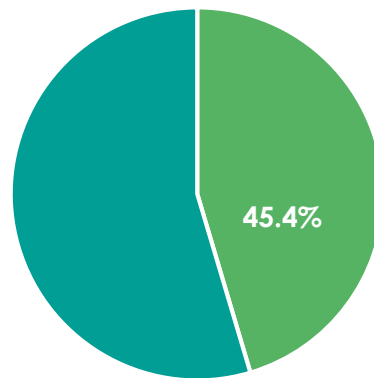
The proportion of females receiving a bonus payment is **55.8%**

**Females**



■ Received a bonus ■ Did not receive a bonus

**Males**



■ Received a bonus ■ Did not receive a bonus



## Comments

Macfarlane Group UK Limited employed 776 members of staff on 5<sup>th</sup> April 2018, with 741 of these employees classified as full pay relevant and therefore included in both the mean and median pay gap calculations. The median pay gap is reported as a minus percentage, therefore showing a female pay gap, whereas the mean pay gap for 2018 is reported at 1%, a male pay gap. These results are influenced by the acquisition, and therefore inclusion in the calculations, of Greenwoods Stock Boxes, which has a predominantly male workforce who are employed in traditionally lower paid roles.

As with the 2017 report, the 2018 results are reflective of gender prominence within specific positions and the manner in which business units structure their reward. With over a third of individuals employed in roles that are traditionally lower paid i.e. production and logistics, being male, it would be expected that the male hourly rate, on average, is lower than the females.

The sales function, specifically within Macfarlane Packaging, has in contrast, a high proportion of females. With bonus payments being made quarterly, influencing the hourly rate calculation, the median pay gap result and both of the bonus pay gap statistics are reflective of this demographic.

## Recommendations

Macfarlane Group UK Ltd have clear processes that ensure pay increases and structures are free from gender bias. Recruitment practices are structured to ensure that positions both internal and external are offered based on skills, knowledge and capability. However, it is recognised that whilst work has been completed to improve our ability to attract a more diverse workforce this objective needs to continue, specifically focusing on the functions of Logistics and Production. In addition, where practical and required, the proactive practices utilised by Macfarlane Group UK Ltd will be adopted by acquisitions.

## References

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

Equality and Human Rights Commission (EHRC) website

Gov.uk – Gender Pay Gap Guidance website.

ACAS - Managing Gender Pay Reporting February 2019.