

Policy Brief



Gender Equality at Work 2015: New Policies for Old Challenges

1. Background

The United Kingdom was an early global leader in passing legislation to promote Equal Pay (1970) for women and Sex Equality (1975) at work. However, despite significant increases in women's economic participation and improvements in pay over the past 40 years, the UK has now been overtaken by many other nations with better track records of gender

equality at work. In 2014, the UK fell out of the Top 20 most gender equal countries for the first time, hitting a low of 26 in the Global Gender Gap Report and struggling to reach 46th place for women's economic participation. Not only is the UK below much of Europe, it also lags behind the Philippines, Nicaragua and South Africa¹.

It is increasingly clear that not enough has been achieved since the 1970s. The existing policy framework has failed to deliver gender equality at work.



2. Old Challenges

Since 1971 the number of British women in paid work has risen by more than 50%² and there has been a significant increase in women entering the professions. Young women entering the labour market are now, on average, paid almost the same as young men and – at the other end of the life-course – the retirement age has been equalized for men and women. Despite this, gender inequalities at work persist. The key challenges are:

Occupational segregation persists both in women's concentration in feminized work such as care work (usually low paid with few prospects) and at the lower levels of career ladders, even in the professions^{3, 4}. Although there is likely to be some cohort effect – related to the time needed for more recent entrants to reach senior levels – both women and men in middle management identify persistent stereotyping as the major hurdle to opportunities and progression for women at work⁵. At the current rate of change, it will take another 70 years before there are equal numbers of women in the boardroom⁶.

The pay gap has narrowed since 1975 to an all-time low of 19% in 2014⁷ (ONS 2014). Nonetheless, the United Nations has warned that the income of women will lag behind men's for another 70 years if the gender pay gap continues to close at the present rate⁸. Women in feminized professions earn less than men in male-dominated professions⁹; whilst 1:4 of all women in work are in low-paid jobs (compared with 1:7 of all men¹⁰). The pay gap is greater for women from ethnic minorities¹¹, women returning to work after childbirth¹² and older women¹³, and women can also expect significantly lower pensions than men¹⁴.

Unemployment amongst women reached a 25 year high of 7.7%¹⁵ in 2012 following the 2008-9 recession and the subsequent public sector austerity cuts. This rate was up to five times higher for black and minority ethnic women¹⁶. Over a third of women are now employed at a skill level below their qualifications and experience and 1 in 8 women are employed on zero hours' contracts¹⁷. More young women than men are not in employment, education or training (408,000 as compared to 320,000)¹⁸.

If more is not done to address these long-standing challenges, the UK will continue to waste talent. This weakens the social and economic inclusion vital for an engaged and successful society.

3. New Solutions?

Research conducted with key policy makers in gender equality¹⁹ indicates that these persistent challenges must be met through a strong legislative framework, supported by broad interventions in public policy and employer practice. Government should implement an immediate strategy of gender mainstreaming to achieve real change for women workers and their families.

Legislative Reform

Strengthening the legal framework is the first priority. Key recommendations are:

- The **Equal Pay Act** should be overhauled. New tools are urgently needed to tackle the causes of pay inequality in the 21st century.
- **Gender Pay Audits** should be statutory for all businesses. Instruments should be agreed to eliminate unfair disparities.
- The **Living Wage** should immediately replace the national minimum wage.



- **Flexible and part-time working** should be extended to all employees.
- **Parental Leave** should be brought into line with the best practice of other European countries.
- The **Tax System** should be urgently reformed, removing childcare costs from taxable pay.
- **Quotas** should be established for women in apprenticeships, good quality part-time work, board membership and employee representation.



Welfare and Social Services Reform

Radical reform to the design and delivery of services is now essential. Key recommendations are:

- **Carers** should all receive financial remuneration, whether formally or informally employed. All women and men should be able to care for their own children and other relatives if desired.
- A **National Information Service for Carers** should be established to provide a single point of access to information and advice on rights and benefits.
- A **National Childcare Service** should be available for all school-age children up to age 14. Breakfast, after-school and summer provision needs to be enhanced across both urban and rural areas.
- **Educational subject choice** guidance and advice within schools needs improvement. Pipelines into higher paid careers, particularly in science and technology, and the professions need to be opened up to all.
- A **National Careers Service** is urgently needed within schools and for school leavers to prevent occupational and vertical segregation.
- **Training** opportunities and funding for women seeking to re-enter the workforce or progress their careers need to be extended and improved.
- **Public transport** improvements are urgently required, especially in more remote areas, to enable women of all ages and backgrounds to travel to work safely at all times of day

Workplace-Led Reform

Workplaces must lead in developing best practice. Organizational cultures should promote gender equality at all levels with excellent communication about diversity policies. Key recommendations are:

- **Flexible working** should be available to all and should be clearly advertised. Its acceptability should be demonstrated from the top by senior management.
- **Training in equality and diversity** should be mandatory for all involved in selection,

recruitment, promotion and reward decisions and performance reviews.

- A **senior level gender champion** should be instituted in all organizations and diversity demonstrated at all levels.
- **Retraining and upskilling** should be available for women at all stages of the lifecycle, including older women.
- **Talent pipeline management** should ensure women of all ages gain the experience, encouragement and advice necessary for promotion and careers.
- **Older women** need to be a target for improved working conditions. The impact of the menopause, changing health needs and the pressures of multigenerational caring responsibilities need better understanding within organizational practices.
- **Employee Voice** within trade unions and works councils should represent women equally.
- **Best practice** should be fully publicized to establish benchmarks.



Active Monitoring, Evaluation and Campaigning

A strong data infrastructure is needed to inform impact assessment and evaluate progress. Key recommendations include:

- **Equal pay** needs a thorough investigation, particularly the equivalence of part-time and full time pay.
- **Carers' pay, terms and conditions** should be quantified and reviewed.
- **Job quality** should be measured to improve understanding of 'good work'.
- **Effective monitoring and core data** provision should be supported by a properly funded Office of National Statistics (ONS).
- The **Equality and Human Rights Commission** should be funded to oversee a national system of Gender Pay Auditing.
- **Public campaigns** should celebrate positive role models such as women in industry, science and technology.

Government should lead by example, recognizing and managing talent to establish a role model for the nation

4. References & Notes

- ¹ **World Economic Forum** (2014) *The Global Gender Gap Report* Geneva, WEF
 - ² **Office for National Statistics** (2013) *Women and the Labour Market*, London, HMSO
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 - ⁴ **The Law Society** (2015) *Trend in the solicitors' profession: Annual Statistics Report 2014*, London, The Law Society
 - ⁵ **Fawcett Society** (2009) *Just Below the Surface: gender stereotyping, the silent barrier to gender equality in the modern workplace?*, London, Fawcett Society
 - ⁶ **Davis Report** (2011) *Women on Boards*
 - ⁷ **Office for National Statistics** (2014) *Labour Market Statistics*, April 2014, HMSO
 - ⁸ **International Labour Office** (2015) *Women and the Future of Work: Beijing + 20 and Beyond*, Geneva, ILO
 - ⁹ **Office for National Statistics** (2013) *Women and the Labour Market*, London, HMSO
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 - ¹¹ **Nandi, A., and Platt, L.** (2010) *Ethnic Minority Women's Poverty and Economic Well-Being* Government Equalities Office, London
 - ¹² **BIS** (2013) *Committee Inquiry into Women in the Workplace*, London, HMSO
 - ¹³ **Perfect, D.** (2011) *Gender Pay Gaps EHRC Briefing Paper 2*, Manchester, EHRC.
 - ¹⁴ **Fawcett Society** (2013) *The Changing Labour Market: delivering for women, delivering for growth*, London, Fawcett Society.
 - ¹⁵ **Office for National Statistics** (2014) *Labour Market Statistics, April 2014*, HMSO
 - ¹⁶ **All Party Parliamentary Group on Race and Community** (2012) *Ethnic Minority Female Unemployment: Black, Pakistani and Bangladeshi Heritage Women*, London, Runnymede Trust.
 - ¹⁷ **Joseph Rowntree Foundation** (2013) *Ethnic Inequalities in Labour Market Participation*, Manchester, University of Manchester.
 - ¹⁸ **Fawcett Society** (2012) *The Impact of Austerity on Women*, London, Fawcett Society.
 - ¹⁹ **Young Women's Trust** (2014) *Needs and Gender*, London, YWT
- ^{1a} **The recommendations* presented here are informed by interviews with the following:** Laura Addati, *Maternity Protection and Work-family Specialist*, ILO; Willem Adema, *Senior Economist*, OECD; Evangelia Bourmpoula, ILO; Kay Carberry, *Assistant General Secretary*, TUC; Raphael Crowe, *Senior Gender Specialist*, ILO; Ernst Ekkehard, *Chief of Employment Trends*, ILO; Diana Garnham, *Chief Executive*, The Science Council; Ceri Goddard, *Director of Gender*, The Young Foundation (previously *Chief Executive*, The Fawcett Society); Kate Green, *MP Stretford and Urmston*; Katja Hall, *Deputy-Director General*, CBI; Scarlett Harris, *Women's Equality Officer*, TUC; Mary Honeyball, *MEP*; Sarah Jackson OBE, *Chief Executive*, Working Families; Mark Keese, *Head of Employment Analysis and Policy*, OECD; Martin Oelz, *Legal Specialist on Working Conditions*, ILO; Baroness Margaret Prosser OBE; Helen Sachdev, *Director of Strategy*, Barclays Bank; Theodore Sparreboom, *Chief Technical Advisor*, ILO

*Our recommendations are drawn from a range of different views and do not reflect the position of any one individual or organization.

Special thanks to **Leonora Saunders** for permission to use her images in this brief.

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