



**WRITTEN EVIDENCE TO THE OFFICE FOR EQUALITY AND OPPORTUNITY  
IN RESPECT OF ITS CONSULTATION ON MANDATORY ETHNICITY AND  
DISABILITY PAY GAP REPORTING**

**June 2025**

**Introduction**

1. Muslim Women's Network UK (MWNNUK) is the only national Muslim women's charity in Britain ([www.mwnuk.co.uk](http://www.mwnuk.co.uk)) that has been advancing equality, social justice and promoting women's empowerment since 2003. We want Muslim women and girls to be able to exercise their rights, choices and voices and lead safe and authentic lives. We achieve our aims through the support we provide via our national helpline ([www.mwnhelpline.co.uk](http://www.mwnhelpline.co.uk)), education, research, and advocacy. Key issues that we focus on include violence against women and girls, anti-Muslim hatred / discrimination, women's health (including mental health) and women's economic and civic empowerment. We also have a national membership that includes women of other faiths or of no faith and men who support our work.
2. We respond to the questions of the Consultation as follows:

**Extending mandatory pay gap reporting to ethnicity and disability**

**Question 1. Do you agree or disagree that large employers should have to report their ethnicity pay gaps?**

3. Whilst we agree that large employers should have to report their ethnicity pay gaps, we would also ask that consideration is given to implementing the recommendations of the McGregor Review and look to extending this requirement to businesses with at least 50 employees. As we said in 2019 to BEIS when they carried out a consultation on the subject of ethnic pay reporting, we do understand the concerns about not wanting to unfairly burden businesses with the requirements and that balance needs to be achieved between the competing interests. However, changes need to be made to tackle disparities in a bid to empower individuals economically and socially, and achieve a society that is equal and inclusive. This is especially necessary for Muslim women who are disproportionately affected by poverty and abuse, as evidenced by our MWN

Helpline enquiries, our research and external research. A very large number of businesses fall within the bracket of having 50 to 249 employees and those belonging to ethnic minority communities can and do often make up a significant percentage of the workforce in such organisations. Indeed we feel that excluding such organisations from the reporting requirements is a missed opportunity to gather essential data that can highlight systematic hurdles and barriers that could exist in a profession/sector.

4. We also feel that generally, the larger the organisation, the more likely they are to take public opinion and PR concerns into account which in turn will encourage them to take steps in promoting equality. The smaller the organisation, the less likely they are to be concerned about large scale public backlash and therefore less incentivised to take steps to promote equality. We therefore need to ensure that measures are put in place to address this gap, so that those most affected do not fall through the net.
5. Any burdens can be minimised with appropriate support and resources. Such support can be proportionate to the organisation involved, and can be as simple as providing templates, detailed guidance, or a dedicated helpline that employers can contact for advice. We do not believe that the costs involved would be so high that they would outweigh the benefits of mandatory reporting. At the very least a staggered timeframe can be considered that starts with reporting requirements for large companies with 250 or more employees, followed by gradually extending the requirement to those employers with 150 or more employees and then eventually those with 50 or more employees.

**Question 2. Do you agree or disagree that large employers should have to report their disability pay gaps?**

6. We repeat our comments in response to Question 1 above. In addition we would like to make the point that it is indeed essential that such reporting is mandatory. We are aware of the 2024 findings of the CIPD, who found that despite gender pay gap reporting being legally required for large employers, 17% of large organisations admitted they did not report in 2023<sup>1</sup>. This shows that voluntary compliance alone is insufficient because even when it is compulsory, many organisations will choose not to comply. The CIPD report also notes that gender pay gap reporting is often the only form of inequality analysis conducted by many employers, underscoring the need to expand reporting to include ethnicity and disability.

**Geographical scope**

**Question 3. Do you agree or disagree that ethnicity pay gap reporting should have the same geographical scope as gender pay gap reporting?**

---

<sup>1</sup> CIPD (2024), Pay, performance and transparency 2024, Survey Report, Online: [Pay, performance and transparency 2024 | CIPD](#) (Last accessed: 10 June 2025)

7. We agree that the reporting should be the same as gender pay gap reporting; specifically covering England, Wales and Scotland. This consistency in geographical scope will assist with comparability and will also simplify compliance for employers already familiar with gender pay gap reporting.
8. However, whilst we agree that the mandatory ethnic pay reporting should not immediately apply to Northern Ireland, we would hope that conversations can be held to also bring mandatory pay reporting into force in Northern Ireland. We understand that the Employment Act (Northern Ireland) 2016 already includes provisions for gender pay gap reporting, ethnicity and disability pay gap reporting and mandatory action plans. These provisions were not enacted and we think now is the right time to recommence discussions in this respect. If the proposed regulations are adopted, Northern Ireland will align more closely with Great Britain. More importantly, we would be able to better understand the hurdles and barriers being faced by ethnic minority groups in Northern Ireland.
9. We note that the decision around geographical scope is subject to ongoing discussions with the Scottish and Welsh governments. We agree this is the right approach to ensure any issues specific to Scotland and Wales are considered, and would hope that discussions can also be extended to include Northern Ireland.

**Question 4. Do you agree or disagree that disability pay gap reporting should have the same geographical scope as gender pay gap reporting?**

10. We agree for the same reasons set out above in respect of question 3.

**Pay gap calculations**

**Question 5. Do you agree or disagree that employers should report the same 6 measures for ethnicity pay gap reporting as for gender pay gap reporting?**

11. In principle, we agree with this approach. Using the same six measures will enable consistency, reduce administrative burdens for those organisations that are already reporting on gender pay gap, and will enable meaningful intersectional analysis.
12. However, this does depend on consistency in the content and quality of reporting and we believe greater focus needs to be placed on ensuring that the information provided is accurate, useful and fit for purpose. We understand for example that bonus pay gaps and other forms of remuneration, such as salary sacrifice schemes, are often underreported or inconsistently calculated in gender pay gap reporting. This undermines the accuracy and comparability of the data. One key issue is the lack of standardisation in how bonuses are defined. Some employers include only cash bonuses, while others exclude performance-related pay, share schemes, or commission. Additionally, the timing of bonus payments can distort reporting, as bonuses paid outside the snapshot period may not be captured. Salary sacrifice arrangements,

commonly used for pensions or childcare, can also reduce reported gross pay, thereby misrepresenting actual earnings. These inconsistencies limit the reliability of bonus pay gap data and obscure the true extent of inequality.

13. These challenges must be addressed in the development of ethnicity pay gap reporting frameworks to avoid replicating the same limitations. Ethnic minority employees are often underrepresented in roles that offer bonuses or performance-based pay, which means that bonus gaps may appear smaller simply due to lower eligibility, not because pay is equitable. Without clear guidance, employers may underreport or misclassify bonus data, leading to misleading conclusions. To ensure meaningful reporting, ethnicity pay gap frameworks should include standardised definitions of all forms of remuneration, consistent treatment of salary sacrifice schemes, and reporting on bonus eligibility rates by ethnic group. This will help uncover structural disparities in reward systems and support more targeted interventions to promote fairness.
14. Additionally, whilst using the same six measures for ethnicity pay gap reporting as those used for gender pay gap reporting may offer a starting point, there are some concerns. Ethnicity is not a binary category, and aggregating all ethnic minority groups into a single figure can obscure important disparities between different communities. Moreover, small sample sizes for certain groups may limit the reliability of the data and raise confidentiality concerns. These measures can also fail to account for intersectionality, and may not provide insight into workforce composition or representation across job grades. As we discuss below, to ensure meaningful reporting, employers should also publish data on recruitment, retention, and progression by ethnic group, representation at different levels of seniority, and intersectional pay gaps. This should be accompanied by explanatory narratives and action plans that outline steps being taken to address disparities. Without these additional elements, ethnicity pay gap reporting risks being superficial and ineffective.

**Question 6. Do you agree or disagree that employers should report the same 6 measures for disability pay gap reporting as for gender pay gap reporting?**

15. We repeat our comments made in response to Question 5. To clarify further, whilst some may argue that disability pay gap will be simpler to report on as there are in principle only two categories, we argue that disability pay gap reporting is more complex and does not fall neatly into just two categories of being 'disabled' and 'not disabled'. Disability includes a broad range of physical, sensory, cognitive, mental health, and neurodivergent conditions which can vary according to type, severity, visibility and permanence. Two people with disabilities may have very different experiences in the workplace depending on whether they received any reasonable adjustments; accessibility measures in place in the workplace; and the attitudes of colleagues and managers. Many individuals will be reluctant to disclose a disability at work due to fear of stigma or discrimination. This means data may not reflect the true number of disabled employees, and reporting based on a binary “yes/no” disclosure can

be misleading. Because of this complexity, disability pay gap reporting needs to go beyond a simple binary comparison and should also consider disclosure rates, access to adjustments, retention and progression data, and intersectional data.

**Question 7. Do you agree or disagree that large employers should have to report on the ethnic breakdown of their workforce?**

16. We agree. Pay gap data, when presented without reference to the composition of the workforce, lacks critical context. For instance, if ethnic minority women are significantly underrepresented in senior or higher-paying roles, this structural imbalance should be clearly reflected in the data. Without such visibility, disparities may be underestimated or misunderstood. This is especially important given the experiences highlighted through our MWN Helpline enquiries, which show that Muslim women in particular face persistent barriers when trying to progress up the career ladder due to stereotypes and bias. Muslim women often find themselves being regarded as being too submissive to be managers, and at the same time, regarded as trouble makers.
17. We also feel it is essential to exercise caution in the types of demographic data collected and reported. While ethnicity data is vital for understanding systemic inequalities, substituting or conflating it with nationality data can be misleading and potentially harmful. Nationality does not capture the racial or ethnic diversity of a workforce and may reinforce exclusionary narratives or obscure the experiences of racialised groups. Therefore, reporting frameworks must be designed to ensure both accuracy and ethical use of data.

**Question 8. Do you agree or disagree that large employers should have to report on the breakdown of their workforce by disability status?**

18. We repeat our comments made above in response to Question 7, which also apply to this question.

**Question 9. Do you agree or disagree that large employers should have to submit data on the percentage of employees who did not state their ethnicity?**

19. We strongly agree. High non-disclosure rates can mask inequalities. We believe such reporting will encourage employers to build trust and improve disclosure through inclusive practices. Indeed, we feel that if non-disclosure rates remain unchanged or increase in subsequent years, this would indicate significant issues in the workplace which need to be addressed.

**Question 10. Do you agree or disagree that large employers should have to submit data on the percentage of employees who did not state their disability status?**

20. We repeat our comments made in response to Question 9, which also apply to this question.

## **Action plans**

**Question 11. Do you agree or disagree that employers should have to produce an action plan about what they are doing to improve workplace equality for ethnic minority employees?**

21. Strongly Agree.

22. In 2019 when BEIS ran their consultation, we advised that we feel it is absolutely essential that employers be required to provide explanations for any disparities that are identified and also publish an action plan for addressing these, including providing estimated timescales for achieving the steps outlined in their action plans<sup>2</sup>. Our position remains the same. If the aim of introducing ethnic pay reporting is to ultimately tackle inequalities in the workplace then it should go hand in hand that employers are not only required to share the information but also take steps to make changes so that the pay gaps can be reduced – and eventually eliminated altogether. Leaving it at the discretion of employers as to whether they put forward proposals for change seems to suggest that it is also at the discretion of employers as to whether they take any steps at all to address the disparities.

23. To ensure that pay gap reporting leads to meaningful change, it is essential that senior leadership are held accountable for progress. We recommend that pay gap reports and associated action plans be formally signed off by a senior executive and are included in the organisation's annual report or equivalent public-facing document. This would embed accountability at the highest level and ensure that addressing pay disparities is treated as a strategic priority, not just a compliance exercise. Leadership ownership also reinforces the importance of equity and inclusion across the organisation and helps drive cultural change.

**Question 12. Do you agree or disagree that employers should have to produce an action plan about what they are doing to improve workplace equality for disabled employees?**

24. We strongly agree, for reasons set out above in response to Question 11. Reporting without action is performative. Employers should be required to publish plans with measurable goals and set timescales so progress can be assessed.

25. In Ireland, public sector bodies must publish equality action plans, which has led to targeted interventions and improved outcomes, highlighting the effectiveness of action plans.

---

<sup>2</sup> Akthar, N. (2019), Written Evidence to the Department For Business, Energy & Industrial Strategy's Consultation on Ethnic Pay Reporting, Muslim Women's Network UK, January 2019, Online: [Muslim Women Network](#) (Last accessed: 10 June 2025)

**Additional reporting requirements for public bodies**

**Question 13. Do you agree or disagree that public bodies should also have to report on pay differences between ethnic groups by grade and/or salary bands?**

26. We strongly agree.
27. Women from ethnic minority backgrounds are disproportionately represented in lower-level, lower-paid roles within such organisations and they are also worrying underrepresented in senior or leadership positions. Requiring public bodies to report on pay disparities within salary bands is essential to addressing inequality. This will help identify where urgent action is needed to improve promotion pathways and pay progression. It also empowers employees to request pay reviews when disparities are evident.
28. In the public sector, salary band frameworks are already well-established, so this requirement should not introduce additional reporting burdens. We believe this obligation should be extended to private and voluntary sector employers. Where structured pay bands are not yet in place but would be useful in that particular profession/sector, this could serve as a catalyst for their development, promoting greater transparency and fairness in pay systems.

**Question 14. Do you agree or disagree that public bodies should also have to report on recruitment, retention and progression by ethnicity?**

29. We strongly agree.
30. Pay gaps are symptoms of deeper issues in hiring and promotion. To meaningfully address racial inequality in the workplace, public bodies must go beyond headline pay gap figures and examine the full employee lifecycle. Requiring public bodies to report on these areas by ethnicity is essential for identifying where systemic barriers exist. For example, if ethnic minority candidates are applying in large numbers but not being hired or promoted at the same rate, this may point to bias in recruitment or progression processes. We should add that our MWN Helpline enquiries regularly point to this bias being directed at Muslim women, who often face triple penalties based on their gender, faith and ethnicity.
31. Retention data is equally important. High turnover among certain ethnic groups may signal issues with workplace culture, lack of support, or discriminatory practices. Without this data, these patterns remain invisible and unaddressed. Similarly, progression data helps uncover vertical segregation; where ethnic minority employees are concentrated in lower grades and underrepresented in leadership roles. Such reporting enables targeted interventions to support career development and equitable advancement.

32. To build a truly inclusive and accountable public sector, reporting should also include intersectional data that examines how ethnicity interacts with gender, disability, and age. This helps uncover compounded disadvantages, such as the unique barriers faced by disabled Muslim women, who face quadruple penalties.
33. Additional metrics should include access to training and development opportunities, outcomes of disciplinary and grievance procedures, and uptake of flexible working arrangements. These indicators will enable us to obtain a more holistic view of workplace equity, which would not only assist with effecting change in the public sector but also wider society.
34. In Germany, public sector diversity audits include progression data, helping to identify bottlenecks for minority groups. We also understand that in Scotland, listed public bodies are already required to report on workforce profile, recruitment, development and retention under the Scottish public sector equality duties.

**Question 15. If public bodies have to report on recruitment, retention and progression by ethnicity, what data do you think they should have to report?**

35. We would suggest the following are reported on (as a non-exhaustive list):
  - a. applications, shortlists, and hires by ethnicity;
  - b. promotions and time to promotion;
  - c. representation in leadership roles;
  - d. exit rates and reasons;
  - e. participation in training, development, and leadership programmes;
  - f. disciplinary and grievance outcomes by ethnicity;
  - g. disclosure rates and employee confidence in self-identifying;
  - h. use of flexible working or accommodations.

**Question 16. Do you agree or disagree that public bodies should have to report on pay differences between disabled and non disabled employees, by grade and/or salary bands?**

36. We repeat our comments made in response to Question 13, which also apply to this question.

**Question 17. Do you agree or disagree that public bodies should have to report on recruitment, retention and progression by disability?**

37. We repeat our comments made in respect of Question 14, which also apply to this question. In addition, we would like to add that disability pay gap reporting must account for the distinct structural and attitudinal barriers that disabled employees often encounter. These include limited access to reasonable adjustments, stigma around disclosure, and underrepresentation in senior roles. As with ethnicity, reporting should cover recruitment, retention, and progression, but with added sensitivity to the voluntary nature of disability disclosure.

**Question 18. If public bodies have to report on recruitment, retention and progression by disability, what data do you think they should have to report?**

38. We repeat our comments made in respect of Question 15, which also apply to this question. We feel that public bodies should also report on:
- a. disclosure rates to help contextualise the data and track progress in building a culture of trust;
  - b. access to reasonable adjustments, which may help highlight gaps in support;
  - c. occupational health referrals and outcomes which can reveal whether appropriate support is being provided;
  - d. sickness absence and return-to-work support.
39. It is also essential to report on intersectional disability data. As mentioned above, disabled Muslim women and disabled persons belonging to other minority groups often face compounded disadvantages that are not visible in single-category reporting.

**Dates and deadlines**

**Question 19. Do you agree or disagree that ethnicity pay gap reporting should have the same reporting dates as gender pay gap reporting?**

40. We agree with keeping the same reporting dates as gender pay reporting. We believe that aligning timelines reduces administrative burdens and allows for integrated reporting. Whilst in theory it might seem like having different reporting dates would help organisations by spreading out the workload, in reality it would simply have the effect of having to constantly focus on reporting at the expense of looking at taking meaningful actions for change.
41. However, in the event that our proposals to extend the reporting requirements to companies with 50-249 employees are considered, it would be useful to consider transitional reporting dates for any new organisations that are required to report.

**Question 20. Do you agree or disagree that disability pay gap reporting should have the same reporting dates as gender pay gap reporting?**

42. We agree for the same reasons as set out in respect of Question 19 above.

**Question 21. Do you agree or disagree that ethnicity pay gap data should be reported online in a similar way to the gender pay gap service?**

43. We agree that ethnicity pay gap data should be reported online in a similar way to the gender pay gap service. However, we would ask that a robust review is carried out first to ensure that the online reporting mechanisms can be adapted to the requirements of ethnic pay reporting, rather than assuming that it will be immediately compatible.

**Question 22. Do you agree or disagree that disability pay gap data should be reported online in a similar way to the gender pay gap service?**

44. We agree for the same reasons as set out in respect of Question 21 above.

**Enforcement**

**Question 23. Do you agree or disagree that ethnicity pay gap reporting should have the same enforcement policy as gender pay gap reporting?**

45. We neither agree nor disagree.

46. Whilst it would appear that the enforcement policy in relation to gender pay gap reporting is adequate, it is our opinion that in practice it has had little effect. We thought it was great that there is no statutory limit on the amount that a company can be fined for failure to comply with the requirements, so that courts can consider the severity and context of a breach. However, it is noteworthy that, to our knowledge, to date no fines have been issued.

47. The focus has been on voluntary compliance, naming and shaming, and public accountability. It feels to us as if this approach is followed more out of necessity than choice; that is, they do not have the funds and resources to be able to pursue other legal options available to them and therefore having to rely on those measures that can be realistically pursued.

48. Whilst the current approach may seem effective, the issue is that the effectiveness of public accountability mechanisms such as naming and shaming is contingent on societal values. In an environment where DEI initiatives are being contested or politicised globally, the reputational consequences of non-compliance diminish. Without broad public support for equity goals, these enforcement tools risk becoming symbolic rather than corrective. We therefore need to acknowledge the current limitations and look for more robust tools to ensure compliance. We would therefore suggest introducing automatic civil penalties for non-compliance, such as fixed penalties for late or missing reports. Some or all of these sums can also be ringfenced to enable enforcement action to be taken for the more serious cases that require more robust action.

49. We would also like to add that enforcement measures must extend beyond a basic checklist approach that simply verifies whether data has been published. It should also assess the accuracy of the reported figures and ensure compliance with requirements to publish accompanying narratives and action plans.

**Question 24. Do you agree or disagree that disability pay gap reporting should have the same enforcement policy as gender pay gap reporting?**

50. Our comments are the same as those noted above in respect of Question 23, which also apply to this question.

**Ethnicity: data collection and calculations**

**Question 25. Do you agree or disagree that large employers should collect ethnicity data using the GSS harmonised standards for ethnicity?**

51. We neither agree nor disagree.

52. On the one hand, we understand that a standardised approach will allow a thorough analysis to be carried out which may highlight patterns in a particular sector or region.

53. However, criticisms of the GSS Harmonised Standards for Ethnicity have emerged, highlighting concerns about the framework's ability to reflect the complexity of ethnic identity in the UK. One major issue is the over-simplification of ethnic categories, which are largely based on the 2011 Census. Grouping diverse communities under broad labels such as "Asian" or "Black" can obscure significant differences in culture, migration history, and socio-economic outcomes. The standards also lack flexibility and responsiveness to demographic change; for example, the 2021 Census write-in responses revealed over 280 distinct ethnic identities; far beyond the 19 standard tick-box options.

54. Additionally, inconsistencies in how ethnicity is recorded across the UK, particularly between England, Scotland, and Wales, undermine the comparability of data. Concerns have also been raised about trust and data quality, with some minoritised groups reluctant to disclose their ethnicity due to fears of misuse, leading to incomplete or biased datasets. Furthermore, the current standards do not support intersectional analysis, limiting the ability to understand how ethnicity interacts with other identity factors such as religion, gender, or disability. Finally, administrative data systems often rely on non-self-reported ethnicity, and use rules-based methods to assign a single ethnic identity, which may not reflect individuals who have multiple recorded ethnicities. These limitations suggest a need for more inclusive, flexible, and context-sensitive approaches to ethnicity data collection and reporting.

**Calculating and reporting ethnicity pay gaps**

**Question 26. Do you agree or disagree that all large employers should report ethnicity pay gap measures using one of the binary classifications as a minimum?**

55. We neither agree nor disagree with this proposal.

56. We agree that this should be the absolute minimum that is required of large employers, but it should not stop there. Binary classifications in ethnicity pay gap reporting (dividing employees into 'White' and 'Ethnic Minority' groups) significantly

oversimplify the complexity of racial and ethnic diversity in the workforce. This approach masks the distinct experiences and disparities faced by different ethnic groups, such as Black Caribbean, Bangladeshi, or Mixed heritage individuals, each of whom may encounter unique barriers to pay equity and progression. By aggregating all non-White groups into a single category, binary reporting can obscure meaningful differences in outcomes and hinder the development of targeted, effective interventions. Moreover, it reinforces a reductive 'White versus Other' framing that fails to reflect the nuanced, multicultural reality of modern workplaces. To ensure meaningful analysis and accountability, employers should adopt disaggregated reporting using detailed ethnicity categories, as well as intersectional analysis that considers how ethnicity interacts with other characteristics such as gender or disability.

57. In order to be able to effect changes for all individuals, we need to be able to see the disparities between the ethnic classifications too. We feel a combination of all the different options will ensure that we are able to obtain an accurate set of data that takes into account all the different factors and highlights the realities of individual situations.

**Question 27. Do you agree or disagree that there should be at least 10 employees in each ethnic group being reported on? This would avoid disclosing information about individual employees.**

58. We neither fully agree nor disagree with the proposal. While we recognise the importance of protecting individual confidentiality, we are concerned that allowing organisations to opt out of reporting due to low numbers could inadvertently serve as a loophole. If representation is so limited that anonymity cannot be preserved, this in itself raises important questions about diversity and inclusion within the organisation.

59. To address this, we suggest a more balanced approach. In cases where publishing disaggregated data would risk identifying individuals, employers could be permitted to submit their data confidentially to a designated government body, rather than publishing it publicly. This would mirror existing practices, such as exemptions granted by Companies House for certain financial disclosures. In such cases, the employer should also be required to provide a narrative explanation for the low representation and outline steps being taken to address it. This approach ensures that data is still captured and monitored, while safeguarding employee privacy and avoiding potential harm.

**Question 28. Do you agree or disagree that employers should use the ONS guidance on ethnicity data to aggregate ethnic groups? This would help protect their employees' confidentiality.**

60. We somewhat agree as this balances the need for data protection with the need for transparency. However, there are nevertheless limitations. Over-reliance on aggregated categories can obscure disparities between specific ethnic groups. For example, the differences in outcomes between Indian and Bangladeshi employees may be lost within

the broader 'Asian' category. Additionally, small sample sizes in some organisations may raise confidentiality concerns or limit statistical reliability. It is also critical that employers avoid using nationality as a proxy for ethnicity, as this can misrepresent individuals' identities and lead to inaccurate or discriminatory conclusions.

**Question 29. Is there anything else you want to tell us about ethnicity pay gap reporting**

61. Ethnic minority women, in particular Muslim women, face compounded disadvantages. Anti-Muslim bias has had a profound impact on the workplace experiences and economic outcomes of individuals from Muslim backgrounds, especially Muslim women. In the UK, Muslims face some of the highest levels of employment disadvantage, with lower rates of employment, lower average earnings, and significant underrepresentation in senior roles. According to the UK government's Ethnicity Facts and Figures service, Pakistani and Bangladeshi women (who make up a significant proportion of the UK's Muslim population) experience some of the highest unemployment rates among all ethnic groups. These disparities are not solely the result of religious discrimination and they are deeply intertwined with racial and ethnic identity. Many Muslims in the UK are also from racialised ethnic groups, such as Pakistani, Bangladeshi, Arab, or Black African communities. As a result, the discrimination they face is often both racialised and religious in nature, manifesting in hiring bias, workplace exclusion, and limited progression opportunities.
  
62. Ethnicity pay gap reporting must therefore be sensitive to the intersection of race, religion, and cultural heritage. Aggregated ethnic categories may obscure the specific disadvantages faced by Muslim communities, particularly where ethnic and religious identities overlap. For example, the experiences of a Black Muslim woman may differ significantly from those of a non-Muslim Black woman or a White Muslim man. Without disaggregated data and intersectional analysis, these nuances are lost, and the structural barriers affecting Muslim employees remain unaddressed. To ensure meaningful reporting, employers should consider how anti-Muslim prejudices and Muslim heritage intersect with ethnicity and ensure that their data collection and analysis frameworks are capable of capturing these layered experiences. In turn, it may be useful to include optional collection of religion data for greater analysis.

**Disability: data collection and calculations**

**Question 30. Do you agree or disagree with using the 'binary' approach (comparing the pay of disabled and non-disabled employees) to report disability pay gap data?**

63. We repeat our comments in respect of Question 26, which equally apply to this question in the context of disability pay gap reporting.

**Question 31. Do you have any feedback on our proposal to use the Equality Act 2010 definition of 'disability' for pay gap reporting?**

64. We think this is a good starting point. However, we do not think this alone will be sufficient for reporting purposes. The Equality Act 2010 defines disability as a physical or mental impairment that has a substantial and long-term adverse effect on a person's ability to carry out normal day-to-day activities. While this definition serves an important legal function in protecting individuals from discrimination, we wonder if it is likely to cause issues when applied to disability pay gap reporting. The definition is complex and legalistic, making it difficult for employees to confidently self-identify as disabled for monitoring purposes. As a result, many individuals who experience barriers at work may not be captured in the data. This is especially the case for those with fluctuating, hidden, or less visible conditions. This leads to underreporting and limits the accuracy and usefulness of pay gap analysis.

65. It can also be argued that the Equality Act definition was not designed for workforce monitoring or statistical reporting. It does not account for the wide spectrum of impairments or the varying degrees to which individuals may be affected in the workplace. Disclosure is also voluntary, and many employees may choose not to disclose a disability due to stigma or fear of discrimination. This further reduces the reliability of the data. To address these limitations, employers should consider using a broader, self-identified definition of disability for reporting purposes, alongside the legal definition for compliance. Reporting on disclosure rates, access to reasonable adjustments, and representation across job grades can provide a more comprehensive and inclusive picture of disability-related inequalities in the workplace.

**Question 32. Do you agree or disagree that there should be at least 10 employees in each group being compared (for example, disabled and non-disabled employees)? This would avoid disclosing information about individual employees.**

66. We repeat our comments made in respect of Question 27 above, which also apply to this question.

**Question 33. Is there anything else you want to tell us about disability pay gap reporting?**

67. Disabled Muslim women, and ethnic minority women generally, often face multiple, overlapping forms of discrimination that compound their disadvantage in the workplace and wider society. These women may experience barriers related to disability, such as lack of access to reasonable adjustments or inclusive environments, while also contending with racial and religious bias. For Muslim women in particular, visible markers of faith can expose them to anti-Muslim bias and hate, stereotyping, and exclusion. When combined with ableism and racial discrimination, this intersectionality can result in significantly lower employment rates, limited career progression, and heightened vulnerability to workplace harassment or marginalisation. Cultural stigma around disability within some communities may also discourage disclosure or seeking of help, further isolating individuals. Without targeted data collection and intersectional analysis, the specific experiences of disabled Muslim and BAME women will remain invisible in policy and practice, perpetuating systemic inequalities.

68. Sweden's disability employment audits are embedded within a robust legal and policy framework that actively promotes workplace inclusion. Under the Discrimination Act (2008:567), all employers are legally required to remove barriers that prevent disabled individuals from fully participating in the workforce. This includes providing reasonable accommodations, such as flexible hours, assistive technologies, or modified duties, and documenting decisions transparently. Oversight is provided by the Equality Ombudsman, who can investigate non-compliance and impose corrective measures or financial penalties. However, in addition to legal enforcement, Sweden offers wage subsidies to incentivise the hiring and retention of disabled employees. These combined measures have led to higher retention rates, more inclusive workplace cultures, and greater employer willingness to recruit disabled individuals. For disabled ethnic minority women, who often face intersecting barriers related to race, gender, and disability, this model ensures that inclusion is not limited to hiring but extends to progression and workplace support. Sweden's approach demonstrates how legal accountability, financial incentives, and systematic audits can work together to drive equitable employment outcomes. We would therefore ask that, in addition to looking at introducing mandatory pay gap reporting, other measures are also considered to address the systematic barriers faced by people with disabilities.

### **Final Comments**

69. We would like to thank the Office for Equality and Opportunity for holding this consultation and providing us with the opportunity to share our comments and insights. We hope it proves to be useful in your considerations.

**On behalf of Muslim Women's Network UK,  
Nazmin Akthar  
Co-Chair**

**10 June 2025**

**First Floor  
1192 Stratford Road  
Birmingham  
B28 8AB  
[board@mwruk.co.uk](mailto:board@mwruk.co.uk)**