Women and Equalities Select Committee:
Gender Pay Gap Inquiry

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This inquiry is most welcome. For brevity, I restrict my submission to defining terms, the forthcoming private sector gender pay gap (GPG) reporting requirements, and workforce planning actions to address the GPG for women in older age groups drawn from the Women Adding Value to the Economy (WAVE) employer case studies.

1. What do we mean by equal pay and gender pay gaps?

The principle of equal treatment underpins the requirement for equal pay in employment. Simply defined, this means that men and women working in the same or similar jobs and grades, or in work rated as equivalent, should earn the same hourly pay. Sheila Wild’s response to this inquiry gives a comprehensive review of equal pay legislation, its potential and limitations.

The gender pay gap measures the average gross median hourly pay of all men and women in employment. The ‘unadjusted pay gap’ currently 19.1% in the UK, refers to a measure that does not control for gender-differentiated sectors, occupations, contract types or working patterns. This measure captures the ways in which gender influences labour market participation and organisation; it therefore demonstrates inequalities in the employment structure (Parken, Rees, Baumgardt, 2009).

In this discussion, it is also helpful to acknowledge that gender, does not refer to fixed or biological attributes but is rather a term that describes how society is stratified by social and economic divisions such as class, ethnicity, age, disability, gender etc. We are therefore, considering how institutional systems and practices produce advantage or disadvantage, value and reward, not personal attributes or characteristics.

Similarly, occupations can be strongly associated with the roles men and women are expected to play in society and the economy.

Employers can draw these expected gender ‘norms’, anticipated both by employers and employees, into the workplace and reinforce 1 Research reports available at: http://www.cardiff.ac.uk/research/explore/research-units/women-adding-value-to-the-economy-wave
them. However, although, gender segregation by sector, industry, occupation and working pattern (full time/part time) has been resistant to change, and measures to ensure equal pay will not resolve the production of gender pay gaps, there are points of intervention once such patterns are not seen as natural, inevitable or always representing unfettered choices.

2. Gendered Employment Structures

In a recent review of occupations in Wales, only 25% of employed and self-employed workers were in gender-balanced jobs (Parken et al. 2014). UK labour market analysis shows that 46% of women are employed in low, lower-middle skilled jobs (such administration, caring and leisure and sales), compared to 24% of men (ONS, 2013). Despite more women attaining good quality degrees than men (first or 2:1) a higher proportion of women graduates work in jobs with knowledge or skills requirements below their qualifications level (ONS, 2013).

Men continue to hold a much larger share of the stock of full time jobs in the economy (Parken et al., 2014), and of the higher skilled occupations associated with higher pay (associate professional and technical, and skilled trades) (ONS, 2013, p. 10).

At 41%, the proportion of women who work on a part time basis is little changed since the 1970s (Manning 2010). Three quarters of women’s part time jobs are situated in low paid work (Parken et al. 2014), women often work in the same part time jobs for 10 or more years (Doogan, 2005), and there are few training opportunities in such jobs (Felstead et al. 2013).

Women who start out in part-time work, perhaps because on average more than 40% of such jobs are offered on a part time basis (Parken, et al. 2014), can find themselves ‘stuck to the floor’ of the employment structure over their working lives. When so much of ‘women’s work’ is only available on a part time basis, the choice to work on a full time basis is constrained.

3. Gender pay Reporting Requirements

New regulations requiring employers with more than 250 employees to publish their gender pay gaps can galvanize action on this issue. However, pay figures alone will not be sufficient for employers to understand what creates and sustains gender pay gaps within their organisations. An employment and pay analysis is required to demonstrate the combined impact of job, grade, contract type, and working pattern on pay.
Such analysis was undertaken with collaborating employers in the WAVE employment and pay case studies (Parken, 2015). These large public sector employers had no or low hourly pay disparities between men and women in the same jobs or grades as they had already established and continuous job evaluation processes.

However, they did have gender pay gaps, resulting from occupational segregation, the over-representation of women in low paid part time jobs at the bottom of the employment structure, and the over-representation of men in full time jobs throughout the employment structure, particularly at the top end (Parken, 2015).

Creating such an evidence base, will demonstrate for employers where they can intervene for different groups of women. I draw briefly on the innovative actions of the WAVE employers to show what they are doing to try to prevent gender pay gaps from being reproduced within the employment structure.

4. Is there any evidence that women aged over 40 face particular barriers to promotion? If so, what could be done to address this problem?

4.1 Low-graded workers in part time roles.
This section reports broad findings from the three WAVE case studies combined. The average age of women in part time work was 40 plus, they were much more likely than men to be in casual or temporary posts and to have two or more posts with the same employer. Average tenure in low paid part time work, with the same employer was 2 or more years. This average across all three case studies is subject to different methods for measuring tenure within each employment, but it is far to say that in many instances, women had been in these jobs for 10 or more years.

As a result of the analysis, these employees have been recognized as a valuable resource, knowledgeable about, and committed to, the organization, and therefore a source of development potential. Subsequent employee consultations, have revealed that the majority, aspire to more hours of work, training, job enrichment and progression.

The WAVE employers have acknowledged that the label ‘part time’ can infer lack of ambition, that these jobs do not offer job or career pathways, and they are working to remedy this is in a variety of ways (see link below).
4.2 High-graded workers in full time and part time roles.

Two of our case study employers had established STEM career pathways. The employment and pay analysis established that although roughly equal numbers of highly qualified men and women were entering the professions, by age 35, there were far fewer women in full time employment than men.

Career interruptions are not the only reason women do not progress, and the greater availability of part time work in higher graded roles is to be welcomed. However, there are age-staged career progression expectations within professional careers based up a ‘male norm’ of full time working. As a result it is difficult for women in high graded part time work to continue to progress, and men become over-represented in the most senior grades.

As a result of the findings, employers have introduced:
• Clear career pathways
• An internal careers service
• Ready for promotion schemes
• Returners Review - opportunities to progress in part time work at bottom and top of hierarchy

For more detailed discussion of the WAVE employer actions, see their change management reports at: http://www.cardiff.ac.uk/research/explore/research-units/women-adding-value-to-the-economy-wave

References


WAVE programme, ESF funded through the Welsh Government, Cardiff: Cardiff University


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