Written evidence submitted by Sharon Greene, national women’s officer, on behalf of UNISON, to the Gender Pay gap Inquiry

**Introduction**
UNISON is the UK’s largest public service union with more than 1.3 million members. Our members are people working in the public services, for private contractors providing public services and in the essential utilities. They include frontline staff and managers, working full or part time in local authorities, the NHS, the police service, colleges and schools, the electricity, gas and water industries, transport and the voluntary sector. 78% of our members are women; many are low paid or work part time.

UNISON has been instrumental in negotiating on equal pay, family friendly policies and workplace equality. These negotiations have contributed to the narrowing of the gender pay gap in the public sector, which now stands at 11.4%, compared to 17.2% according to the latest ONS figures. However, it is of great concern that these same figures indicate that the public sector pay gap has widened slightly, marking a stalling in progress, if not a reversal.

**Executive Summary and recommendations**

- The measures undertaken by the government to date are not sufficient to close the gender pay gap.
- Mandatory pay reporting should be introduced, regardless of size of employer.
- A third of older women members in UNISON women are actively seeking promotional and career development opportunities, particularly given the rise in the retirement age.
- Cultural change is necessary to ensure that women’s caring responsibilities and the lack of quality part time and flexible working opportunities disproportionately impact on older women’s ability to progress in the workplace.
- Government cuts to education and training budgets are harming women’s ability to access skills based training which would assist their development, employment and/or promotional prospects.
- Voluntary measures have so far failed to close the gender pay gap significantly. Further government action and enforcement is necessary to make that change.

**How effective will the government’s proposals be in reducing the gender pay gap faced by women over 40?**

1. UNISON responded in detail to the BIS consultation on the implementation of Section 78. In that response, we made it clear that we believed that whilst the publication of gender pay information is welcomed, in isolation it will do little to close the gender pay gap. It may encourage some employers to take action, but will only do so if there is consistency in the approach across
employers in terms of the information required, how that is shared and monitored and, where necessary, how action is enforced. That is as true of the gender pay gap (GPG) for women over 40 as other age groups.

2. The publication of an overall pay gap figure is not sufficient. Regardless of the age of employee, UNISON believes that companies with less than 250 employees should not be excluded from GPG reporting when they are not excluded from other employment legislation. There will be support and guidance available to ensure that even smaller employers are able to meet the requirement, which is not onerous in the proposed form. A further breakdown of the following, including by age, would be a first step in identifying the scale of the problem within individual organisations:

- Full time male and female employees;
- Part time female and full time male employees (comparison between part time male and female employees is unlikely to provide quality data as so few men work part time)
- The gaps within grades or job roles;
- The distribution of men and women by grade or job role;
- The gap in basic pay and additional earnings – bonus payments, honoraria, overtime, and other supplements, which can hide the true figure.
- Hidden earnings or benefits should also be the subject of scrutiny. For example, additional annual leave based on seniority or continuous service is a benefit in kind primarily awarded to men due to patterns of work and promotion.

3. Likewise, it is not yet clear what penalties will be in place for non-compliance with the reporting requirements. These must be significant, if employers are not to ignore the requirement to publish and take action, preferring to pay a minimal fine rather than risk providing information which may expose policies and practices which result in discriminatory pay.

**What actions would be most effective in reducing the pay differentials faced by this group? What actions would be most effective in improving recruitment, retention and re-training for women aged over 40?**

4. These two issues are closely linked. Women are precluded from opportunities in the workplace by factors which also impact on the gender pay gap.

5. In 2014 UNISON published the “Women Deserve Better” report into a better deal for women aged 50 and over in employment, based on
research involving 5500 UNISON members. The full report can be found here:

6. https://www.unison.org.uk/content/uploads/2014/03/Policieswomen-deserve-better-v2b2.pdf

7. Clearly there is no “one-size fits all” solution. However, some of the key points in respect of older women fulfilling their full potential are as follows:

8. There is a clear need for high quality part time and flexible working – it is as relevant to older women as it is to young women and those returning to work after starting their families.

9. Almost half of UNISON's one million women members work part time. Some occupations eg hospital domestics and school meals workers, are nearly all part time and are almost exclusively staffed by women - four times as many women than men work part time.

10. Whilst part time work is often the only option for women seeking to balance homecare commitments with an income, there is, quite literally, a price to be paid, as the gender pay gap for women part time workers is significantly wider – almost 10% greater - than that for full time women workers (as compared to full time men).

11. Two in five of those responding to the UNISON survey wanted to cut their working hours as they moved towards retirement. For some it was due to health issues, particularly those in physical jobs or those going through a difficult menopause.

12. For many others their desire to work shorter hours was to care for dependant adults or to assist with childcare for the extended family. Because of the complex variety of caring responsibilities, a more sophisticated approach than the standard family friendly policies for younger women are necessary. However, employers are often unsympathetic to requests for flexible working from older women, prioritising the needs of younger workers. Where these needs are not met, women of the "sandwich generation" are likely to drop out of the workforce, or take work below their skill level. In the survey, only half had their flexible working requests agreed in full, and a quarter had been refused.

13. However, it is also worth noting that a significant number of older workers would prefer to increase their working hours, but had been denied the opportunity to do so. For many of these women, caring responsibilities had eased and they were keen to progress in the workplace, but perceptions of women part-time workers as less committed placed barriers in their way.
Career aspirations of older women

14. Overall, a third of all the survey respondents remained keen to progress in their work beyond the age of 50 – regardless of their job status. With the increase in the age of entitlement to a state pension, women have many more years in the workforce, and their skills and experience should be valued and rewarded, in the same way as that of men.

15. It is therefore important that employers recognise the career aspirations of older women, and ensure that they are treated fairly in opportunities for training and progression.

16. It is recognised that for this to be achieved there needs to be a significant cultural shift which:

- challenges the long-hours culture in the workplace which prohibits those with caring responsibilities from progressing;
- encourages employers to offer genuinely family friendly flexible working hours which do not have a pay penalty attached;
- ensures that flexible and part-time working opportunities are available to all employees – female and male - and that the presumption that jobs can only be done on a full time basis is challenged;
- makes employers aware of the business case for flexibility through which employers retain experienced and skilled women in the workplace, though the sharing of good practice.

17. Further, there is a need to review the right to request legislation to ensure that employers are not able to unfairly refuse requests to work flexibly/part time, particularly for older workers.

18. Specifically on the issue of retention, as well as ensuring fairer treatment for older workers seeking flexible working, on health or other grounds, an innovative suggestion is the provision of crisis/adjustment leave. Effectively this would operate as a longer period of compassionate leave, of between six weeks and six months, to allow time to make arrangements for, for example, a sudden and life changing incident in a family member’s health.

19. Often older women are faced with no choice but to leave the workforce to care for a partner or family member in crisis, when such an adjustment period would enable them to return to work once the crisis was resolved, or alternative arrangements put in place.

Access to training
20. UNISON participates in the Unionlearn scheme, which engages a quarter of a million working people into learning, giving them the chance to gain skills which they would not otherwise have the opportunity to develop. 2500 private companies and almost all of the public sector participate, demonstrating how effective union/employer relationships can be. It is therefore very disappointing that the government has significantly cut funding in this area, which is easy for women to access.

21. Year on year cuts in further education have also restricted women’s ability to access back-to-work and re-skilling courses. These courses are invaluable to women wishing to re-enter the workforce after a period of caring, whose skills may be outdated.

22. Older women may have been unable to access higher education, due to cultural, financial or family circumstances. The creation of artificial barriers, including the requirement to have a degree for higher level jobs, rather than relevant experience, disproportionately impacts on women, particularly in the education sector.

Is there any evidence that women aged over 40 face particular barriers to promotion? What could be done to address this problem?

23. The ONS figures clearly demonstrate that the gender pay gap increases with age. Whilst it could be argued that this is historical, given that the gap between young women is significantly smaller, the question of whether that gap will remain statistically small as these women grow older cannot be answered.

24. Given that the Women and Work Commission 2006 report *Shaping a Fairer Future* identified the causes of the gap as occupational segregation, caring responsibilities and discrimination in pay systems, and that none of these are resolved, it seems likely that the gap will persist. There is no evidence to suggest otherwise, and in fact the GPG in the public sector has increased, according to the latest ONS figures.

Are there particular difficulties in narrowing the gender pay gap for women working in predominately female sectors and non-professional roles? Are there any evidence based measures which could effectively address these issues?

25. UNISON is represented on the Joint Negotiating Committee for Higher Education Staff. The GPG in higher education is larger than that of the general population, at around 20%. The stark imbalance of earnings is illustrated in that whilst the workforce is fairly evenly split (54% female, 46% male), 70% of those earning
more than £50,000 are men, whilst 63% of those earning less than £17,678 are women.

26. The 2015 report of the Gender Pay Working Group contains a range of case studies into narrowing the gap in higher education. That report can be found here.


28. In areas such as homecare, the workforce is overwhelmingly female. The under-valuing of caring work was identified as an issue in the Women and Work Commission report, and this has been exacerbated by the proliferation of zero hours contracts in the sector. Women on such contracts are vulnerable – they receive the minimum wage or less, have no access to sick or holiday pay, they are unable to plan for their own caring responsibilities, have no guaranteed income and few employment rights. The government must take action to end exploitation of these most vulnerable workers by unscrupulous employers.

**Should the regulations on gender pay reporting be extended to organisations with fewer than 250 employees?**

29. Yes, there is no justification for excluding this group. There is plentiful advice and guidance to assist SMEs, and more can be developed if gaps are identified.

**Would voluntary measures regarding what employers do with gender pay gap information be sufficient to create change within organisations? What could be done to ensure that information about an organisation’s pay gap is translated into action?**

30. Voluntary measures have failed to close the gender pay gap. Even in the public sector, where equality proofed job evaluation schemes are the norm, the pay gap persists. However, it is clear from the disparity in the gap which exists in the private compared to the public sector that collective bargaining has resulted in more equal pay, less discrimination in pay schemes and greater equality between genders in higher paid positions. Whilst there is still much to achieve, progress has been made.

31. Trade union organisation has undoubtedly played a major role in achieving that success. Collective bargaining should therefore be supported, with an emphasis on positive and partnership working between employers and unions to find creative and sustainable solutions to the issues identified.

32. The attacks on trade union organising under the Trade Union Bill will do nothing to assist in closing the gender pay gap.
Which mechanisms would most effectively ensure that policies designed to narrow the gender pay gap are fully complied with? Is there evidence from other countries or policy areas of what might work best?

33. The introduction of the Public Sector Equality duty had the ability to make a significant difference, at least in the public sector. Changes introduced by the government in the last few years have diluted the duty, which is now weak and un-enforced. Equality schemes have been replaced by equality objectives, with no meaningful outcomes and little stakeholder involvement. Equality impact assessments are ignored, misunderstood or reduced to a tick box exercise.

34. The Equality and Human Rights Commission and its predecessor bodies were instrumental in bringing about change in equality standards in the UK. It is now under-resourced and unable to effectively monitor breaches of legislation, to enforce recommendations or to provide the level of support needed to make progress.

35. Specifically in relation to the equal pay element of the gender pay gap, the government should revise and simplify equal pay legislation, Introduce mandatory pay audits (for all employers) and allow representative action by trade unions on behalf of groups of members. Employment Tribunal recommendations should be enforceable, where equal pay cases are won. All these action have been consistently argued by UNISON and others.

36. The gender pay gap is significantly smaller in many other European countries. Whilst there may be hidden reasons for this, it should be possible for the government to explore how barriers have been overcome, and how progress has been achieved.

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