

Top European court rules against Tesco in equal pay case

Thousands of Tesco workers have won a landmark decision against the supermarket giant in an equal pay case being heard by the European Court of Justice.

The shop floor staff, most of whom are women, accused Britain's biggest grocer of paying them up to £3 per hour less than the mostly male warehouse workers, when their work is of equal value.

The decision could trigger more than £2.5bn in back pay claims for as many as 25,000 female employees, who may be owed compensation after being underpaid for at least seven years.

Around 6,000 current and former workers argued that Tesco should be seen as a single entity in terms of employment conditions, in line with EU law. Tesco claimed the law was not applicable in the UK.

Now, Europe's top court has rejected Tesco's arguments and ruled the law applies to private UK businesses as well, in a decision that could affect other retailers.

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"This judgment reinforces the Supreme Court's ruling that the roles of shop floor workers can be compared to those of their colleagues in distribution centres for the purposes of equal pay," said Kiran Daurka, a partner in the employment team at law firm Leigh Day, which represented the Tesco employees.

"For a long time, employers have argued that UK law in this area is unclear, but this judgment is simple, if there is a single body responsible for ensuring equality, the roles are

comparable.”

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The decision was sent to the European Court of Justice (CJEU) for clarification after being first heard at an employment

tribunal in Watford, and is thought to be one of the last major decisions by the EU in relation to UK employment law before changes brought about by Brexit take hold.

“The principle, laid down by EU law, of equal pay for male and female workers can be relied upon directly, in respect both of ‘equal work’ and of ‘work of equal value’, in proceedings between individuals,” CJEU judges said.

The decision, which is final, will bind the UK government and apply to any future equal pay case despite Britain leaving the European Union, Leigh Day said.

“There are a number of British laws relating to equality which were made when the UK was part of the EU,” said Ms Daurka. “British Parliament has chosen to retain those laws, including ones relating to equal pay, so they still form part of British law.”

In a statement following the decision, Tesco maintained that the jobs in its stores and distribution centres were different.

“These roles require different skills and demands which lead to variations in pay – but this has absolutely nothing to do with gender,” a spokesperson for Tesco said. “We continue to strongly defend these claims.”

But one of the company’s employees said in a statement that the decision was uplifting, and that being paid less than male colleagues had been demoralising.

“I’ve always been proud to work at Tesco but knowing that male colleagues working in distribution centres are being paid more is demoralising,” said Pam Jenkins, who works at Tesco.

“I’m hopeful that Tesco will recognise the contribution shop floor workers make to the business and reflect that in our pay,” she added.

In March, more than 44,000 [Asda workers won a similar equal pay claim](#) with bosses through a Supreme Court ruling, paving the way for a legal battle that could last years.

The UK's highest court backed a Court of Appeal judgment that store staff are entitled to compare themselves to distribution staff for equal pay purposes.