Written submission by the Universities & Colleges Employers Association (UCEA)

Summary

- The gender pay gap in higher education is closing faster than for all full-time employees in the UK according to the latest data from the Office for National Statistics. This progress follows a range of interventions by higher education employers, trade unions and sector bodies in recent years. The sector therefore has a wealth of good practices which employers in other sectors can learn from.

- Good initiatives to tackle the gender pay gap, such as support for researchers returning from extended leave because of caring responsibilities, are summarised in a recent joint report by UCEA and five sector trade unions. While there are some ‘quick win’ opportunities which could apply for older women, many are longer-term measures. This is because some underlying drivers of the gender pay gap, such as career choices, happen before people even start working. For examples of initiatives, see pages 13 to 16 of the New JNCHES Gender Pay Gap Working Group report: www.ucea.ac.uk/en/publications/index.cfm/nigender

- We are not aware of another sector where 71% of employers have reported (in a sector survey conducted in 2013) voluntarily completing a gender pay gap review in the preceding three years and 60% also having an action plan arising from the review.

About UCEA

1. UCEA is a membership association for Higher Education Institutions (HEIs) in the UK. Membership is voluntary and we have 166 member institutions which includes all state funded HEIs in the UK and several private HEIs. UCEA represents and promotes the interests of its member institutions as employers, while recognising their autonomy and diversity.

2. The purpose of our submission is to highlight the good practices that higher education employers have implemented over the years to the Women and Equalities Committee.
The higher education sector has many good initiatives to tackle the gender pay gap

3. The gender pay gap in higher education is closing faster than for the UK full-time employees, according to the Office for National Statistics’ (ONS) latest Annual Survey of Hours and Earnings. Using the ONS’ preferred measure of full-time hourly earnings excluding overtime, the gender pay gap in higher education fell from 13.5% in April 2014 to 11.1% in April 2015 based on median hourly earnings. Meanwhile the gender pay gap for full-time employees in the UK decreased from 9.6% to 9.4% over the same period. The gender pay gap for full-time higher education teaching professionals has also fallen, from 9.3% to 9.1%. This compares to a full-time gender pay gap of 11% for all professional occupations.

4. Higher education employers have been exemplars in undertaking gender pay gap reviews and using these to inform plans for change. 71% of HEIs had completed a gender pay gap review in the preceding three years to 2013, up from 30% in 2007; these data were gathered in UCEA’s joint surveys with the five sector trade unions. Our 2013 survey also revealed that 73% covered characteristics other than gender, 61% involved trade unions in the review and 60% said they had an action plan arising from their review. This is an impressive achievement for the sector with a substantial majority of higher education employers going over and above the minimum Public Sector Equality Duty requirement at the time, which in England was to publish equality objectives every five years:
   
   www.ucea.ac.uk/en/publications/index.cfm/jnchesep2013
   www.ucea.ac.uk/en/publications/index.cfm/njsureqpay

5. UCEA’s latest joint report with the five sector trade unions revealed a range of effective initiatives being taken by sector employers to tackle the gender pay gap. A number of universities have changed their promotion procedures to help advance the careers of older women by, for example, creating alternative paths to professorship which are not solely based on research, and introducing professor ‘bands’ or ‘zones’ to limit the gender pay gap. The implementation of these procedures is supported with initiatives like unconscious bias training of line managers and running workshops on how to apply for academic promotion. Interrupted careers can affect progression, so some universities mitigate this by providing support for returning researchers who have been absent for an extended period because of
caring responsibilities or maternity. One case study university we spoke to tackles the gender pay gap by embedding equality and diversity into its organisational KPIs, its practice for over 10 years. By 2020 it aims to have the same percentage of female senior lecturers as female lecturers, and annual performance reviews show figures are heading in the right direction. Besides attracting more women into senior roles, some universities have tackled the gender pay gap across grades by attracting more men to apply for administrative and catering jobs, which are disproportionately held by women. While there are some ‘quick win’ opportunities, many are longer-term measures because some causes of the gender pay gap, such as career choices, happen before people even start working. For more examples of initiatives, see pages 13 to 16 of the New JNCHES Gender Pay Gap Working Group report: www.ucea.ac.uk/en/publications/index.cfm/njgender

6. Actions taken by higher education employers are underpinned by complementary structural interventions which are driven by or linked to funding, reputation and active sharing of good practices. For example, some funding bodies like the National Institute of Health Research have asked for universities to demonstrate support for advancing women’s careers in order to be eligible for certain research grants. The Athena SWAN Charter, run by the sector Equality Challenge Unit, gives Bronze, Silver or Gold awards to universities (or departments) that can demonstrate support for women’s careers. The charter was established in 2005 to encourage and recognise commitment to advancing the careers of women in science, technology, engineering, maths and medicine employment in higher education and research. It was expanded in May 2015 to recognise work undertaken in arts, humanities, social sciences, business and law and now recognises work undertaken to address gender equality more broadly: www.ecu.ac.uk/equality-charters/athena-swan/

7. In addition to undertaking work on equality with the sector trade unions, UCEA has jointly published sector-level guidance on equal pay reviews: 2013): www.ucea.ac.uk/en/publications/index.cfm/epr13
8. UCEA would also like to draw to the Committee’s attention two important studies on the gender pay gap, which were covered in UCEA’s literature review on the topic: http://www.ucea.ac.uk/en/publications/index.cfm/njgpygap

9. The first is the study Olsen and Walby for the Equal Opportunities Commission (EOC) in 2004. Using data from the British Household Panel Survey\(^1\), the authors identified the relative strength of different factors that contributed to differences in pay between women and men – see Figure 1.\(^2\) The strongest explanation, accounting for 36% of the pay gap was the gender differences in lifetime working patterns, followed by labour market rigidities, which accounted for 18% of the difference. According to the study, a further 8% of the gap is explained by educational attainment while the remaining 38% is unexplained by unobservable characteristics and described as a combination of direct discrimination and differences in career preferences and motives. Through a regression analysis, Oslen and Walby were able to quantify how various changes in education and working patterns contributed to wages. Their significant findings are outlined in Table 1 below. The authors emphasise that the data show that indirect discrimination and systemic disadvantage play a significant role in sustaining the gender pay gap, it cannot simply be explained away by variations in education and working patterns.

**Figure 1: Components of the gender wage gap**

![Figure 1: Components of the gender wage gap](http://www.lancs.ac.uk/fass/sociology/papers/walby-modellinggenderpaygapswp17.pdf)

Source: Based on analysis of the British Household Panel Survey by Olsen and Walby, 2004. ‘Other institutional factors’ include the greater

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\(^1\) A weighted sample of around 10,000 adults in Britain.

proportion of women working for smaller firms and the smaller proportion in a union or staff association. 'Other factors associated with being female include direct discrimination and different preferences and motivations (some of which will be attributable to indirect discrimination or systematic disadvantage).

**Table 1: Factors affecting wages**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Effect on hourly wages</th>
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<tbody>
<tr>
<td>One year of full-time education</td>
<td>6% increase</td>
</tr>
<tr>
<td>One year of full-time employment</td>
<td>3% increase</td>
</tr>
<tr>
<td>One year of part-time employment</td>
<td>1% decrease (in addition to missing out on 3% gains from one year of full-time employment)</td>
</tr>
<tr>
<td>One year of interruptions to employment (e.g. childcare)</td>
<td>1% decrease (in addition to missing out on 3% gains from one year of full-time employment)</td>
</tr>
<tr>
<td>Every 10 percentage points higher the proportion of men working in an occupation</td>
<td>1% increase</td>
</tr>
<tr>
<td>Other factors associated with being female, including direct discrimination, preferences, motivations and attitudes to the labour market.</td>
<td>9% decrease</td>
</tr>
</tbody>
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10. A similar analysis was undertaken by Olsen, Gash, Vandecasteele, Walthery and Heuvelman for a report published by the Government Equalities Office. The analysis found that years of part-time working and years spent on family have the greatest negative impact on the hourly wage rate while working in the public sector, for a large firm, and/or being a member of a union have a considerable positive impact on wage – see Figure 16. Years of full-time working has the single most significant impact of any variable on average wages.
Figure 16: Institutional and structural drivers of the pay gap summarised and compared


References


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