# **CLOSE THE GAP WORKING PAPER 13**

# Women and work: What comes next in a post-referendum Scotland?

August 2014

# Scotland's Independence Referendum

On 18th September 2014 the people of Scotland will be asked to vote in the referendum on whether Scotland should be an independent country.

The aim of this paper is to provide an overview of the implications for women and work in the context of the independence debate. The paper reviews the main publications<sup>1</sup> and viewpoints on both sides of the independence debate and considers them in relation to women and work. It then examines the solutions that are proposed to address women's inequality in workplace in a post-referendum Scotland, identifies what needs to happen to effect change, and describes the levers that are available in the event of either outcome.

Close the Gap maintains a position of neutrality on the outcome of the referendum.

# Women's unequal position in the labour market

The gender pay gap is one of the clearest indicators of women's inequality in the labour market. In Scotland it currently stands at 13 per cent when women's full time average hourly earnings are compared with men's full time hourly earnings, and 34 per cent when women's part time average hourly earnings are compared with men's part time hourly earnings<sup>2</sup>. There are a number of factors which contribute to the headline gender pay gap including occupational segregation and part-time working, as well as issues such as the size of the workplace and whether the workplace has trade union recognition.<sup>3</sup>

There are two types of occupational segregation. Horizontal segregation is the clustering of women and men into gender-stereotyped occupations and sectors, and is a key cause of pay inequality and in-work poverty. Stereotypical 'women's

<sup>&</sup>lt;sup>1</sup>The Scottish Government's white paper 'Scotland's Future', and Scottish Labour's 'Together We Can'

<sup>&</sup>lt;sup>2</sup>Office for National Statistics (2013) Annual Survey of Hours and Earnings http://www.ons.gov.uk/ons/rel/ashe/annual-survey-of-hours-and-earnings/2012-revised-results/index.html Accessed August 2014

<sup>&</sup>lt;sup>3</sup>Olsen, W and Walby, S (2004) *Modelling gender pay gaps*, Equal Opportunities Commission, Manchester.

work' like the '5 Cs' (cleaning, catering, clerical, cashiering (retail) and caring) is generally under-valued and associated with low pay. Vertical segregation is the concentration of women into lower grades within organisations, and the invisible barrier that prevents women from progressing to senior levels is known as the 'glass ceiling'.

Women working in Scotland are more likely to be concentrated in certain sectors, for example 45 per cent of women in the labour market work in Public Administration, Education and Health sectors, whereas men are evenly spread across sectors. This is also true of certain occupational categories. The five most female-dominated occupations are secretarial, caring, health professionals, administration and health and social care associative occupations.

Jobs associated with 'women's work' tend to be part-time. 41 per cent of women in employment work part-time, compared to 11 per cent of men, with 26 per cent of the total workforce working part-time.<sup>4</sup> Women and men cite different reasons for working part-time, with women more often forced into part-time work because of a need to balance paid work with caring commitments, while men are more likely to work part-time while studying.<sup>5</sup> There is a severe lack of quality part-time work available in the Scottish and UK-wide labour markets, and because part-time work is generally lower valued, lower skilled and lower paid, many women end up working below their acquired and potential skill level, with few opportunities for promotion and progression. Flexible working options further diminish for more senior roles and management positions. Part-time work has a long term scarring effect on women's wages; women who have spent just one year in part-time work and then worked full-time, can still expect to earn up to 10 per cent less after 15 years than those who have worked full-time for all 15 years.<sup>6</sup>

The current UK Government's programme of 'welfare reform' has had a severely gendered impact, with women bearing the brunt of the cuts. £14.9 billion worth of cuts have been made to benefits, tax credits, pay and pensions since 2010, and 74 per cent of this has been taken from women's incomes. This impacts on women's income in employment, as women in low paid jobs rely on social security payments to top up their pay. Changes to the benefits system under Universal Credit mean that single parents whose youngest child is aged five or over will be subject to all work-related requirements as they are under jobseeker's allowance, with no protection from sanction if they have to leave or refuse a job due to a lack of available or affordable childcare.

<sup>&</sup>lt;sup>4</sup>ONS Annual Population Survey 2013-2014, Accessed via NOMIS August 2014.

<sup>&</sup>lt;sup>5</sup>Scottish Executive (2007) A Gender Audit of Statistics: Comparing the Position of Women and Men in Scotland

<sup>&</sup>lt;sup>6</sup>Francesconi, M and Gosling, A, (2005) Career paths of part-time workers.

<sup>&</sup>lt;sup>7</sup>The Scottish Government (2013) The gender impact of welfare reform

Public sector spending cuts also disproportionately affect women's employment. Women make up two thirds of the public sector workforce, meaning many of those who lose their jobs may be pushed into the private sector where better quality part time and flexible working options are less likely to be found and generally lower paid than those in the public sector. Forced reductions in hours, recruitment freezes and an increase in flexible working request refusals equate to a squeeze on the terms and conditions of those women who remain in the public sector. The reason for the disproportionate impact of the cuts agenda on women is simple: women's pre-existing inequality.

#### **Education and skills**

The school environment is where young people lay the foundations for further education, training and employment. The relationship between choice of subjects, area of study and resultant occupation is intrinsically influenced by socially and culturally constructed gender stereotypes of girls and boys from a young age. In Scotland, the choices school pupils make in relation to subjects are heavily segregated, with girls over-represented in biology, social sciences, arts, home economics, and languages, and boys over-represented in physics, technology, computing, craft and design. The impact of these choices shapes the long term education, training and employment patterns of girls and boys, further compounding gender differences.

Patterns of gendered segregation are also found within the Modern Apprenticeship (MA) programme. Men are concentrated in 'traditional' frameworks such as construction and engineering, while women are concentrated in 'non-traditional' frameworks, such as early years education and care and retail. Men also tend to do higher level qualifications than women which generally lead to higher paid employment. The MA programme is a clear example of where a lack of gendered analysis has resulted in a publically funded programme perpetuating and exacerbating women's unequal participation in the labour market. The MA programme has particularly failed young women by reinforcing gendered occupational segregation and channelling women into Level Two frameworks resulting in lower paid employment opportunities.

## What is currently happening?

Gender stereotyping impacts across every aspect of women's inequality, not least because it is a major cause of occupational segregation and therefore the gender pay gap. Tackling this issue requires an integrated approach from all stakeholders. In 2006, the then Scottish Executive convened a cross-directorate Occupational

<sup>&</sup>lt;sup>8</sup>Scottish Government Social Research (2010) Tackling Occupational Segregation, A Review of Key Evidence and National Policies, available www.scotland.gov.uk/socialresearch

Segregation Working Group (OSWG)<sup>9</sup>, which led to the Scottish Government including occupational segregation as one of its two Ministerial Priorities under the Gender Equality Duty. Unlike its predecessor duty, the public sector equality duty (PSED) does not require a specific gender priority, however the OSWG was reconvened following the Women's Employment Summit in 2012 and its recommendations remain relevant.

Current and previous Scottish Governments have also included action to tackle gender stereotyping across a number of frameworks, such as a commitment within Curriculum for Excellence (CfE) to challenge gender stereotypes through broadening children's and young people's participation across all aspects of learning. The Scottish Government provides core funding to Close the Gap, whose Be What You Want initiative is aimed at school pupils to challenge gender-based assumptions around subject and career choice, and Equate Scotland whose Careerwise initiative supports young women studying science, engineering, technology and the built environment across Scotland.

The recent Commission for Developing Scotland's Young Workforce was tasked by the Scottish Government with bringing forward a range of recommendations designed to improve young people's transition into sustainable employment. Its final report<sup>10</sup> has addressed gender equality in a separate section, rather than mainstream a gender analysis throughout its recommendations, and contains four recommendations specifically focusing on gender, with an additional crosscutting recommendation on embedding equalities education across CfE. The report recommends that vocational pathways in the senior phase of school (S4-6) be designed to encourage and support young women and men into non-traditional occupations, and calls on Skills Development Scotland to develop an action plan to tackle the chronic gender segregation in Modern Apprenticeships, which should include 'realistic stretching improvement targets' for the most heavily gender segregated frameworks.

The Scottish Government has allocated £12m for the period to March 2015 to fund the Commission's recommendations, and has committed to invest this funding in activity which will specifically include tackling gender segregation in training and employment programmes. While a full plan of action is yet to be published, this is a positive step in the right direction. Gender stereotyping is one of the main barriers that prevent girls and boys studying 'non-traditional' subjects at school and college or university. Expectations based on traditional ideas of gender roles

<sup>&</sup>lt;sup>9</sup>Employment Research Institute (2008) Tackling occupational segregation in Scotland: A report of activities from the Scottish Government cross-directorate occupational segregation working group <sup>10</sup>Scottish Government (2014) Education Working For All! Commission for Developing Scotland's Young Workforce Final Report

affect the choices that children and young people make about what they want to do when they leave school. It is essential that this issue is tackled throughout children's and young people's education pathways if the patterns of gendered occupational segregation seen in today's labour market are to change.

# What do the campaigns have to say?

Although Scotland's Future states that 'Education and employment rights could be made part of the written constitution of an independent Scotland, including a youth guarantee to employment, education or training'<sup>11</sup> it does not discuss the issue of gender stereotyping nor its impact on young people's education and career pathways. Similarly, Together We Can aims to secure an 'education system for all', but does not specifically acknowledge tackling gender stereotyping in this aim.

In Together We Can, Scottish Labour acknowledges that quality over quantity is key to an effective MA framework <sup>12</sup>, but the paper does not go as far as to highlight what this means specifically for women if they are to benefit in equal measure to men. Scotland's Future states that an independent Scotland will retain the benefits of successful skills initiatives <sup>13</sup>, but again fails to acknowledge that the MA framework and other initiatives are at present reinforcing occupational segregation, or to offer a gendered approach to these initiatives which could ensure a fair outcome for both women and men.

# **Employability**

Employability is a concept which encompasses all the things that enable people to increase their chances of getting a job, staying in a job, and progressing further in work. An employable individual is defined as having 'the capability of getting and keeping satisfactory work', and the activity of employability as being any programmes or measures that facilitate this capability. Employability programmes may be large scale, long term programmes contracted out to larger service providers, or short-term, thematic projects.

Women are among the furthest from the labour market, particularly those women who are economically inactive or unemployed, including women returning to work after extended leave to care for children. Despite the stated aim of employability programmes to help those furthest from the labour market, women are being let down by the system, as programmes fail to mitigate against the barriers which prevent or restrict women's labour market participation, for example, a lack of flexible working.

<sup>&</sup>lt;sup>11</sup>Scottish Government (2013) Scotland's Future p182

<sup>&</sup>lt;sup>12</sup>Scottish Labour (2014) Together We Can p33

<sup>&</sup>lt;sup>13</sup>Scottish Government (2013) Scotland's Future p189

## What is currently happening?

It is essential that employability programmes have the scope to tackle the specific barriers faced by women to prevent them falling through the gaps. Official labour market statistics state that 12% of women who are economically inactive are looking after family and home compared to 1% men. However, caring responsibilities are likely to be the reasons why more women work part-time or cannot find full-time work that is suitably or flexible family friendly. Childcare costs for parents in Scotland are among the highest in Britain. On average, parents in Scotland can expect to spend £101.49 per week for 25 hours of nursery care for a child under two years old. The same amount of nursery care for a child aged two or over costs an average of £94.52 per week. Women onto Work is the only organisation in Scotland that provides employability service exclusively for women. The service provides vulnerable women with a personal coach, and works to create a personalised programme of confidence building, skills development, work placements and childcare, however it is a local project and therefore this support is not available across Scotland.

The current employability strategy for Scotland<sup>15</sup> specifically recognises gender as a key barrier to employment, and commits to developing an action plan based on the recommendations of the Women's Employment Summit, however this commitment has not translated into tangible action<sup>16</sup>. The employability strategy also recognises the connection between making effective use of the skills of Scotland's people and increased productivity and economic growth. Strategies to ensure labour market participation need to be mindful of the demand for labour in some of Scotland's key growth sectors and how a gender analysis of this can support a sustainable labour supply.

Changes to the welfare system, that effectively force single mothers of young children to enter the labour market, only intensify the need to ensure employability programmes tackle the specific barriers facing women, such as a lack of accessible and affordable childcare. Employability programmes have a unique chance to influence employers to offer flexible and part-time working in sectors where women are under-represented. Without advocacy of a gendered approach, sensitive to the barriers faced by women, employability initiatives will further entrench occupational segregation and perpetuate gender inequality.

#### What do the campaigns have to say?

Scottish Labour commits to 'commission and deliver the Work Programme at a more local level, with new powers for local authorities to be part of that process,

<sup>&</sup>lt;sup>14</sup>Children in Scotland and The Daycare Trust (2012) The Scottish Childcare Lottery

<sup>&</sup>lt;sup>15</sup>Scottish Government (2012) Working for Growth: A refresh of the employability strategy for Scotland

<sup>&</sup>lt;sup>16</sup>The Careerwise initiative was the only output of the Women's Employment Summit.

so that the outcomes best reflect local needs.'<sup>17</sup> While at present this policy lacks a specific gender focus there is potential, if a gendered approach is taken, to tackle women's inequality in the labour market at a local level by using the Work Programme to challenge patterns of gendered occupational segregation through its strategy for supporting women into work.

Scotland's Future commits that 'Following independence, we will bring together job matching, employability training and career guidance, currently being delivered separately in Scotland by the Department for Work and Pensions and Skills Development Scotland,'18 and, 'We will also take steps to ensure that women have equal opportunities in terms of the quality as well as the number of jobs.'19

This paper also proposes a transformational change to the childcare system. The 2014 Children and Young People (Scotland) Bill contains increased provision for every three and four year old and the most vulnerable two year olds to a minimum of 600 hours, and building on this, if elected in an independent Scotland, the current Scotlish Government would extend provision to 1140 hours of childcare a year. The framing of childcare as infrastructure, supporting employment, is a welcome step towards fully recognising women's contribution to the economy. However, the provision committed to amounts to the equivalent of the school day, and any childcare policy that can effectively challenge the barriers to employment faced by women must extend to 'wraparound care' covering hours outside of school.

# **Economic development**

The Scottish Government Economic Strategy (GES) aims to achieve economic growth through tackling the causes of inequality and the barriers to economic opportunity, and states 'Only by ensuring that everyone has an opportunity to succeed will we fully maximise the nation's potential'<sup>20</sup>. The strategy describes 'equity' as a key driver, as well as an outcome, of economic growth, and specifically commits to taking forward a range of actions to tackle occupational segregation, recognising it as a major contributor to the gender pay gap and a drag on economic growth.

Economic development encompasses a range of policy areas including skills, job creation, and support for small and medium enterprises (SME) and growth sectors. A joined up gender mainstreaming approach across economic development strategies could have a significant impact on tackling women's unequal position in the labour market.

<sup>&</sup>lt;sup>17</sup>Scottish Labour (2014) Together We Can p34

<sup>&</sup>lt;sup>18</sup>Scottish Government (2013) Scotland's Future p108

<sup>&</sup>lt;sup>19</sup>Scottish Government (2013) Scotland's Future p106

<sup>&</sup>lt;sup>20</sup>Scottish Government (2011) The Government Economic Strategy

#### The labour market

Previous approaches to addressing the gender imbalance in the labour market, and in education, have focused on supply-side issues such as training and skills development. Those specifically targeted at women aimed to increase their confidence and capacity to enter or return to the workplace, or to non-traditional education courses or training. Such strategies fail to address structural barriers which underpin occupational segregation such as inflexible working practices, the undervaluing of female-dominated occupations, the design of senior posts and a long-hours culture, which are often incompatible with caring responsibilities.

Women are increasingly acquiring more qualifications at all levels and yet very often are working in jobs in where their skills are not being used. Addressing this under-employment through effective work re-organisation and job design has the potential to tackle the lack of innovation, weak productivity, high labour turnover and low morale affecting the Scottish and UK-wide labour market, and can also be used to address some of the structural barriers women face in the workplace.

#### Childcare

Childcare has long been recognised as the most immediate structural barrier to women's participation in the labour market. Scotland has some of the highest childcare costs in the UK, and only a fifth of Scottish local authorities report that they have enough childcare for working parents.<sup>21</sup> Any economic development policy which seeks to enable women to contribute fully must include a strategy to address the specific structural barriers they face in the labour market.

#### Unpaid work

Feminist economists recognise that women's work in the formal labour market is consistently undervalued, and that much of women's work outside of the labour market is not captured by national accounting measures such as Gross Domestic Product (GDP). A recent report by  $Oxfam^{22}$  found that while gender equality often encourages growth, growth by itself does not result in gender equality or women's empowerment. The report also found that 'The monetary value of unpaid care work is estimated at anything from 10 percent to over 50 percent of GDP. An additional 20-60 percent of GDP would be added if the hidden contribution of unpaid work was recognized and valued.' In addition to this, with the cost to the UK economy of occupational segregation estimated at between £15bn and £23bn a year (1.3-2.0 per cent of GDP)<sup>23</sup> the economic imperative to address the issue is clear. Reproductive labour – unpaid domestic work and care for children, older people and disabled people – props up the formal economy, and recognition of this in

<sup>&</sup>lt;sup>21</sup>Children in Scotland and The Daycare Trust 2012 Scottish Childcare Lottery

<sup>&</sup>lt;sup>22</sup>Oxfam (2014) The G20 and Gender Equality

<sup>&</sup>lt;sup>23</sup>Women and Work Commission (2006) Shaping a Fairer Future

formal economic value systems is essential if we are to begin to value the work that women do.

## Representation at senior levels

Women remain grossly under-represented on both public and private sector boards, with implications for women's equality both in and out of the workplace. The business case for increasing women's representation in the board room, and at senior corporate level, is well rehearsed. The link between profit and gender diversity at senior levels is a key motivator; businesses with a more representative workforce can enjoy a bigger and better labour supply, a reduction in turnover and recruitment costs, and increased productivity through increased employee motivation.

#### Enterprise

Women's Enterprise Scotland has highlighted that women-led businesses contribute a minimum of £5 billion GVA to the economy, and yet Scotland's rates of female business ownership are persistently low compared to similar countries. Its recent action plan to increase the contribution of women's enterprise to the economy estimates that if the 'enterprise gap' was closed, the contribution to Scotland's GVA would increase to nearly £13 billion, equivalent to a 5.3% growth in the size of Scotland's economy<sup>24</sup>.

# What is currently happening?

The commitment to equality of the GES has not translated into the required decisive action across Scottish Government agencies, with key policy areas failing to address chronic gendered occupational segregation. Action to stimulate economic growth focuses on development support for the key economic sectors, almost all of which are male-dominated.

#### The labour market

The vast majority of industry demand statements published for the key sectors do not mention equalities, despite in some cases being written by Scottish Government agencies, which have specific duties with regards to the advancement of equality. For example, Skills Development Scotland's Skills Investment Plan for Energy highlights skills shortages and the need to secure a skilled workforce to meet the Government's ambitious growth targets around renewables. Only 73% of female STEM graduates actually work in STEM-related occupations<sup>25</sup>, and that fixing this 'leaky pipeline' has the potential to address the skills shortages identified. Despite this and the great potential to build in equality from the outset

<sup>&</sup>lt;sup>24</sup>Women's Enterprise Scotland (2014) Women in Enterprise

<sup>&</sup>lt;sup>25</sup>Royal Society of Edinburgh (2012) Tapping our Talents. Women in science, technology, engineering and mathematics: a strategy for Scotland

in this relatively new industry, there are no specific gender actions identified in any of the current Skills Investment Plans.

The UK government has also identified the problem of skills deficits and market failures as important barriers to raising productivity, but has failed to see the gendered aspect of these problems. The UK is thought to be experiencing a 'productivity gap'<sup>26</sup>, with output per worker low compared to other leading European economies and the USA. Scotland's Skills Strategy focuses on skills utilisation as a key solution to this problem, and makes an explicit commitment to removing the barriers that stand in the way of all individuals participating in learning and skills development. Despite this, occupational segregation remains entrenched in the Modern Apprenticeship programme, Scotland's central vocational skills programme, because the commitment is not applied in a gendered action plan. The recent Wood Commission report<sup>27</sup> recognises this and calls for 'stretching targets' to tackle inequality of outcome in the MA programme.

The Scottish Government has committed to continue its focus on occupational segregation with the reconvening of the cross-directorate Occupational Segregation Working Group (OSWG) following the Women's Employment Summit in 2012. This is welcome, but decisive action is required to bring together related government strategies in a cross-cutting plan to address the causes of occupational segregation in a measurable way.

#### Childcare

The 2014 Children and Young People (Scotland) Bill will, from August 2014, increase the amount of free early learning and childcare from 475 to a minimum of 600 hours per year for three and four year olds, extending to two year olds in the most vulnerable families. This is welcome, but with extended provision amounting to three extra hours a week, parents who wish to work full time will still need to plug a substantial care gap. While expanding childcare has the potential to transform women's participation in paid work, the strategy must also address the low pay of women who would work in an expanded care sector if it is to truly advance women's equality in the workplace.

#### Representation at senior levels

On women on boards the Scottish Government has recently consulted on the gender quotas on public boards. Mandatory quotas would send a clear signal of the Scottish Government's intent on gender equality, in strong contrast with the UK

<sup>26</sup>ESRC (2004) The UK Productivity Gap: what research tells us and what we need to find out <sup>27</sup>Scottish Government (2014) Education Working For All! Commission for Developing Scotland's Young Workforce Final Report

Government's plan of voluntary action to increase the number of women on private sector boards.

In February 2011 the Davies Report, Women on Boards, set out a strategy aimed at ensuring that more women were appointed to boardroom positions. The report asked all FTSE 350 companies to set targets for the number of women they expected to have on their boards and executive committees in 2015, and recommended that FTSE 100 boards should aim for a minimum 25% female representation on their boards by 2015. Progress on this has been painfully slow, and targets fall short of providing equal representation.

## Enterprise

Also following the Women's Employment Summit, Women's Enterprise Scotland has produced a framework and action plan<sup>28</sup> to support women-owned businesses and address the gender gap in women's entrepreneurial activity. The framework will provide gender-specific support, including a network and mentoring opportunities to support women starting and growing their businesses, and seeks to comprehend women in enterprise as an area of mainstream economic priority and not a short-term project.

# What do the campaigns say?

The centrepiece of the Scottish Government's policy commitments, if re-elected in an independent Scotland, is their 'transformational change to childcare in Scotland [which] will allow parents, in particular women, to choose to work without worrying about the cost of looking after their children.'<sup>29</sup> Scotland's Future recognises that a lack of affordable and accessible childcare provision is a key barrier to mothers entering or returning to the labour market, noting, 'Childcare has important benefits for children and it also provides a key support to participation in the labour market, particularly for women. For example, in Denmark, which has extensive childcare provision, 79 per cent of mothers with children under six work, whereas in the UK the comparable figure is 59 per cent. Of mothers citing childcare as a barrier to working full-time, over 70 per cent say it is because of the costs.'<sup>30</sup> The Scottish Government's commitments will certainly go some way to improving access to childcare but, with provision equivalent to the primary school day, full time working parents will still find themselves facing a need for wraparound care.

Together We Can acknowledges that 'caring responsibilities still mean more women find it difficult to get into work than men. Working patterns have changed with

<sup>&</sup>lt;sup>28</sup>Women's Enterprise Scotland (2014) Women in Enterprise

<sup>&</sup>lt;sup>29</sup>Scottish Government (2013) Scotland's Future p194

<sup>&</sup>lt;sup>30</sup>lbid p193

fewer people working a traditional nine-to-five day, so childcare needs to be more flexible. It must also be affordable, so that no one is prevented from being able to provide for their family because of cost.'31 Their vision acknowledges the need for care before and after the school day, promising 'Scottish Labour will not leave working parents on their own, trying to cobble together childcare for their primary school children. We will work with local councils and schools to expand the provision of wraparound care in primary schools, with breakfast and after-school clubs for all.'32 Highlighting the cross-cutting issues within childcare provision, the paper also addresses the issue of undervaluing, committing to 'invest in the childcare workforce, transforming it into a more valued profession.'33

The Scottish Government's consideration of childcare as a social investment as opposed to an economic burden is welcome, as is the drive in Together We Can to address the undervaluing of childcare as a profession. However neither paper goes so far as to address the undervaluing of child-rearing and domestic labour, which overwhelmingly falls to women, and is both unpaid and invisible to mainstream, neoclassical economic models.

On labour market stimulus and regulation more widely, the current Scottish Government commits to establishing 'a National Convention on Employment and Labour Relations'<sup>34</sup>, bringing together labour market regulation and other employment-related policies in a cross-stakeholder forum. The Convention is proposed to tackle skills shortages in key sectors and particular policy initiatives such as the Living Wage; however there is no indication that the work of this Convention would have a specific gender focus. If such an approach was incorporated this could be an effective vehicle to address many of the issues around women's unequal position in the labour market, including tackling the low numbers of women working in the key sectors, and addressing the low value of 'women's work' through increasing the wages of the lowest paid in our society.

The Scottish Government's commitment to a Living Wage benefits those in low paid, low valued jobs, the majority of whom are women. Scotland's Future notes that 'over 400,000 people in Scotland are working for less than the living wage, which is nearly a fifth of the Scottish workforce and the majority of these low paid workers are women.' Among the most undervalued roles are those of care workers, and the Scottish Government's ambitions on childcare also acknowledges the need to recognise those employed in childcare as a 'skilled workforce'.

<sup>&</sup>lt;sup>31</sup>Scottish Labour (2014) Together We Can p14

<sup>32</sup>lbid p36

<sup>33</sup>lbid

<sup>&</sup>lt;sup>34</sup>Scottish Government (2013) Scotland's Future p105

<sup>&</sup>lt;sup>35</sup>Scottish Government (2013) Scotland's Future p107

Although this is welcome, it does not specifically recognise the low pay in the sector. The current Scottish Government's vision for an independent Scotland does however include the commitment to 'take steps to ensure that women have equal opportunities in terms of the quality as well as the number of jobs,'36 but does not expand on what specific measures will be implemented to make this a reality.

Together We Can focusses on the low pay of those working in the care sector, stating 'There are around 65,000 people working in the [care] sector. Most are women. Most are employed by private providers with many earning the minimum wage.'37 It recognises the increasing pressure on the workforce who are often not paid for travel between clients, so in reality are earning below the minimum wage. Low pay in childcare is also addressed with an aim to 'invest in the childcare workforce, transforming it into a more valued profession, staffed with qualified childcare practitioners'38. These specific commitments to address the low pay of what are stereotypically female and undervalued occupations provide a basis on which to tackle the undervaluing of women's work.

On vertical segregation, both papers make particular mention of the need to increase women's representation. The Scottish Government focuses on women in public life, and states, 'The Scottish Government's ambition is that appointments for which we are responsible should broadly reflect the wider population... If in government in an independent Scotland we will ensure that Scotland's institutions have equality and diversity at the heart of their governance. We will expect public and private institutions to improve the diversity and gender balance of their governance. We will also consult on a target for women's representation on company and public boards and, if necessary, we will legislate as appropriate.'<sup>39</sup>

Scottish Labour highlights its track record on improving women's political representation within its own party, and offers a commitment to extend that work, saying, 'We have made significant strides in gender equality in the last fifty years – but there is more to do. Our parliament, our council chambers and our public bodies should reflect society. Scottish Labour took the bold step in 1999 of ensuring equal representation among its candidates for the new parliament, and we will ensure that, in Labour, 50 per cent of our candidates at the next Scottish Parliament elections are women. We will continue to work towards reflecting that in our council chambers and we will extend our party's principles to our public bodies too, and ensure that there is equal representation on all public boards.'<sup>40</sup>

<sup>36</sup>lbid p106

<sup>&</sup>lt;sup>37</sup>Scottish Labour (2014) Together We Can p24

<sup>38</sup>lbid p36

<sup>&</sup>lt;sup>39</sup>Scottish Government (2013) Scotland's Future p359

<sup>&</sup>lt;sup>40</sup>Scottish Labour (2014) Together We Can p47

## What do we need to see?

The policy areas covered in this paper – education and skills, employability, and economic development – are devolved matters, however many of the wider issues discussed under these headings, such as taxation and fiscal policy, employment rights, and social security, are reserved to Westminster. The resulting tension often constrains progress on equalities. However, the current Scottish Government has taken a different approach to Westminster in relation to administrating and supporting the health service in Scotland, demonstrating it is possible to maintain a different policy direction despite this tension.

#### Current levers

In the event of a vote against Scottish independence in September, under the current settlement the Scottish Government already has the power to do more to improve women's position in the labour market. There are many areas which those concerned with gender issues could work around to capitalise on the desire for change which has characterised both sides of the independence debate, and further women's equality as a result.

On education and skills, the Scottish Government could increase its action on gender stereotyping in our education system. Be What You Want and Careerwise are the only two initiatives specifically working on the issue of gender stereotyping and occupational segregation in schools in Scotland. More needs to be done to build girls' and young women's capacity and resilience to choose to study non-traditional subjects across the education lifespan. This could include pre-vocational training in the senior phase of school to encourage young women to enter into non-traditional MA frameworks, forming part of a concrete action plan to finally tackle the persistent occupational segregation in this programme. The senior phase of CfE could also incorporate more flexibility in its pathways to allow pupils to pursue a broader programme of study and thus maintain their post-school options, providing greater opportunities for movement into non-traditional areas of study or employment as capacity builds.

The Scottish Government's current employability strategy commits to tackling gender as a specific barrier to employment. The Government should produce an action plan on gender which will provide the basis for implementing this commitment. Employability programmes must be cognisant of the specific barriers faced by women; funding structures should provide support for childcare, support networks could build women's resilience, and employability pathways must seek to tackle, not reinforce, gendered occupational segregation. Women returning to the workforce after taking a break to have children or deliver care would benefit from particular support to help prevent downward occupational mobility and ensure their skills are effectively utilised.

Despite the commitment of the Government's Economic Strategy to 'equity', its economic development policy does not contain a gender analysis, with the lack of progress on women's inequality the result. Without a gender analysis at policy level the practice will simply perpetuate women's unequal position in the labour market. The public sector equality duty (PSED) places a positive duty on public authorities to tackle gender inequality, and Scotland has specific duties which apply to its listed public bodies. Under PSED, the Scottish Government could implement gender mainstreaming across all of its functions, ensuring this translates into effective action to tackle occupational segregation and the gender pay gap. This could include building capacity within Scottish Enterprise, Highlands and Islands Enterprise and Skills Development Scotland to support Industry Demand Groups to provide a gender analysis of skills, and key sector development policy addressing the gendered nature of skills shortages. The economic framing of childcare as infrastructure must be further developed to ensure provision continues to be extended, and to contribute to the discourse around recognition of the economic value of domestic labour.

The interconnected nature of these policy areas is clear. Improving women's access to childcare will mean more women can enter employment, but only if that childcare is accessible, affordable, and flexible to the requirements of the working day. Expansion of childcare must address the low pay in the sector, and ensure it does not simply perpetuate the undervaluing of women who make up the majority of the workforce. Skills Investment Plans lament skills shortages but fail to see that targeted gendered action could tackle those skill shortages and gaps, ensure effective skills utilisation, and increase productivity. The Scottish Government must mainstream gender across all of its functions as required by PSED if women are to see equality at work.

#### Levers under independence

The structural change that would take place in an independent Scotland offers the opportunity to see gender equality built in from the outset. Scotland's Future's proposal for a written constitution would enshrine state obligations on the advancement of equality and see human rights guaranteed.

The Scottish Independence Bill consultation<sup>41</sup>, which provides the constitutional platform for the government of Scotland following a vote for independence, proposes that a permanent written constitution would be drawn up by an autonomous Convention, which would be 'inclusive and participative'. It is essential the process by which this Constitutional Convention would be established is

<sup>&</sup>lt;sup>41</sup>Scottish Government (2014) The Scottish Independence Bill: A consultation on an interim constitution for Scotland

inclusive and participative in itself, and ensures that gender groups are properly represented within it. A constitutional bill of rights is a powerful instrument through which governments in an independent Scotland could be held accountable on issues of inequality. There would also be the possibility to effect structural progress within the new institutions and legislation which would be developed and implemented in an independent Scotland.

A particular area where there could be the greatest potential for change is social security, where a new system would be required. The Scottish Government has recognised the gendered impact of welfare reform<sup>42</sup> and sought to mitigate this through its policy direction. This track record is a positive indicator of the potential for systemic gender discrimination to be addressed in the construction of a new welfare system, framed around social investment. The Scottish Government has consulted on gender quotas on public boards, indicating a willingness to take action on women's representation. Representative public boards not only help to challenge the 'glass ceiling' effect, they also challenge perceptions of women's position and normative gender roles, and provide positive female role models.

#### Conclusion

Successive Scottish administrations have proven to be more progressive on gender equality than their counterparts in Westminster. Decision-making structures in Scotland are more transparent and accessible, and the Scottish Government has a good track record on public consultation. It remains however that there cannot be a guarantee of greater equality under either outcome of the referendum, as the outcome of the next parliamentary elections in Scotland or the UK cannot be predicted.

In order for women's inequality in the labour market to be tackled there needs to be action, not simply a commitment to principles. The consequence of a lack of action is already evident in the continued occupational segregation in the MA programme an issue which has been highlighted by the women's sector for more than ten years. The same mistakes can be seen in employability and economic development, where gender-blind policies and structural barriers combine to reinforce women's disadvantaged position. While this disconnect remains, gender strategies will be fragmented, piecemeal, and passed over in practice.

Whether in an independent Scotland or as part of the UK, what is needed is major structural reform and widespread cultural change, and this can only be achieved through a root and branch review of systems and policies, the engagement of all stakeholders, and long-term adequately resourced action plans. Measurable and

<sup>&</sup>lt;sup>42</sup>Scottish Government (2013) The Gender Impact of Welfare Reform

meaningful targets for tackling gendered occupational segregation, policies which reflect the cross-cutting nature of gender issues, and effective gender mainstreaming, are essential to progress true gender equality within the labour market.

#### **GLOSSARY**

## **Economically inactive**

People who are not in employment but are not seeking work. Reasons for inactivity include sickness (temporary and long term), looking after family or home, student, retired, is not looking for work and believes there are no jobs available.

#### Gender

Refers to roles, attitudes, values and behaviours that men and women are encouraged to adopt by society. These characteristics can vary depending on the society around us. For example, historically, gender role stereotyping would suggest that women should look after the children at home while men go to work in the formal labour market.

# Gender stereotyping

Making assumptions about an individual's capabilities, interests, and preferences based on restrictive notions about men and women, and male and female behaviour.

#### **Gross Domestic Product (GDP)**

The measure of a country's overall economic output. It is the market output of products over the year for any given country.

#### Gross Value Added (GVA)

The key statistic used to measure wealth. GVA measures the amount of goods and services that everyone in a country is able to consume in a particular year. GVA is linked as a measurement to GDP and both are measures of output.

#### Occupational segregation

Refers to the clustering of men and women into different types of work (horizontal segregation) and different levels of work (vertical segregation).

#### Gender mainstreaming

Making sure that gender issues are built into the processes and outputs of a public body. It is an approach to integrating gender considerations into all facets of work. It involves ensuring that gender perspective and the goal of gender equality is central to all activities, whether policy development, research, advocacy, legislation, resource allocation, and planning, implementation and monitoring of

programmes and projects. It integrates a gendered awareness into each aspect of work, rather than considering gender separately.

# Skills gap

The difference in the skills required for a job and the actual skills possessed by an employee.

## Skills shortage

Occurs when the skills, qualifications and experience required for a role are not available and more people are required to be recruited into the industry.

#### Skills utilisation

Skills strategy with a focus on supplying the skills that are really needed, stimulating further demand for skills and ensuring that skills are in the labour market are put to better, more productive use.