



Close the Gap briefing for Scottish Labour Debate: Women in Scotland

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Close the Gap is Scotland's expert policy and advocacy organisation working on women's labour market participation. We have 19 years' experience of working with policymakers, employers and employees to influence and enable action to address the causes of women's inequality at work.

Introduction

Women in Scotland face numerous socio-economic barriers in Scotland. Women account for the majority of low paid workers, do the majority of unpaid care and continue to face discrimination and harassment at work. Women's experience of the labour market is a key driver of women's economic inequality. The gender pay gap, the key indicator of women's labour market equality, represents the divergent experiences men and women have not only in employment but also in education, training, care and other domestic labour. It is a persistent feature of Scotland's labour market, with Scotland's gender pay gap remaining stubbornly high at 13%.¹

Women and men engage in the labour market and the economy in different ways, and face different social and economic barriers. Women comprise the majority of low paid workers, and work that is seen as 'women's work', such as cleaning, care and retail, is systematically undervalued in the labour market. The undervaluation of 'women's work' results in the low pay associated with those jobs and sectors and has lifelong impacts for women including debt, stress and less access to resources and assets, including occupational pensions. Women are more likely than men to have caring responsibilities and therefore face the additional pressure of finding work that allows them to balance earning with caring. This sees women further concentrated into low paid and insecure work, as most part-time work is found in the lowest paid occupations and sectors.

Women, work and poverty

It has long been reiterated that work is the best route out of poverty. However, women experience higher rates of in-work poverty than men, highlighting that paid work is not a guaranteed route out of poverty for women. Indeed, poverty in Scotland is gendered. Women are more likely to be living in poverty than men. Women also find it harder to escape poverty and are more likely to experience persistent poverty than men. The gender pay gap is a key factor in women's higher levels of poverty. Tackling women's inequality in

¹ Close the Gap (2020) *Gender Pay Gap Statistics*

the labour market is therefore critical to overcoming women's experiences of poverty. In line with the multiple labour market barriers experienced by different groups of women, there is a particularly high risk of poverty among black and minority ethnic women, disabled women and refugee and asylum-seeking women.

Women are more likely than men to have caring responsibilities and therefore face the additional pressure of finding work that allows them to balance earning with caring. Women consequently account for 75% of the part-time workforce, and 42% of employed women work part-time compared to 13% of men. The lack of quality part-time and flexible work therefore entrenches women's poverty and new research from Living Wage Scotland has highlighted that women in part-time work are the most likely to benefit from a pay increase to the real Living Wage, as a result of Living Wage employer accreditation.

The inextricable link between gender and poverty was recognised in both the Scottish Government's child poverty delivery plan and A Fairer Scotland for Women: Scotland's gender pay gap action plan. Evidence shows that where women's disposable income is reduced, spending on children decreases. Mothers' earnings are therefore a crucial factor in child poverty. Despite this, we continue to see analysis of child poverty that makes no mention of women's poverty and gender-blind policymaking in this area.

Women in the gig economy

Women's employment is becoming increasingly precarious with women accounting for two-thirds of workers earning less than the living wage and 55% of workers on zero-hour contracts are women.² Women on casualised and precarious work contracts lose out on maternity and parental rights and face difficulties reconciling variable hours or job insecurity with caring responsibilities. Also, in the current context of COVID-19, women on these types of contracts may not have access to statutory sick pay, and will face particular issues in accessing paid leave if schools and ELC facilities close considering women have disproportionate responsibility for childcare. While inflexible workplaces and a cultural presumption against flexible working impact women trying to balance earning and caring at all times, this will be particularly pertinent in the context of COVID-19. Only 12% of jobs paid £20,000³ or more are advertised as being available on a flexible basis.⁴ While all employees have the right to request flexible working, research by Close the Gap has found that there is no evidence of an increase in the use of formal flexible working in Scotland since 2010.⁵ Women remain disproportionately impacted by workplace cultures that are not advanced in their practice around flexible work.

The problems associated with the gig economy, insecure work and bogus self-employment have a significant impact on women. Gig economy platforms tend to replicate the gendered patterns of labour market participation and division of labour with women heavily concentrated on platforms associated with low-paid work, such as domestic work. Providers

² Close the Gap (2018) *Women, Work and Poverty: What you need to know*

³ £20,000 full-time equivalent or more.

⁴ Family Friendly Working Scotland (2017) *The Timewise Flexible Jobs Index Scotland*

⁵ Close the Gap (Forthcoming 2018) *Flexible Working for All? The impact of the right to request regulations on women in Scotland*

on the platform Hassle, which provides cleaning services, are 86.5% female⁶. Migrant women are particularly concentrated in low-paid domestic work, and already vulnerable to discrimination and exploitation; the gig economy is likely to further dilute their already weak status in the labour market.

Workers in the gig economy find that flexibility is demanded of them by their platform, but there is no reciprocity. Variable and unreliable levels of income also mean women with children struggle to cover the cost of childcare, and even the basic cost of living. Women also do not earn much as men in the gig economy. Nearly 75% of women in the gig economy earned less than the taxable threshold. Around 66% of women in the gig economy are also in other work⁷. This aligns with evidence on carers, who often have to juggle a number of “micro-jobs” alongside their caring responsibilities just to make ends meet. This has a significant impact on mental and physical health, and on managing household budgets.

Women face continued discrimination and harassment in the workplace

Research by the Equality and Human Rights Commission (EHRC) on pregnancy and maternity discrimination in work⁸ found that one in nine women in the UK were dismissed, made compulsorily redundant, or treated so unfavourably they felt compelled to leave their job, while one in five had also experienced harassment relating to their pregnancy or working flexibly. This represents a doubling of pregnancy discrimination since similar research was carried out ten years previous.⁹

This EHRC research also found that mothers on agency, casual or zero hours contracts were more likely than the average for all mothers at work to have negative and potentially discriminatory experiences. They were more likely to report that their employer was unhappy about them taking maternity leave (22% versus 8% average) and that they felt less valued by their employer than they did before telling their employer they were pregnant (18% versus 11% average).¹⁰ Those in precarious employment are more vulnerable to mistreatment and bullying at work with women reporting being refused work because they are pregnant or have recently returned from maternity leave.¹¹

Over 70% of women reported having experienced or witnessed sexual harassment in the workplace in Scotland, with this figure rising to two thirds of women aged 18-24.¹² Experiences range from unwelcome sexual comments to serious sexual assaults.¹³ Most women (80%) who experience sexual harassment in the workplace will never report it due to fear of being blamed, not being believed or losing their job. Some women have stated

⁶ Ibid

⁷ RSA (2017) *Good Gigs: A fairer future for the UK's gig economy*

⁸ Equality and Human Rights Commission (2016) *Pregnancy and Maternity Related Discrimination and Disadvantage: Summary of key findings*

¹⁰ Equality and Human Rights Commission (2016) *Pregnancy and Maternity Related Discrimination and Disadvantage: Summary of key findings*

¹¹ TUC (2014) *Women and Casualisation*

¹² Zero Tolerance (2017) *Sexism is a waste...': the need to tackle violence and misogyny in Scotland's workplaces*

¹³ Women and Equalities Committee (2018) *Sexual Harassment in the workplace*

that they have not come forward because they feel violence against women is so widespread and commonplace at work that there is no point in trying to challenge it.¹⁴ While other women have expressed their frustration with reporting procedures. Experiences of sexual assault or rape can significantly impact on women's ability to maintain their job, as a result of needing to take extended periods off because of emotional and physical impact. Victim survivors often experience trauma which can make it increasingly difficult to be in work situations which involve groups of men or being alone with men.

Women's unpaid care work does not count towards GDP

Women's unpaid care work enables the economy to function, and yet calculations to determine GDP, do not count unpaid work. The unpaid caring that women (and some men) do for children, sick and disabled people, and older people is categorised by mainstream economic models as "leisure" and "unproductive", and therefore is not counted. Paid care work is categorised as "work" and is counted towards GDP, although it is systematically undervalued by the market which is reflected by the low pay associated with it.

Consequently, the amount of work that GDP misses out is enormous. Between 59% and 70% of unpaid care is delivered by women in Scotland, worth approximately £10.8 billion to the economy per annum.¹⁵ The ONS UK Household Satellite Accounts experimentally measures different types of domestic and reproductive labour and places a value on them. In 2013 they analysed adult care, and determined that the total value of informal adult care had tripled in 15 years, from £21.5bn in 1995 to £61bn in 2010, equivalent to 4.2% of GDP.¹⁶

Childcare remains a barrier to women's labour market participation

Childcare is the most immediate barrier to women being able to work, study and train. Women are twice as likely to give up paid work in order to care.¹⁷ Availability of high quality, affordable, and flexible childcare is a central factor in enabling women to participate fully in the labour market and our research has shown that there are additional barriers for BME women in accessible affordable and appropriate childcare.¹⁸ A quarter of parents in severe poverty have had to give up work; a third turned down a job; and a quarter have haven't been able to take up education and training because of high cost of childcare.

Conclusion

Achieving women's equality requires gender mainstreaming in policymaking, with gender equality becoming a central goal of new policies, strategies and programmes. Currently, gender blind policymaking is cementing women's inequality. For example, the fair work

¹⁴ Trade Union Congress (2016) *Still just a bit of banter? Sexual Harassment in the workplace in 2016*

¹⁵ Carers UK (2015) *Valuing carers 2015*

¹⁶ Office for National Statistics (2013) *Household Satellite Accounts, Valuing Informal Adult Care in the UK* <http://webarchive.nationalarchives.gov.uk/20160105160709/http://www.ons.gov.uk/ons/rel/wellbeing/household-satellite-accounts/valuing-informal-adultcare-in-the-uk/index.html> (accessed 7 November 2017)

¹⁷ Engender (2015) *A Widening Gap: Women and Welfare Reform*

¹⁸ Close the Gap (2019) *Still Not Visible: Research on Black and minority ethnic women's experience of employment in Scotland*

agenda has not afforded sufficient focus to women's experiences of the labour market, and any considerations of what fair work means for women remains minimal. Moreover, it is vitally important that approaches to inclusive growth are gendered, and outputs should explicitly address the causes of the gender pay gap as a central aim. At present, gender is somewhat under-developed within inclusive growth.

Gender equality produces economic growth, but the inverse is not necessarily true. It cannot be presumed, therefore, that aiming for economic growth will benefit women or address women's inequality. Effective utilisation of women's skills and talents is a catalyst for economic growth, worth up to £17bn to Scotland's economy.¹⁹ Addressing women's labour market inequality will also benefit employers as they will be able to recruit from a wider talent pool, address skills gaps, and see their businesses become more productive, more innovative, and more profitable.

Transformational change is needed to close the pay gap, and the benefits of doing so are far-reaching. Closing the pay gap will benefit women and their families, providing equality of outcome for women and girls, and alleviating women's poverty and children's poverty. Ensuring gender balance and women's equal participation in the paid labour market is critical in supporting Scotland's long-term economic growth.

¹⁹ Close the Gap (2016) *Gender equality pays: The economic case for addressing women's labour market inequality*