Written evidence submitted by Rhianna Camsell to the Gender Pay Gap Inquiry

I am a student at the University of Sheffield in my third year studying Politics. The vast gender inequalities in the UK stun me and I believe the gender pay gap is an important inequality that must be rectified. Whilst several governments have attempted to close the gap they have never been particularly successful. I am offering my recommendations in the hope that the Government finally implements worthwhile and effective policies that change the gendered landscape of income levels.

This submission makes three core arguments regarding the gender pay gap:

   a. The government should ensure all companies, regardless of size, disclose their average pay by gender annually.

   b. The government should make it compulsory for companies to offer flexible working contracts, unless they have a valid business reason as to why they cannot comply.

   c. The government should create and empower an independent statutory body to enforce these requirements.

a. The government should ensure all companies, regardless of their size, disclose their average pay by gender annually.

1. Beginning in 2016 all large companies (employing 250+ workers) must declare their:

   • Overall gender pay gap

   They are encouraged to disclose their:

   • Full-time gender pay gap
   • Part-time gender pay gap
• Difference between men and women’s starting salaries
• Difference between average basic pay and total average earnings of men and women broken down by grade and job type
• Reward components at different levels, for example bonuses.

Declaring only their overall gender pay gap can be misleading and it will not show where women are falling behind. Meaning the deep-rooted problem cannot be properly addressed. In order to properly tackle the gender pay gap, companies should publish all of the above pay gaps. It is criticised as being costly to companies but currently women are only making £272 billion a year, compared with the £516 billion last year men made. It is certainly a cost worth incurring if the UK wants to be considered a leading state in gender equality. Declaring all pay gaps should also be mandatory as the voluntary Think, Act, Report scheme introduced in 2011 by the Conservatives saw only six of the 135 companies that signed up actually publish their gender pay gap. This shows that companies as a whole are not interested in closing the gender pay gap and therefore stricter legislative measures must be implemented in order to rectify this archaic phenomenon.

2. 60% of people do not work in firms that categorise as a large company and as such the collected data will not be representative. This, in turn, does not generate a valid picture of the gender pay gap and will only perpetuate it. Therefore I suggest that every company should have to declare their gender pay gaps, not just large companies. Micro-businesses (those that employ less than ten people) make up 95% of all businesses in the UK and therefore they must be included in the fight for equal pay. Although they may have limited resources they only have a maximum of nine employees on which they must generate data on, meaning they should not be exempt. Excusing small companies will not allow for the gender pay gap to close as there are almost as many people working for micro-businesses (33%) as there are those working for large companies (40%). It is not acceptable to
allow certain companies to abscond from the fight for equal pay just because of their size. Where any of the gender pay gaps previously mentioned are over 10% in any company then the firm should be given a warning by a government body (point c discusses this body I refer to throughout the submission). A year later when they must declare their pay gaps again if they are still above 10% in any areas then a fine based on the size of the company should be implemented by the government body.

b. The government should make it compulsory for companies to offer flexible working contracts, unless they have a valid business reason as to why they cannot comply.

3. Currently an employee can apply for a flexible working contract if they have been at the company for at least 26 weeks. Flexible work can come in several forms, including:

- Job sharing: Two people do one job and split the hours.
- Working from home: Complete some or all of the work from home or anywhere else other than the normal place of work.
- Part time: Working less than full-time hours (usually by working fewer days).
- Compressed hours: Working full-time hours but over fewer days.
- Flexitime: The employee chooses when to start and end work (within agreed limits) but works ‘core hours’, e.g. 10am to 4pm every day.
- Annualised hours: The employee has to work a certain number of hours over the year but they have some flexibility about when they work. There are sometimes ‘core hours’ which the employee regularly works each week, and they work the rest of their hours flexibly or when there’s extra demand at work.
- Staggered hours: The employee has different start, finish and break times from other workers.
Phased retirement: Default retirement age has been phased out and older workers can choose when they want to retire. This means they can reduce their hours and work part time.

The employer must then consider their proposal and can reject it for any of the following reasons:

- It would create extra costs that would damage the business
- The work cannot be reorganised among other staff
- People cannot be recruited to do the work
- Flexible working would affect quality and performance
- The business would not be able to meet customer demand
- There would be a lack of work to do during the proposed working times
- The business is planning changes to the workforce

In reality this means an employer can turn down any application for flexible working. Flexible working is important in bridging the gender gap. This is because flexible working is mostly requested by those with caring responsibilities, as the Government anticipated when it was brought into law in 2014. Not only are women usually their child’s primary caretaker. In the UK 1 in 4 women aged 50-64 have caring responsibilities (outside of childcare), compared to 1 in 6 men. Women have a 50:50 chance of providing care by the time they are 59; compared with men who have the same chance by the time they are 75 years old. This shows how much more important flexible working will be to women and this, in turn, will begin the journey to reduce the gender pay gap. Not only this, women are more likely to be sandwich carers (meaning they care for more than one person, e.g. elders and children). The peak age for women to be sandwich carers is 40-44, the same age that women’s pay drops significantly below their male counterparts. This could suggest a causal relationship whereby their wage decreases due to their increased family responsibilities. This is not to say that flexible working will only benefit women. A study by
Boston University has found that when employees (of any gender) have flexible working hours they feel less stressed and their physical and mental health improves. Flexible working is also found to have less negative spill-over effects. Spill-over is a process by which attitudes and behaviour carry over from one role to another. The National Study of the Changing Workforce found that employees in more flexible workplaces exhibited less negative spill-over between work and family life. This was found to have benefits for both employers and employees. For employers it led to greater productivity and employees enjoyed better health and relationships outside of the workplace.

4. It is clear, therefore, that the benefits of flexible work far outweigh the costs. In order for the current law to have an effect changes need to be made. Firstly an employee should not have to work for a company for 26 weeks before they can request flexible working; unfortunately employees do not always know in advance when they are going to need to adapt their work life. Secondly, it should be much harder for an employer to dismiss a request for flexible working from an employee. The current situation whereby the employer and employee deal with the request between themselves should continue to ensue. The employer must expand on their chosen reason as to why they cannot give their employee flexible working. For example if they were to dismiss the application on the grounds that it would create extra costs that would damage the business, they would need to explain exactly where these costs would lie and an approximate fiscal amount. If the employee is not satisfied with the answer they can take it to the government body who would then investigate the case and make the final decision. Their decision would be made on several factors including the total cost to the business in relation to the size of the business. This is something that would have a real and positive impact on the gender pay gap, furthermore it benefits employers too. Flexible working leads to: a more efficient and productive organisation; a more
empowered and motivated workforce; better customer service and increased customer loyalty; increased staff retention and attractiveness to potential employees; reduced levels of sickness absence; and working hours that best suit employees and customers.

c. **The government should create and empower an independent statutory body to enforce these requirements.**

5. The obvious public body to enforce and oversee these recommendations would be the Equality and Human Rights Commission. Whilst this body would be suited to tackling the gender pay gap it has several other important responsibilities to manage and gender equality should be a priority for its protector. The Equality and Human Rights Commission does not have the time nor resources to push for the change that is needed for gender equality. The need for such a body is more than for just the gender pay gap. It is time for the UK to finally catch up with other countries and lead the way towards gender equality. The UK’s pay gap is the sixth highest in Europe and therefore is an aspect that urgently needs to be reduced with a new statutory body. Not only this, there are so many other problems that could be solved too, or at least reduced with such a body. This body could enforce and encourage gender equality nationally and safeguard those who are disadvantaged due to their gender. It is not that legislation is not in place for girls and women, it is the enforcement that is the issue. Gender equality will be a real possibility with a body whose primary aim is to enforce equality and protect those suffering because of their gender. The gender pay gap will not close with weak and unenforceable legislation, one only needs to look over the past forty-five years (since the Equal Pay Act 1970) to see that. It is time a statutory body works with the public in order to finally close the gender pay gap.
3 December 2015

Bibliography:
https://www.gov.uk/flexible-working/overview (accessed 03/12/2015)