

### SCOTTISH GOVERNMENT DEBATE: GENDER AND THE WORKPLACE

### **ENGENDER PARLIAMENTARY BRIEFING**

Gender inequality in accessing and participating in the workplace is widespread in Scotland, and perpetuates other forms of women's political, economic and social inequality. This briefing paper sets out a range of issues that underpin this inequality and shape women's experiences of the labour market. Occupational segregation, ungendered employability programmes, unpaid caring roles, violence against women and different forms of discrimination all contribute to the gender pay gap, which is a key indicator of women's inequality in the workplace. It also points to key policy areas where Scottish Government could intervene in order to improve the quality of women's labour market participation.

Engender does not work directly on women's labour market participation, although we do work on social security, employability, and other related policy areas. We have drawn heavily on the work of Close the Gap, Scotland's gender and labour market experts, in preparing this briefing.

#### 1. WOMEN'S LABOUR MARKET PROFILE

Women are clustered in low-paid jobs and women's employment is more precarious than men's. We are more likely to be in informal, temporary and part-time work, which are most at risk in times of recession and economic uncertainty.

- The gender pay gap persists at 14.8%, with women who work part-time earning 33.5% less than men working full-time.<sup>1</sup>
- Women are 75% of the part-time workforce.
- Women have less access to occupational pensions than men.
- Women are 66% of the paid workforce living in poverty in Scotland.<sup>2</sup>
- On average women earn £175.30 less per week than men.<sup>3</sup>
- 64% of these workers paid below the living wage are women.
- 40% of low-paid workers are women working part-time.
- 55% of workers on zero hours contracts are women

<sup>&</sup>lt;sup>1</sup> Close the Gap (2016) Gender pay gap statistics

<sup>&</sup>lt;sup>2</sup> CPAG (2014) Poverty in Scotland 2014: The independence referendum and beyond

<sup>&</sup>lt;sup>3</sup> Close the Gap (2016) Gender pay gap statistics

All of this impacts severely on household budgets, on women's ability to participate fully in society, on women's political representation, on women's safety and security, and on child poverty.

#### 2. OCCUPATIONAL SEGREGATION

Occupational segregation is one of the main causes of the gender pay gap. Patterns of occupational segregation in the Scottish labour market are a cause and consequence of gendered assumptions and stereotypes about women and men's capabilities in relation to paid and unpaid (caring) work, often resulting in the concentration of women in undervalued, low-paid jobs. This substantially diminishes women's earnings over their lifetime, and also reduces the pool of skilled workers available in local area labour markets.

### 1.1 Horizontal segregation

Scotland's labour market is starkly segregated. Men and women are clustered into different occupational and industrial sectors, as seen in the table below, from a Close the Gap publication on occupational segregation. <sup>4</sup>

Occupational sector	% men	% women
Agriculture, forestry and fishing	82.2	17.8
Energy and water	77.3	22.7
Manufacturing	77.7	22.3
Construction	82.6	17.4
Transport and communication	73.1	26.9
Public administration, education and health	27.0	73.0

This segregation has significant impacts on women's equality and on Scotland's economy. Investment in male-dominated industrial sectors disproportionately benefits men, and risks widening the gender pay gap. This has huge implications for women's lifetime economic inequality. Some economic sectors could grow, or grow faster, if they were able to use the skills of women who are prevented from working in the sectors for which they are qualified by inflexible working practices. Professor of Economics at Glasgow Caledonian University, Ailsa McKay, estimated the lack of women in science and engineering occupations represents a loss of £170 million per year to the Scottish Economy.<sup>5</sup>

<sup>&</sup>lt;sup>4</sup> Close the Gap (February 2013) *Shifting the Balance: Exploring the trade union responses to tackling occupational segregation* Close the Gap Working Paper 8

<sup>&</sup>lt;sup>5</sup> Royal Society of Edinburgh (2012) *Tapping all our Talents* 

## Gender segregation in education

Gendered occupational segregation is evident along the skills pipeline, with assumptions made about the capabilities and interests of girls and boys from pre-school onwards. From a very early age, very fixed ideas based on gender stereotypes influence the choices that children and young people make in relation to subject and career choice.

Many subjects are still gender divided at secondary school level with young men studying technological studies (93%), graphic communication (71%) and physics (72%), and more young women studying home economics (92%), administration (77%), biology (64%) and art and design (82%).<sup>6</sup>

Attitudes and assumptions based on gender stereotypes mean that young men and women are also concentrated into different subject courses in further and higher education in Scotland. In further education colleges, women are clustered in art and design (72.4%), care (73.4%), hairdressing and beauty (96.6%), and languages (64.3%), while men are more likely to be found studying construction (92.0%), engineering (87.3%), nautical studies (93.7), and land- based industries (68.3%). In Scottish universities, more women than men study subjects allied to medicine (83.5%), social studies (80.1%), and languages (64.3%), while men dominate in mathematical and computing science (82.7%), engineering and technology (88.9%), and architecture (88.9%).

This gender segregation is replicated in the labour market, which is a major cause of the gender pay gap, contributes to women's and children's poverty, and restricts women's and men's choices.

The Scottish Government and its agencies should act to ensure that gender segregation reduces in subject choices, that university teacher and lecturers are encouraged to build their equalities capacity, and that careers, information, advice and guidance includes approaches to tackle gender segregation and stereotyping about young men and women's capabilities, ambitions, and aspirations.

# **Modern Apprenticeships**

There is persistent and acute gendered occupational segregation in Scotland's Modern Apprenticeship intermediate skills programme, which is the major entry point into the labour market for young people not in further or higher education. Women are concentrated in stereotypically female frameworks such as early years care and education, social care and hairdressing, which attract low rates of pay and have poorer labour market outcomes. Men are clustered into frameworks such as engineering, construction and

<sup>&</sup>lt;sup>6</sup> SQA (2014) Annual statistics report

<sup>&</sup>lt;sup>7</sup> Equality Challenge Unit (2013) *Equality in Colleges in Scotland: statistical report 2013* 

plumbing which have higher rates of pay and lead to better labour market outcomes. This stark segregation has not changed in the last ten years.

Occupation	% female 2005	% female 2010	% female 2015	% change
Construction	0.7	1.6	2	+1.3
Early years care and education	98.5	97.9	100	-1.5
Engineering	2.4	2.6	4	+1.6
Plumbing	0.4	0.9	0.9	+0.5
ICT	49.7	20.7	15	-34.7

There are significant public spending implications for the Modern Apprenticeship programme, as male-dominated frameworks are on average longer in duration and therefore resource intensive, have lower turnover, and are associated better labour market outcomes. The average spend per male apprentice is 59% higher than for a female apprentice.

# 1.2 Vertical segregation

Women continue to face a range of gendered structural barriers to promotion, and are consequently significantly under-represented at senior and management levels across the labour market. In Scotland, women comprise just 35% of managers, directors and senior officials. Although women make the majority of public sector workers, this is not reflected in senior positions within the sector. Only 28% of local authority chief executives, 36.4% of health board chief executives, and 30.9% of secondary school head teachers are women. 9

Inflexible working practices, particularly in senior roles, mean that women experience difficulties balancing work with caring responsibilities. Unfair and biased recruitment practices, and lack of access to informal networking opportunities, also differentially impact women.

Women are also under-represented in the boardroom, accounting for only 36% of public board appointments and 21% of public board chairs. <sup>10</sup> The gender balance is worse in the private sector with only 24% of FTSE board directors, and just 8.6% of executive directors being women. <sup>11</sup>

<sup>10</sup> Scottish Government (2014) Women on Board: Quality through diversity

<sup>&</sup>lt;sup>8</sup> Office for National Statistics (2014) Annual Survey of Hours and Earnings Provisional Results

<sup>&</sup>lt;sup>9</sup> Equality and Human Rights Commission (2011) Sex and Power in Scotland

<sup>&</sup>lt;sup>11</sup> Department for Business, Innovation and Skills (2015) Women on Boards: Davies Review Annual Report

We welcome the forthcoming Scottish Government advisory council on women and girls, which is to focus on occupational segregation. We are hopeful that this will lead to gender equality objectives being embedded in economic development strategies and a holistic approach to tackling occupational segregation that incorporates other issues addressed in this paper, such as employability, unpaid care and violence against women.

In particular, the Scottish Government should legislate to mandate equal gender representation on public sector boards using the new powers afforded to it by the Scotland Bill, and act to ensure that its economic development agencies and Business Pledge are enabling all sectors of the economy to tackle the 'glass ceilings', which prevent women from progressing into more senior roles in their occupation or industry.

#### 2. EMPLOYABILITY

Scotland is currently responsible for a significant amount of employability activity, and will soon have new powers to deliver additional programmes under the Scotland Act 2016. The commitment that Scottish Government has shown on a range of gender equality issues must be extended to this work.

# 2.1 Gendered employability programmes

Scotland needs employability interventions that are developed with women's needs in mind. In order to develop employability programmes that engage and enable women, it is critical to understand women's economic inequality, and the barriers to women's participation in the formal labour market, such as those set out in this briefing.

Employability policy and programmes that are not well gendered will not be effective for women. This is because an individual's readiness to work is profoundly affected by their education and skills, by their caring responsibilities, by their safety at home and in the workplace, and by the types of work they are able to access. Women have different experiences than men in all of these areas. Employability programmes need to take account of these differences and purposefully respond to them.<sup>12</sup>

We also know that generic skills and employability programmes are likely to replicate gendered patterns of skills acquisition and employment. Occupational segregation is a labour market inefficiency, with the market failing to allocate people to jobs based on their skills, and therefore functions as a drag on economic growth. In the face of falling economic growth, and the contraction of social security budgets, it is simply good sense to ensure that employability programmes are designed to address occupational segregation as a central aim.

Targeted support for women, therefore, will likely have a positive impact on women's economic activity. For example, Women onto Work was an employability programme which provided specific tailored support to tackle the barriers women face when out of work or at

<sup>&</sup>lt;sup>12</sup> Engender (2016) *Unblocking the pipeline: Gender and employability in Scotland* 

risk of long term unemployment.<sup>13</sup> Diverse groups of women also have specific support needs. For instance, refugee women are disadvantaged in current employment support provision, which tends to be a one-size-fits-all approach targeting those who are long-term unemployed. Existing models do not account for the particular needs, experiences and skills of many refugee women. The Refugee Women's Strategy Group developed and piloted an innovative approach to employment support and ESOL with Glasgow ESOL Forum and SRC, funded by Scottish Government, which could be built upon to deliver more targeted provision that supports refugee and migrant women back into work.<sup>14</sup>

# 2.2 Social security

The interrelationship between employability and social security policy has tightened as a result of the shift in UK Government policy described as "welfare reform". The regime of sanctions and conditionality now in operation in Job Centres mandates enforced participation in so-called employability activities. The social safety net is now under intense pressure in the UK, and the dramatic reduction in social security budgets and familialisation of benefits is having a profoundly negative impact on women. This negative impact is only projected to worsen. The increase in women's poverty as a result of "welfare reform", and the withdrawal of public services because of austerity, will have an effect on women's capacity to participate in employability activity.

Two current DWP employability programmes, the Work Programme and Work Choice, will be devolved under the Scotland Act 2016. The Scottish Government therefore has the opportunity to design replacement programmes with gender equality as a central aim. New powers over employment support offer the potential to design programmes that take account of the particular barriers faced by women in the labour market. Failure to do so will ensure that women are further entrenched into low-paid, low-valued, and often less secure work.

#### 3. UNPAID WORK

Links between women's paid and unpaid work, and the lack of value attached to each, are vital to debate on gender and the workplace. For many women, providing unpaid care for children, disabled people, and older people constrains their participation in the formal labour market. This reduces their income potential and creates a higher risk of poverty, particularly in old age.

<sup>&</sup>lt;sup>13</sup> Women Onto Work was the only gender specific employability service in Scotland offering support to women facing multiple barriers to employment. The service combined bespoke coaching, training, informal networking, work placements and education opportunities.

<sup>&</sup>lt;sup>14</sup> Scottish Refugee Council (2014) *One step closer: Confidence building and employability skills for refugee and asylum seeking women* 

## 3.1 Childcare

Scotland has some of the highest childcare costs in the UK, and the UK costs are already among the highest in the world. <sup>15</sup> Access to affordable childcare is a major barrier to women being able to work, study and train. A quarter of parents in severe poverty in Scotland have given up work, a third has turned down a job, and a quarter has not been able to take up education or training because of high childcare costs. <sup>16</sup>

Less than one fifth (15%) of local authorities in Scotland have sufficient childcare for parents who work full-time, and less than one in ten (9%) local authorities have enough childcare for parents who work outside of normal hours.<sup>17</sup> Access is worse for disabled children, older children, or in rural areas.<sup>18</sup>

Moves by the Scottish Government to increase the number of free childcare hours for three to five year olds to 600 hours per year are welcome. However, this still only equates to the weekly equivalent of primary school hours. Women need wrap-around childcare to enable them to participate in the labour market equally, and train and study on an equal basis. It is also imperative that a rapid expansion of the childcare sector does not simply replicate the low pay that characterises the sector currently, but that workers within it receive at least a living wage.

# 3.2 Carers

Unpaid carers, almost 60% of whom are women, save Scotland an estimated £10.8bn, or over a third of the national budget per year. Women make up the majority of carers in Scotland across all age groups, and this is particularly acute amongst working-age women between 25 and 49 years old where they represent almost two thirds of carers. Furthermore, gender norms mean that women are less likely to self-identify as carers, and so Census figures are unlikely to reveal the extent of women's caring roles. The true figure is likely to be upwards of 70%. <sup>19</sup>

Increasingly, women are combining looking after young children with caring for older and disabled loved ones. Over 2.4 million people in the UK are already combining raising children with caring for older parents, and women are four times as likely as men to have given up paid work because of multiple caring responsibilities.<sup>20</sup> The retirement income of these women will be significantly impacted as a result.

The social security system also militates against women carers' ability to take up paid work. The low earning disregard within Carer's Allowance can act as a financial disincentive to

<sup>17</sup> Rutter, Jill (2015) *Childcare Costs Survey 2015, Family and Childcare Trust* 

<sup>&</sup>lt;sup>15</sup> Save the Children (2011) Making Work Pay – The Childcare Trap

<sup>16</sup> ibid

<sup>&</sup>lt;sup>18</sup> The Daycare Trust and Children in Scotland (2011) *The Scottish Childcare Lottery* 

<sup>&</sup>lt;sup>19</sup> Skills for Care (2012) *Carers Matters – Everybody's business* 

<sup>&</sup>lt;sup>20</sup> Carers UK (2012) Sandwich Caring Combining childcare with caring for older or disabled relatives

enter into the labour market,<sup>21</sup> as only a penny above the earnings threshold means the whole entitlement is lost. Nor does the earnings threshold automatically align with the minimum wage; carers whose earnings rise marginally over the weekly threshold are forced to choose between reduced hours, giving up work, or losing benefits. Nor are carers allowed to study for more than 21 hours a week if they wish to claim Carer's Allowance. This has an impact on women of all ages in caring roles, in terms of access to training and education.

The Scottish Government's commitment to equalise Carer's Allowance with Jobseeker's Allowance once carers' benefits have been devolved is welcome. (Although, even at this increased rate, CA will represent only £2 per hour for a minimum of 35 hours per week.) The new entitlement could also be redesigned to support women's participation in the labour market, by broadening eligibility to all those in employment and education. This would reflect the value that unpaid carers bring to Scotland's society and economy.

#### 4. VIOLENCE AGAINST WOMEN

Women's attachment to the labour market, or to an employability programme, may be affected by an experience of gender based violence. This may be in the form of sexual harassment at work, which is experienced by six out of ten working women in the UK.<sup>22</sup> Women may be one of the 75% of those experiencing domestic abuse who are targeted at work. Perpetrators often use workplace resources such as phones and email to threaten, harass or abuse their current or former partner.

Women may also be prevented from attending work because of the injuries they have sustained as a result of being attacked by a partner. In 2009, this was of such a scale that its estimated cost to UK employers was £1.9bn in lost output.<sup>23</sup> Tactics of economic abuse are frequently employed by perpetrators and may have a significant impact on women's capacity to work, or participate in job-seeking activity. Women may also have a break in employment when they are moving away from the perpetrator, whether into refuges provided by women's aid services, or into private accommodation.

Women who are traumatised as a result of rape, stalking, or another crime being perpetrated against them may need time away from the labour market before they are able to work again. Although the criminal justice system has made substantive improvements to its response to gender based violence, the vast majority of victims of violence against women do not report the perpetrator to the police or to another statutory service. Women who have experienced gender based violence are resilient and have considerable emotional intelligence, but do require services that are responsive to their needs.

<sup>&</sup>lt;sup>21</sup> Carers are only able to earn £110 a week before losing Carer's Allowance.

<sup>&</sup>lt;sup>22</sup> Slater & Gordon (2013) Sexual Harassment Rife in the Workplace

<sup>&</sup>lt;sup>23</sup> Sylvia Walby (2009) *The Cost of Domestic Violence: Update 2009* 

#### **5. EQUALITY AND RIGHTS**

Women face a high degree of discrimination within the workplace on account of their gender. Much of this relates to pregnancy and maternity, despite the protections for pregnant women and mothers provided by the Equality Act 2010. The current and previous UK Governments have also made a series of changes and proposals to undercut workers' rights, with particular implications for women.

# 5.1 Maternity and pregnancy discrimination

The Equality and Human Rights Commission and the UK Department for Business, Innovation, and Skills (BIS) recently carried our research into maternity discrimination.<sup>24</sup> The initial findings from its survey of employers and mothers were:

- One in nine mothers surveyed (11%) was dismissed, made compulsorily redundant, or treated so unfavourably they felt compelled to resign. If extrapolated to the working population, this may mean that 54,000 women leave their jobs each year as a result of pregnancy discrimination. This represents a significant increase from the findings of similar research carried out in 2005, which suggested that 30,000 women lost jobs as a result of pregnancy discrimination.
- One in five mothers surveyed experienced negative comments or harassment related to their pregnancy.
- 10 per cent of mothers said their employer discouraged them from attending antenatal appointments.

The Scottish Government should address this where possible through the Business Pledge and public sector equality duty.

# 5.2 Access to justice: employment tribunal fees

The UK Government has introduced employment tribunal fees of £1200 for claimants, which has seen the number of equal pay claims and sex discrimination cases drop by 83% and 91% respectively. This has left many women unable to access justice after experiencing discrimination.

The medium-run impacts of this fall in the number of cases are not yet known, but it is important that poor employers can be held accountable for the damage that they do to individual women, to local economies, and to businesses that are law-abiding and offer decent employment. The Scottish Government should abolish employment tribunal fees once it has the power to do so.

# 5.3 Public sector equality duty

In Scotland, there are specific duties on listed public authorities which oblige them to publish their gender pay gaps and information on occupational segregation, and set equality

<sup>&</sup>lt;sup>24</sup> EHRC (2015) *Pregnancy and Maternity related disadvantage: Summary of key findings* 

outcomes under the public sector equality duty. While these regulations are to be welcomed, the performance of public authorities in relation to publishing information on gender and employment has been poor, with few taking action to address women's pay inequality.<sup>25</sup>

The United Nations CEDAW Committee expressed concerns in its concluding observations that consolidating the pre-existing race, gender, and disability equality duties into the public sector equality duty had reduced the visibility and focus on gender equality. We and other women's organisations in Scotland share those concerns.

### 5.4 Workers' rights

Legislation introduced by the previous UK Government, and plans by the current Government has severely restricted, and will serve to further restrict, trade union activity in the UK. Plans which will significantly restrict the right to take industrial action have also been announced. Trades unions have been at the forefront of work to secure women's equality in the labour market. Most unions train specialist equality representatives to engage authoritatively with employers on equalities policy and practice. Unions also work to raise awareness among women of their employment rights, and encourage gender-sensitive employment policy formulation. The trade union movement has long campaigned for equality representatives to be placed on the same statutory footing, and therefore afforded facilities on the same basis as health and safety representatives and workplace representatives.

Following last week's vote to leave the EU, the outlook for workers' rights across the UK are even more at risk of regression in the coming years. For details of how this may impact on women, please see our recent briefing on gender equality and the EU referendum.

#### **CONCLUSION**

Women's work, whether unpaid or paid, is critical to Scotland's productivity and wellbeing. This is recognised in Scottish Government economic strategy, but there remains a great deal to be done to tackle the barriers to women's labour market participation and to improve women's experiences within paid employment. Occupational segregation, employability, childcare and support for unpaid carers, violence against women, and equalities and human rights frameworks are all vital components of this agenda. We urge the Scottish Parliament to take these issues into account throughout its work and advocate for a holistic approach to tackling gender inequality in the workplace.

<sup>&</sup>lt;sup>25</sup> Close the Gap (2014) Monitoring Public Bodies' Compliance with the Public Sector Equality Duty

### FOR FURTHER INFORMATION

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# **ABOUT ENGENDER**

Engender has a vision for a Scotland in which women and men have equal opportunities in life, equal access to resources and power, and are equally safe and secure from harm. We are a feminist organisation that has worked in Scotland for 20 years to advance equality between women and men.