Jobs for the girls: The effect of occupational segregation on the gender pay gap

Sixteenth Report of Session 2004–05

Report, together with formal minutes

Ordered by The House of Commons to be printed 22 March 2005
The Trade and Industry Committee

The Trade and Industry Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department of Trade and Industry.

Current membership
Mr Martin O'Neill MP (Labour, Ochil) (Chairman)
Mr Roger Berry MP (Labour, Kingswood)
Richard Burden MP (Labour, Birmingham Northfield)
Mr Michael Clapham MP (Labour, Barnsley West and Penistone)
Mr Jonathan Djanogly MP (Conservative, Huntingdon)
Mr Nigel Evans MP (Conservative, Ribble Valley)
Mr Lindsay Hoyle MP (Labour, Chorley)
Miss Julie Kirkbride MP (Conservative, Bromsgrove)
Judy Mallaber MP (Labour, Amber Valley)
Linda Perham MP (Labour, Ilford North)
Sir Robert Smith MP (Liberal Democrat, West Aberdeenshire and Kincardine)

Powers
The committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the Internet via www.parliament.uk.

Publications
The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at www.parliament.uk/t&icom.

Committee staff
The current staff of the Committee is Elizabeth Flood (Clerk), David Lees (Second Clerk), Philip Larkin (Committee Specialist), Grahame Allen (Inquiry Manager), Clare Genis (Committee Assistant) and Joanne Larcombe (Secretary).

Contacts
All correspondence should be addressed to the Clerks of the Trade and Industry Committee, House of Commons, 7 Millbank, London SW1P 3JA. The telephone number for general enquiries is 020 7219 5777; the Committee’s email address is tradeindcom@parliament.uk.

Footnotes
In the footnotes of this Report, references to oral evidence are indicated by ‘Q’ followed by the question number. References to written evidence are indicated in the form ‘App’ followed by the Appendix number.
# Contents

## Report

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summary</td>
<td>3</td>
</tr>
<tr>
<td>1 Introduction</td>
<td>5</td>
</tr>
<tr>
<td>2 Occupational segregation as a factor in the gender pay gap</td>
<td>6</td>
</tr>
<tr>
<td>3 The causes of occupational segregation</td>
<td>9</td>
</tr>
<tr>
<td>Lack of knowledge</td>
<td>9</td>
</tr>
<tr>
<td>Difficulties with training</td>
<td>12</td>
</tr>
<tr>
<td>Training for older women</td>
<td>14</td>
</tr>
<tr>
<td>Problems with business cultures</td>
<td>16</td>
</tr>
<tr>
<td>Flexible working</td>
<td>19</td>
</tr>
<tr>
<td>4 The role of employers</td>
<td>22</td>
</tr>
<tr>
<td>5 The role of Government</td>
<td>25</td>
</tr>
<tr>
<td>The role of RDAs</td>
<td>25</td>
</tr>
<tr>
<td>The role of Central Government</td>
<td>25</td>
</tr>
<tr>
<td>Conclusions and recommendations</td>
<td>29</td>
</tr>
<tr>
<td>Formal minutes</td>
<td>34</td>
</tr>
<tr>
<td>Witnesses</td>
<td>35</td>
</tr>
<tr>
<td>List of written evidence</td>
<td>35</td>
</tr>
</tbody>
</table>
Summary

The tendency of men and women to work in different occupations, and the associated tendency of predominantly female occupations to be lower paid and lower valued than men’s, have a major effect on the gender pay gap in the UK; but such occupational segregation also deprives employers of potential recruits—a factor of particular importance in areas of skills shortages.

We have focussed on four elements that contribute to occupational segregation: the lack of knowledge about career options that prevents young people from choosing non-traditional occupations; difficulties in accessing training in atypical areas; difficulties with alien or sometimes even hostile business cultures; and the unavailability of part-time or flexible working in the higher-paid occupations and at senior levels in all occupations.

Although some employers have adopted imaginative and innovative policies to break down occupational segregation, we were surprised that employers in general seem unaware of the desirability of, or at least are slow to take action on, attracting non-traditional recruits and retaining experienced staff. We commend the work of the Sector Skills Councils in spreading awareness of the potential benefits to employers of tackling occupational segregation, and in disseminating good practice. We believe that other organisations, such as trade associations and Regional Development Agencies, should be more active in this area.

We also call for a greater amount of co-ordination among public bodies, with a particular effort needed to ensure that those providing education and training and those charged with the task of getting people back into work take the issue of occupational segregation fully into account in the advice and support they provide to the public. We support the use of procurement policy to encourage the breakdown of occupational segregation, and we encourage the Government to consider a review of equal pay legislation to try to make the principle of “equal pay for work of equal value” more effective.
1 Introduction

1. As part of our programme of examining as many aspects of the work of the DTI as possible in the course of this Parliament, we had identified equality at work issues as an area for inquiry. When the Women and Work Commission was set up, we decided not to try to imitate its broad remit but to focus on an area which reflects two of the core interests of this Committee: fairness at work and (a constant theme in our inquiries) skills shortages in the UK. Occupational segregation—the tendency for some jobs to be considered ‘men’s work’ and others ‘women’s work’—has a profound influence not only on the differing career prospects, pay and pensions of both sexes but also on the ability of industry and commerce to attract and retain employees, with adverse consequences for productivity and competitiveness.

2. During our inquiry, we took oral evidence from: the trade union, Amicus; the Equal Opportunities Commission; E-Skills UK (the Sector Skills Council for the ICT industry); the Financial Sector Skills Council; the Learning and Skills Council; the UK Resource Centre for Women in Science, Engineering and Technology; and the Women and Equality Unit of the Department of Trade and Industry. We also received Memoranda from the Chartered Institute for Personnel and Development, the Confederation of British Industry, the construction industry training board (CITB–Construction Skills), and the Trades Union Congress; and Ms Ros Wollen, a community education worker, sent us a paper she had presented at the Women’s National Commission All Partners Day in December 2004. These are all printed in Volume II of this Report. We also received a report on Gender and the Labour Market in South East England prepared for the South East England Regional Development Authority and a memorandum from the Greater London Authority containing relevant extracts from a report on Women in London’s Economy (published in January 2005); we have not printed these. We are grateful to all those who have supplied us with evidence.

3. Our aim in undertaking this inquiry was to produce some practical suggestions on how to tackle occupational segregation. Unfortunately, the inquiry has been curtailed because of the expectation that a general election will take place shortly. We have therefore been unable to treat the issues as comprehensively as we wished. However, we believe that there is value in publishing our conclusions and recommendations based on the evidence we have received. This is an important subject, and we hope that our successors will return to it in due course, perhaps in the context of the final report from the Women and Work Commission later this year.
2 Occupational segregation as a factor in the gender pay gap

4. There are different ways of measuring the gap between women’s and men’s earnings, but the main one, preferred by the DTI, is the gap between men’s and women’s median full-time hourly pay (excluding overtime) as a percentage of men’s full-time hourly pay. According to the Latest Annual Survey of Hours and Earnings, in 2004 the gender pay gap was 14.4 percent. Women working part-time face a disparity in relation to both men working full time (43.2 percent less per hour) and women working full time (33.7 percent less per hour).1

5. The causes of the gender pay gap have been the subject of extensive research and are widely known. We have not attempted a review of all this work. However, to establish a context for our inquiry, we draw attention to recent research carried out for the Equal Opportunities Commission on the relative importance of the different factors contributing to the gender pay gap. This research showed that 41 percent of the pay gap was due to discrimination and other factors affecting the choice of employment by women (with occupational segregation being a major element in this); 36 percent was due to differences in employment patterns (the greater tendency for women to experience breaks in employment, or to take part-time or temporary work, often because of domestic responsibilities); 15 percent was due to lower pay in sectors and occupations with higher proportions of women in the workforce; and eight percent was due to the fact that historically women have spent fewer years in full-time education than men so have had lower educational qualifications.2 These factors are closely related: women tend to take jobs in certain sectors (such as retail) where part-time work is more widely available, but these are very often low-paid sectors. For our purposes, the difficulty of disaggregating these causes does not matter. It is enough to understand that any programme to reduce occupational segregation will need to address these other factors too.

6. The disparity between the types of jobs taken by men and by women in the UK is still very large. 60 percent of women workers are employed in just ten out of 77 recognised occupations,3 with the heaviest concentrations being in what have been called ‘the five Cs’: caring, cashiering, catering, cleaning and clerical. The 2001 census showed that women formed 84 percent of the workforce in personal services, 78 percent in administration and secretarial work, and 71 percent in sales and customer services.4 Many such jobs are in smaller and non-unionised firms.5 They are often low paid and accorded a low status. There have been attempts to quantify the effect of the ‘women’s work’ factor, which have concluded that, even when all other issues (skills, hours of working, etc) are excluded, the

---

1 Appendix 12, paras 3.1-3.4 (DTI)
2 Appendix 5, para 12 (EOC)
3 Appendix 9, para 6 (TUC)
4 Cited in Appendix 5, Summary (EOC)
5 Research for the EOC indicates that while 32 percent of men work in a firm with 50-499 workers (the main UK definition of a medium-sized company), only 23 percent of women do; and 15 percent of men work in a firm with 500 or more employees, compared with only 12 percent of women: Modelling gender pay gaps, Wendy Olsen and Sylvia Walby, EOC Working Papers series No. 17, 2004, cited in Appendix 5, para 15 (EOC)
greater the proportion of men in the workforce, the higher the wages. For each ten percentage points by which the proportion of men in an occupation increases, the wages are 1.3 percent higher.\(^6\)

7. One of the reasons why girls have historically taken low paid jobs is that they had lower educational attainments than boys, not least because they tended to leave full-time education earlier.\(^7\) This has changed: a greater proportion of girls than boys now achieve the higher grades in GCSEs (both academic and vocational) and ‘A’ levels, and at degree level not only are there more female than male students but also the class of degree they are achieving is rising.\(^8\) Disappointingly, despite the wider opportunities opened up by these changes in educational attainment, when they start work young people still tend to opt for traditional occupations (with the result that girls’ starting salaries for full time work are, on average, 18 percent less per hour than boys\(^9\)); and, once people have chosen an occupation, it becomes increasingly difficult to change to a new one. Therefore, the choice of first job is very important.

8. The Equal Opportunities Commission (EOC) has undertaken research into the attitudes of young people towards jobs in non-traditional sectors. In surveys of Year 10 pupils (aged 14–15 years), girls were more likely than boys to think that jobs such as plumbing could be done equally well by both sexes; 80 percent of girls were willing to consider a non-traditional job; and significant minorities of both boys and girls were interested in specific non-traditional work (caring professions for the boys, technical and engineering or construction work for girls). Many of the students said they could be tempted to train for a non-traditional job by: extra money for training; better pay rates than for jobs normally done by their sex; the opportunity to try working in the job before making a final choice; encouragement from others; more information about the type of work; and more of their sex making the same choice.\(^10\) Adults were—at least in theory—equally open-minded.\(^11\) However, many 16–18 year olds are making the same sort of choice of job as their parents did.

9. The witnesses from the Learning and Skills Council (LSC) suggested that, while younger pupils were willing to consider new ideas, by the age of 16 they were “thinking about relationships, thinking about [their] own identity, thinking about the views of [their] peers, thinking about the views of [their] parents”; at the very time when they are expected to make job choices and avoid stereotyping, “that is the point when they actually feel more vulnerable and less willing to take what may be a courageous step and do something different”.\(^12\) The witnesses thought that it was too late to expect young people to make

---

\(^6\) Appendix 5, para 12 (EOC) See also Qq 65 and 72: Amicus argued that men’s skills were rated more highly, and rewarded more, than women’s.

\(^7\) Appendix 8 (LSC)

\(^8\) GCE/VCE A/AS Examination Results for Young People in England 2003/04 (Revised), DfES, 12 January 2005 and Qualifications obtained by and examination results of Higher Education students at Higher Education Institutions in the United Kingdom for the academic year 2003/04, Higher Education Statistics Agency, 11 January 2005

\(^9\) Q 30 (EOC)

\(^10\) Appendix 5, para 21 and Qq 2-3 (EOC)

\(^11\) Ibid.—but the EOC had a caveat, that parents from lower income groups seemed less willing to support their children in the choice of non-traditional careers than middle class parents: Qq 2-3

\(^12\) Q 147 Far more boys than girls still opt for physics and mathematics at ‘A’ level, for example: Appendix 3, para 7 (CBI), see also Q 29 (EOC)
atypical choices at 16, when they had never previously been encouraged to think about this possibility or been given information about pay and promotion prospects in different areas of work. Moreover, in some cases they would have already limited their options by their choice of GCSEs.\textsuperscript{13} Although, they admitted, this went beyond the remit of the Learning and Skills Council (which deals with education and training from the age of 16), they felt that schools should introduce some of these issues to children even before the age of 14.\textsuperscript{14}

10. We are encouraged that the DTI is conducting research\textsuperscript{15} into the types of information, and sources of information, that are most influential in determining the attitudes to different jobs of young people (especially those in the 14–19 age group). The Minister told us that the Government hoped to use this knowledge to decide on the most effective ways of tackling stereotypes.\textsuperscript{16}

\textsuperscript{13} Q147 (LSC) Appendix 3, para 7 (CBI), The DTI, DfES and Institute of Physics are researching into why girls give up physics at school, for example: Q 191 (DTI)

\textsuperscript{14} Qq 148 and 168

\textsuperscript{15} To be completed in September 2005

\textsuperscript{16} Q 181
3 The causes of occupational segregation

11. We identified four broad areas which served to discourage young people from taking jobs in non-traditional sectors: lack of knowledge about opportunities and the advantages and disadvantages of various occupations; practical difficulties and disincentives to train in non-traditional fields; the ‘culture’ of certain sectors; and problems with balancing work and domestic commitments.

Lack of knowledge

12. There are three principal ways in which school pupils are given information about potential job opportunities: through careers advice, work experience, and the work of business-education partnerships (which are intended to encourage local businesses to develop relations with schools). All our witnesses agreed that the quality of these varied significantly. The EOC noted that: “No agenda is being set for schools and Connexions to widen opportunities, challenge traditional choices, or address young people’s natural fears and concerns about working in non-traditional areas”, with the result that many advisers simply reacted to young people’s choices without making a serious attempt to suggest alternatives, a practice which “perpetuates and even strengthens the division of opportunities”. More specifically, “Careers information on particular sectors is often given out only to the traditional sex, and often presents an inaccurate or out-of-date image.” This is particularly disappointing in light of the fact that, according to the Minister, those giving careers advice in schools, and especially the Connexions Service, have had “clear and explicit guidance” requiring them to challenge stereotypes. The Women and Equality Unit in the Department of Trade and Industry had also produced a booklet, *Does sex make a difference?*, containing lesson plans and suggestions about discussion topics and activities designed to make young people think about occupational segregation, whether it was justified and its effects.

13. The 14-19 Education and Skills White Paper states the need to ensure that the career options presented to young people are “… determined by their aptitudes and the needs of employers, rather than stereotypes about their gender or background.” The Learning and Skills Council suggested that the discussions on the White Paper gave an opportunity to consider these issues more carefully in the context of engaging with young people and motivating them to learn.

14. Work experience placements provide another opportunity for young people to learn about areas of work of which they would otherwise be ignorant. However, the EOC

---

17 Connexions is the government service designed to give information and advice (on careers, learning, health, housing, work, money, relationships and rights) to young people aged between 13 and 19 years. It employs Personal Advisers in local areas.
18 Appendix 5, para 22 and Qq 2-3 (EOC); Appendix 9, paras 11-12 (TUC)
19 Ibid. See also Appendix 3, para 8 (CBI)
20 Q 181
21 Ibid.
22 Cm 6476, February 2005
23 Q 147
suggested that too often, pupils were left to find their own placements, with little guidance or help; and those who could not find a placement were frequently allotted a vacancy in a sector considered “suitable” for their gender and social background, whether or not they were interested in it. The Minister rebutted this suggestion, saying that this was an out-of-date view of how schools approached work experience. She argued that the local Learning and Skills Councils and local businesses were working together within business and education partnerships to bring a more coherent approach to offering work placements. She admitted that the system still needed improvement, but pointed out that the public sector could not achieve this on its own: it required employers to take work experience seriously as an opportunity to attract the widest range of possible recruits to their workforce. The Learning and Skills Council said that the situation was patchy: although in some areas pupils were simply given a list of places to try or were left to find placements themselves, in others there was far more co-ordination between the local Learning and Skills Councils, education authorities and employers to establish a range of placements which could be offered to pupils. It cited an example of a pilot project in Gloucestershire to place a group of Year 10 pupils in non-traditional sectors for their work experience. This, it reported, had been a success in terms of challenging young people’s stereotypes about certain occupations, and preliminary indications were that they were more willing to consider non-traditional careers themselves as a result. The local Learning and Skills Council was continuing to follow up this project to see what, if any, difference it had made to the career choices of these pupils. However, our witnesses agreed with the Minister that more work was needed to spread best practice throughout the country, and—in industries with particular problems of skills shortages and gender imbalance—to engage the relevant Sector Skills Councils in the task of opening up more placements to a wider range of young people.

15. The experience of some members of the Committee supports the EOC’s contention that, though it is by no means a universal attitude, a significant number of schools seem to consider finding work experience placements an onerous addition to their core teaching work, and they try to devolve as much of the responsibility to individual pupils as possible. For both students and employers, this is a wasted opportunity.

16. We recognise that providing well structured and informative work placements is a burden on businesses, and that employers are understandably anxious about health and safety issues and other statutory responsibilities towards the young people involved. However, especially in sectors suffering from skills shortages, there is a strong argument from economic self-interest for employers to take seriously the opportunity afforded by work placements to ‘sell’ their industry and their company. The burden is especially acute for small businesses, and here we see a role for Sector Skills Councils and local trade associations to provide advice and support. It might, for example, be

---

24 Appendix 5, para 22 (EOC) and Q 29 (EOC)
25 Qq 182-183
26 Q 149 See also, Q 37 (EOC) The EOC noted that the TUC was trying to stimulate employer interest in non-traditional work placements: Q20
27 The programme offered ‘taster sessions’ for 120 pupils in non-traditional sectors—boys went into hairdressing, childcare and care for the sick and elderly, while girls experienced engineering and electrical installation.
28 Q 151 and Appendix 8
29 Q 150 and Appendix 3 (CBI)
possible to co-ordinate a programme of brief ‘taster’ sessions in several companies to share the responsibility more widely.

17. This leads to the general question of the degree of engagement of business with schools. There is now far more emphasis on encouraging partnerships between firms and schools, so that businesses are able to communicate to schools the types of skills they need employees to have, and so that pupils are better informed of the job opportunities available and of what qualifications they will have to achieve to obtain those jobs. However, much of the responsibility for developing such links lies with local employers, and the extent of employer enthusiasm and engagement with the process varies widely from area to area.30 We were given some very good examples of what can be achieved: employers in the IT sector, for example, are conscious that the proportion of women in the industry is falling, and they seized the opportunity presented by initiatives such as Computer Clubs for Girls to develop relations with schools by donating equipment, visiting schools to promote IT schemes and providing prizes for IT projects; while the engineering sector had a successful ‘ambassadors’ programme, where young employees visited schools to describe their work and promote interest in their industry.31 Another initiative was young engineers clubs, which provide opportunities for school children to try out practical activities.32 But these examples reflect the enthusiasm of individuals, and we doubt that they are as widely emulated as we would wish.

18. While the issue of education of 14-19 year olds is a matter for our colleagues on the Education and Skills Committee, not us, we feel it a shame that, so far, although there has been a marked improvement in the educational achievements of girls, which should have led to a greater range of career options for these girls when they leave school, the pattern of occupational choices has not changed as much as one might have expected. We are confident that the DTI and the Learning and Skills Council are giving due attention to this issue, but we have doubts about whether the message has really penetrated down to the level of individual schools, and the local businesses that might benefit from having a wider range of candidates for jobs. We are also uncertain of the extent to which the Department for Education and Skills has ensured that the challenging of gender stereotypes is fully incorporated into the curriculum and into the general approach of schools towards fitting their pupils for adult life.

19. Although there have been improvements in the provision of careers advice and work placements, and in the links between business and schools, the quality still varies too much from place to place. The critical links in the process of spreading best practice would appear to be the local Learning and Skills Councils, local education authorities, Sector Skills Councils, Regional Development Agencies, and local trade associations such as Chambers of Commerce. Until all these bodies are properly engaged in the process, it will be extremely difficult to challenge the general culture of sexual stereotyping of roles, and young people will not be given the information and encouragement necessary to step outside the stereotypes. Half the battle to improve

30 Qq 32-33 (EOC)
31 Qq 113 (e-skills UK) and 31 (EOC)
32 Appendix 10, paras 5.3.1-5.3.3 (UKRC)
women’s pay and opportunities and to tackle skills shortages will already have been lost.

Difficulties with training

20. The work of the JIVE Partnership\(^{{23}}\) has highlighted the continuance of a disturbingly high incidence of stereotyping and sometimes outright prejudice against women in Further Education institutions and other places where vocational training takes place.\(^{{34}}\) JIVE has provided training on countering such attitudes to more than 500 work-based, FE and HE lecturers working in the fields of science, engineering and technology; but JIVE believes that this needs to be reinforced by the inspection regime, and has therefore called for full incorporation of the issue into the national quality initiatives for the learning and skills sector so that progress can be monitored by the inspectorate.\(^{{35}}\) The LSC told us that it is aware of these problems and is seeking to tackle them by setting local Equality and Diversity Impact Measures (EDIMs) with training providers, with the ultimate sanction of withdrawing funding if performance is unsatisfactory.\(^{{36}}\) JIVE has also discovered simple, practical difficulties in the way of women wishing to train in non-traditional sectors, such as inadequate provision of toilets and changing facilities for women; the rigid structure of training, which poses difficulties for people with caring responsibilities; the lack of childcare provision; and the isolation experienced by those in minority groups among trainees (which, it suggests, could be alleviated by national mentoring initiatives).\(^{{37}}\) A number of these issues formed recurring themes in the evidence we received.

21. When we took oral evidence from the Equal Opportunities Commission, it was about to publish its final report on the segregation of men and women in training and work. Its investigation focussed on apprenticeships and work experience in five highly segregated sectors: construction, plumbing, engineering, ICT and childcare. The investigation had found that in these sectors there had been “little or no change [in the prevalence of gender segregation] … over the last 10 years” and that “apprenticeships were perpetuating rather than tackling segregation” because of “the lack of places, inflexibility, and a lack of childcare support”.\(^{{38}}\) The EOC noted that there was a particular shortage of apprenticeship places in sectors with a high proportion of small businesses and self-employment, because employers lacked adequate incentives to offer training—indeed, in some cases, welcomed skills shortages on the grounds that their own skills were in higher demand.\(^{{39}}\) On flexibility, the EOC commented: “whilst in principle they say that there could be part-time apprenticeships, in practice we found no part-time apprenticeships”; and this, combined with the long or anti-social hours required for apprenticeships in some sectors, made

\(^{{23}}\) A partnership of ten organisations (including three from the voluntary sector, two Higher Education institutes, Bradford Further Education College, two Sector Skills Councils and the EOC) spread throughout England and Wales which are all committed to and have expertise in practically tackling occupational segregation in the science, engineering and technology sectors. For more information, see Appendix 10, paras 3.3-3.6 (UKRC)

\(^{{24}}\) Appendix 10, para 4.7 (UKRC) See also Qq 139-141 (UKRC) and 153-154 (LSC)

\(^{{25}}\) Ibid., para 5.6.2 and Q 142 (UKRC) See also Q 32 (EOC)

\(^{{26}}\) Qq 170-171 and Appendix 8

\(^{{27}}\) Appendix 10, para 5.6.6 See also Q 155 (LSC)

\(^{{28}}\) Appendix 5, Summary and para 19 (EOC)

\(^{{29}}\) Ibid., para 19 and Q 17
appropriate childcare particularly difficult to find. The EOC noted the irony of the fact that women found the flexibility of jobs such as plumbing and painting and decorating very attractive, whilst the training programmes for these jobs were remarkably inflexible.

22. We were told that, in the construction sector, there were initiatives designed to address some of these problems. Two of the most promising were project-based apprenticeships, where, instead of individual firms taking on apprentices, a group of companies engaged in a single construction project jointly employed several apprentices, thus reducing the financial pressure on and supervisory duties of individual small businesses; and adult apprenticeships for women, which were useful because, research showed, many women who lacked the confidence and encouragement to take up non-traditional occupations when they left school still had the desire to try such occupations later in life but training was not available. However, it appears that other sectors are not yet adopting such schemes, and, indeed, the EOC suggested that the construction industry might be better placed than many to launch initiatives because of the continued existence of the Construction Industry Training Board and associated training levy. The DTI suggested that the problems with apprenticeships had been acknowledged and were being tackled by Government: a review of apprenticeships in 2004 had led the Government to decide to increase flexibility by introducing an eight-week probation period and allowing apprentices to complete their apprenticeship with another employer if they needed to move. However, this does not address the issue of the lack of part-time places and the general inflexibility of the working day for apprentices.

23. In contrast to its concerns about apprenticeships, the EOC was warm in its praise for Foundation Degrees, which were introduced in 2000 to tackle skills gaps at associate professional and higher technician level. The DTI notes that Foundation Degrees have flexible modes of attendance, part-time, distance and work-based learning, as well as full-time options, “in order to encourage a broader range of students into higher education”. The LSC also pointed to the example of flexibility given by on-line training through organisations such as Learn Direct.

24. While the Modern Apprenticeships programme is a key to alleviating skills shortages in the UK and to providing young people with the means to access higher value and higher paid work, it appears that the structure of the apprenticeships may have been designed too much with the traditional school-leaver recruit in mind. The development of schemes for older people, particularly those with caring responsibilities, is vital to attracting more women into male-dominated sectors; and we therefore welcome the pilot schemes being run for older people. However, we are

---

40 Q 22
41 ibid.
42 This also went some way to address the problem of the isolation experienced by many young women training in non-traditional areas, which we discuss below: paragraphs 32-33.
43 Qq 18 and 20; also Q 8
44 Q 16 For the Government’s description of the pilot schemes aimed at women returning to work, see Q 184
45 Q 184
46 Appendix 12, para 6.7
47 Q 155
48 See paragraph 29 below.
disappointed that the Modern Apprenticeships programme seems to date to be reinforcing gender segregation among young people.

25. The example of Foundation Degrees shows that it is possible to construct training to make it accessible to the greatest range of people. We recognise the difficulty in extending this flexibility into employer-based schemes: the sole purpose of FE institutions is to provide training, while employers have to juggle the sometimes conflicting demands of efficiency and immediate productivity against providing for future skills needs via training. However, the development of flexibility should be encouraged, not hindered, by the overall requirements for Modern Apprenticeship schemes. We recommend that the Government review the structure of such apprenticeships to ensure that the maximum possible flexibility is built into them. In this context, we note the EOC’s suggestion that the Government should reconsider whether the programme of Young Apprenticeships, which is aimed at 14-16 year olds, should be used actively to encourage young people to think about a wider range of job options by offering training in three sectors rather than just one. \(^{49}\) We commend this suggestion.

26. The EOC also commented that there was a variation in the degree to which local Learning and Skills Councils were using Equality and Diversity Impact Measures to tackle gender segregation, and suggested that the Learning and Skills Council itself should set a national indicator to show how seriously it took this issue. \(^{50}\) We think this would be useful in encouraging the wider adoption of best practice by local LSCs.

Training for older women

27. One of the main difficulties in the science, engineering and technology (SET) sector is that developments occur so fast that those spending any time out of the labourforce—for example, to take care of dependents, or when moving to accommodate a partner’s job—are likely to find their skills out of date when they return to work. The UK Resource Centre for Women in Science, Engineering and Technology (UKRC) is working with other organisations on a project designed to enable women to keep up to date with new ideas and technical issues in SET. \(^{51}\) Where employers provide adequate ‘refresher’ training—especially when this is coupled with help with childcare—they find that many valuable experienced women employees do return. \(^{52}\)

28. More generally, the TUC noted that lower qualified employees were less likely to receive training, which meant that women—who have historically had lower qualifications—were disproportionately affected. \(^{53}\) Amicus claimed that employers were often reluctant to give formal training to female members of their workforce as they would then have to pay the women more. However, once there was a critical mass of women in the workforce—as had happened in parts of the engineering sector—then it was difficult

\(^{49}\) Q 23

\(^{50}\) *Ibid.*

\(^{51}\) Q 190 (DTI)

\(^{52}\) Q 110 (Financial Sector Skills Council)

\(^{53}\) Appendix 9, para 17
for employers to deny them training. In contrast, Mr Caple said that training in financial services was provided equally to men and women, but much of this training was to meet regulatory requirements rather than to equip the staff for more skilled work. He believed that the sector needed to invest more in two areas in order to attract and retain women: pre-employment training and skills development. The EOC said that, in many employment sectors, it was impossible to move from lower level to higher level jobs because no 'conversion training' was available. It noted that some organisations—for example, the Department for Education and Skills—were considering this and trying to develop opportunities for, say, classroom assistants to receive training to become teachers. Other employers have shown imagination in tailoring schemes to attract women into areas of skills shortages: one of the best known is Centrica’s scheme to train lone parents as gas fitters, which proved very successful.

29. Several of our witnesses also praised the Government’s Employer Training Pilots—where training is given in the workplace and during work time—as having particularly benefited older women, and suggested that the nationwide adoption of this scheme through the National Employer Training Programme should help older women to close the qualification gap. The LSC emphasised that “because the learning takes place in the workplace the individuals do not have to overcome barriers over childcare, travel and transport and the costs associated with that.”

30. We received evidence claiming that the New Deal for Lone Parents has been devised in such a rigid way as to make it inappropriate for a considerable proportion of lone parents. We were told that its principal requirements are that training must be for National Vocational Qualification (‘NVQ’) Level 2 awards, and must be completed within a year. However, training may be done on a part-time basis, and childcare and transport costs are subsidised. Ros Wollen, a community education worker, pointed out that many of those in most need of help would not be able to tackle an NVQ Level 2 qualification, so would automatically be excluded; furthermore, the part-time training concession was more apparent than real, as nearly all NVQ2s were designed to be undertaken in a year and done full time (that is, 33 hours a week). The DTI, after consultation with the Department of Work and Pensions, sent us detailed supplementary evidence about the requirements for the New Deal for Lone Parents scheme, and other New Deal training schemes. This indicated that the requirements for the New Deal for Lone Parents were not as rigid as Ms Wollen had described them to be, and in particular that training did not have to be of NVQ2 level and that the 52 week period of entitlement to funding could encompass a number of different training courses taken over a maximum of two years, provided that the

54 Qq 66 and 71
55 Of the Financial Sector Skills Council
56 Q 110
57 Q 43
58 Q 58 (EOC)
59 See, for example, Appendix 3, para 9 (CBI), Appendix 9, para 18 (TUC) and Qq 19 and 20 (EOC)
60 Qq 155 and 170 See also Appendix 8 (LSC) Learners tend to be women aged between 26 and 45, in full-time, low-skilled, low-paid jobs.
61 Appendix 11
total number of weeks of training did not exceed 52. (The provisions for Basic Skills training under the New Deal for Lone Parents are more flexible.)

31. Unfortunately, time constraints have limited our ability to pursue these issues further. However, the exchanges have illustrated the complexity of the requirements for qualifying for and accessing the training schemes under the New Deal umbrella. This in itself may be a deterrent to the unemployed accessing the training that would benefit both them and the UK economy.

Problems with business cultures

32. Certain industrial and commercial sectors are widely acknowledged to have a culture that is unsympathetic or even, sometimes, downright hostile to women. Frequently cited examples are the long hours, hard drinking, aggressive, ‘jobs for the boys’ culture of some companies in the City of London; and the sexist, macho behaviour of some in the construction industry. However, other sectors, though not as notorious, also have a culture that makes it uncomfortable for women to work there. For example, UKRC summarised the barriers to women’s employment in these sectors as, amongst other things, “Stereotyping and bias, poor career progression prospects, harassment and bullying, the paucity of role models at all levels, lack of women in positions of power, recruitment bias”.

33. We asked representatives of both employers and trades unions what they were doing to address these problems. As far as employers were concerned, Mr Caple of the Financial Services Skills Council suggested that in the City senior managers were beginning to understand the reputational damage to companies that arose from the more lurid stories about sexual discrimination and inappropriate behaviour towards women. This reputational damage also had an influence on their clients, who were starting to make it clear that they disapproved of such a culture. He also noted that, in the financial sector, ethical standards were set by the Financial Services Authority through its Conduct of Business Rules, and were being enforced. Simple isolation can be a problem. The construction sector is addressing this issue: the National Construction College ensures that all women trainees have mentors, and all apprentices attend a Diversity and Equality Workshop. The EOC cited examples of employers who took a firm approach to bullying and general bad behaviour, with the result that the work climate improved for everyone; but it thought that employers in general should be given better support and training in improving workplace culture. Amicus told us that it had a dignity at work policy and a model agreement that it was trying to persuade employers to adopt; but: “Employers do not really want to take up these issues because they are tricky and embarrassing and they tend to be written off as personality clashes. Women are told they have to be tough enough
to do the job.”68 The union would like to create a situation where anyone being victimised could report this quickly so that early action could be taken to stop it, but this was not happening at present. On the other hand, the union officials detected a growing awareness among employers that a failure to stop harassment ran the risk not only of recourse to the courts by the employee affected but also of seriously damaging morale and productivity throughout the company.69 The LSC suggested that it had a ‘lever to encourage employers to deal with these issues through its involvement in the provision of workplace training.70

34. Amicus explained the difficulty unions faced in influencing their members: in the sectors represented by Amicus, women formed about one-third of the workforce but only about 17 percent of union membership, so there was not “a big enough critical mass” to change the culture easily.71 Amicus also described the fear of male workers that increasing numbers of women in the occupation would lead to its being downgraded and pay being reduced. This was not mere prejudice: it had happened, for example, in relation to the printing industry: when technology changed the traditional work of compositor to a largely keyboard-based job, women entered the occupation at a lower pay rate; and the employers used the equal pay legislation to reduce the pay rates overall, so most of the remaining men left.72

35. The Deputy Minister for Women agreed that there was a problem of harassment and bullying, and felt that the trade unions had a particular contribution to make in supporting workers faced with such problems. She noted the role of ACAS and, potentially, the new Commission for Equality and Human Rights in dealing with cases of discrimination or harassment. She also suggested that there was an opportunity to review the statutory provisions on discrimination and harassment and update them to reflect case law in the course of the review of legislation being undertaken to implement the EU Directive on Equal Treatment in Employment.73 Several witnesses suggested that more efforts should be made to provide moral support and mentoring to women who were facing a difficult environment at work and felt isolated.

36. It is stating the obvious to say that the culture of industries will not be changed quickly. Both employers and trade unions could do more to tackle the overtly sexist elements of workplace culture, simply by making it clear that certain behaviour is unacceptable. We welcome the indications that some companies are now indicating that they are unwilling to do business with firms that have tolerated, let alone tacitly encouraged, harassment and discrimination.

37. The problem of the ‘downgrading’ of jobs which have increasingly become the preserve of women is not a new one: it happened to the clerical/secretarial sector almost 100 years ago; some argue that it has occurred in the teaching profession over the last 20-30 years; and, more recently still, there are suggestions that the status of GP is

68  Q 80
69  Ibid.
70  Qq 169-171
71  Q 80
72  Q 69
73  Q 194
diminishing as it becomes a predominantly female profession. Dealing with this problem would require still greater cultural change: an overturning of the traditional view of caring and service (and largely female) jobs as inherently inferior—less skilled, less valuable, lower paid—to ‘wealth-creating’ financial, technical and manufacturing (and largely male) jobs. This is beyond the scope of our Report, but we note, in passing, the example set by the Government in its re-evaluation of the work done by different occupational groups within the National Health Service in the context of its Agenda for Change programme. We would welcome moves by any other employer to undertake a similarly fundamental review of the value—and rewards—attached to the range of jobs within their business.

38. An associated issue is that of the dearth of women in senior positions in a number of sectors. Such ‘vertical segregation’ deprives both women of role models who might give them the confidence to try non-traditional work, and the sectors concerned of innovation, creativity and intellect. One of the sectors in which this is most obvious is science and technology, where, in both the academic and industrial areas, few women occupy senior positions. This is not merely a reflection of the comparative paucity of women going into the profession. Various studies have shown that women are less likely than men to be encouraged to advance their careers: for example, despite the fact that approximately equal numbers of men and women gain doctorates in the biological sciences, after this men’s careers progress while women’s careers stall. There are, however, encouraging exceptions: women fellows reported a positive change in the culture of their area of research when a woman was appointed CEO of the Institute of Physics. One of the primary tasks set by the Government for the UKRC has been to find practical ways to encourage the appointment of more women to senior positions in science, engineering and technology. The UKRC now maintains an Expert Women Database of candidates qualified for public sector SET board appointments, so that those appointing to senior positions can no longer claim that they know of no suitable candidates.

39. It is only comparatively recently that women have regularly reached senior positions in professions in which they have been well established for a long time, such as the law and medicine. It is as yet too early to judge the success of the Government’s Strategy for Women in Science, Engineering and Technology, which was launched in 2003. Changing the culture in areas like SET will clearly require sustained effort, but the process started by Baroness Greenfield’s SET Fair report in 2002 appears to be gathering momentum.

74 Though we note that the Women and Work Commission has stated its intention to take forward work on the value attached to women’s occupations, especially in the caring professions: Interim Statement, A Fair Deal for Women in the Workplace, 8 March 2005.
75 Appendix 10, paras 4.9-4.11 and 4.14 (UKRC)
76 Ibid., Figure 1
77 Ibid., para 4.14
78 Appendix 12, para 7.8 The PSA target is to raise the proportion of women members of SET boards to 40 percent.
79 Qq 190-191 (DTI)
Flexible working

40. Part-time and flexible working is not a ‘women’s issue’—a number of sectors of the workforce would appreciate the opportunity to change the hours they work or vary them over the course of the year. These include older workers (especially in sectors with a culture of long hours\textsuperscript{80}), men with caring responsibilities, and fathers who would just like to spend more time with their children. However, given the fact that domestic responsibilities still fall predominantly upon women, and that many women wish to vary the hours of paid work in order to achieve ‘a better work/life balance’, the issue of the availability of flexible working hours currently has a greater impact on women than on men.

41. Part-time jobs are concentrated in the less skilled sectors and occupations, and, on an hourly basis, are significantly lower paid than full-time jobs.\textsuperscript{81} Moreover, the longer an employee stays in part-time work, the greater the differential between her/his hourly rate and that of the full-time employee: for each year of part-time employment, hourly wages decrease by one percent.\textsuperscript{82} It is widely recognised that the prevalence of women in part-time work in the UK is one of the main factors contributing to the gender pay gap.

42. One of the most striking findings from the EOC’s research projects was that a significant number of women who work part-time have previously worked in jobs requiring more qualifications, skills or experience, or more responsibility for the supervision or management of staff, than their current job.\textsuperscript{83} More specifically, those who return to work after a career break and wish to take part-time work often find that not only are they unable to return to their former job, but also that they cannot even return to their former employer.\textsuperscript{84} Women who move from full-time to part-time work and change employer companies experience an 8.9 percent drop in pay per hour. The decrease is greater after even a short period of non-employment.\textsuperscript{85} Furthermore, part-time employees are less likely to be offered training, or to be promoted than their full-time equivalents. Once in a part-time job, it becomes difficult for employees to advance their careers.\textsuperscript{86}

43. The EOC is undertaking further research in this area to discover the reasons why women are taking less demanding jobs when they move to part-time working. It told us that there are four principle reasons: because of child-caring responsibilities; because there are few opportunities for advancement in their workplace; because they are simultaneously undertaking training to equip themselves for a more demanding job; and because they are seeking a better work/life balance. However, the EOC thought it difficult to draw a clear distinction between women being forced to take lower-skilled positions due to the unavailability of part-time jobs at the right level, and women choosing to do a less demanding job. Ms Wild of the EOC argued: “It feels, for most women, like it is actually a

\textsuperscript{80} For example, the printing industry.
\textsuperscript{81} Appendix 9, paras 25, 31-33 (TUC)
\textsuperscript{82} Modelling gender pay gaps, Wendy Olsen (University of Manchester) and Sylvia Walby (University of Leeds), EOC working paper series No.17, 2004: cited in Appendix 5, para 30
\textsuperscript{83} Appendix 5, paras 33-34
\textsuperscript{84} Q 178 (DTI) Amicus reported that women were often forced to take a lower grade job, not realising that is was illegal to make them do so: Q 77
\textsuperscript{85} Appendix 9, para 35
\textsuperscript{86} Ibid., paras 20 and 21 (TUC) and Appendix 8 (LSC)
compromise between what they would really like to do and the hours. I think, for most women, they are choosing to work part-time; they are not choosing to work below their potential.”

44. Some sectors have a more open-minded approach to flexible working than others, with manufacturing presenting particular problems because of the prevalence of shift work; but, we were told, even here it was often possible for employers to accommodate those who wanted to work non-standard hours, if the employer was willing to think creatively. In other sectors, such as printing or some IT jobs, the problem was more that of a prevalence of extremely long hours. In the course of the oral evidence relating to our recent inquiry into Employment Regulation, Amicus told us that there had at first been considerable resistance from both employers and workers when the union had suggested changing work patterns to bring the industry into line with the Working Time Directive limit of a maximum 48 hour working week. However, employers and workers were satisfied with the shorter but more productive working week that had resulted. E-skills UK, the sector skills council for the ICT industry, also suggested that the long hours required under some contracts for the provision of IT services served as a major disincentive for women to continue in employment in the sector—though here one of the options that they appeared to be adopting was setting up their own companies to have greater control over when and for how long they worked. Women leaving employment in order to establish their own companies also appeared to be a trend within the financial services industry. Intellect, the IT trade association, was aware of the problem of retention, and the industry had established a Women in IT Forum to consider ways to address it. E-skills UK also pointed to a successful example of introducing flexible or part-time working even within companies that provided services such as 24-hour a day helplines: although the employers had found it difficult to organise working time, they had found the benefits greatly outweighed the difficulties, as they became the local employer of choice, were able to recruit the best staff, the quality of the service they provided improved and, as a result, so did their profitability.

45. More generally, we were told that the traditional view in many industries is that part-time work is not compatible with senior positions. UKRC said that this was one of the major barriers to women returners achieving senior positions within the SET sector. The

---

87 Q 41
88 Qq 84 and 89-90 (Amicus)
89 Q 91 (Amicus)
90 See also Qq 91 and 93-94 (Amicus) on resistance by workforces to changes to labour patterns better to accommodate women employees.
91 Q 127, 117 and 115 One of the chief culprits in demanding contractual provisions on availability of key personnel—meaning long hours and enforced mobility—and thus making it difficult for women to take such jobs—is the Government: Q 130
92 Q 115 See also Appendix 3, para 13 (CBI)
93 Q 115
94 Q 126
95 Appendix 1, para 5.9 (Amicus) For common prejudices against part-time workers, see the list in Appendix 9, para 21 (TUC)
96 Qq 136-137 see also Appendix 8 (LSC)
UKRC’s view was that there was more scope for flexible working even by team leaders and people in other responsible roles than had been realised so far.97

46. Most of our witnesses did not favour legislation to require employers to offer part-time or flexible hours. The EOC thought that compulsion would not work.98 Others felt that it would be better to rely on the enlightened self-interest of employers. Both representatives from Sector Skills Councils suggested that those wishing to change employers’ attitudes should put the economic argument more strongly: that, if they wished to have access to the best recruits and to increase the productivity of their workforce, then part-time and flexible working could help them achieve this.99 The Minister argued that, given the variety of flexible working practices that employees might wish to adopt, it was undesirable to introduce a statutory requirement which probably would be too rigid. The Government, she said, felt the correct approach was that adopted with respect to the parental right to request flexible working: this had been designed following discussions with the representatives of both employers and employees and allowed wide scope for reaching a mutually satisfactory outcome to requests. In addition, the Government had decided that the priority for amending this right was to extend it to other workers, such as those caring for older children or the elderly, not to introduce compulsion.100

47. Amicus’s view was that the main change needed to the current ‘right to request’ was to provide some means of questioning whether any refusal of a request was based on reasonable grounds. This would allow, for example, a trade union to offer some suggestions about how to overcome any operational difficulties arising from the request.101

48. There is a long-established view that certain jobs—senior managerial posts, skilled manufacturing jobs, key service industry posts—are unsuited to part-time and flexible working. This view is accepted far too uncritically: there appear to be a number of good examples where it has been perfectly practicable to re-arrange working hours while maintaining—sometimes even improving—productivity and performance. There are already indications that employers are re-thinking their attitudes, not least in light of the success of the recent introduction of the parental right to request flexible working. A number of employers have already extended this and have indicated that they are willing to consider requests from any of their employees. At present, we would not recommend introducing an element of compulsion on employers: the codification of best practice seems more likely to facilitate its widespread adoption than any statutory requirement would. However, we believe it would be useful to monitor the success rate of such requests, and to examine the reasons for refusal to see whether there are any grounds for instituting the sort of mechanism to challenge an employer’s decision that Amicus suggested to us.
4 The role of employers

49. Although, as we have already noted, there are examples of good practice by employers who recognise and are trying to tackle the difficulties arising from occupational segregation, these examples are by no means widespread. Part of the problem appears to be that employers are not fully conscious of the disadvantages to them of allowing such segregation to continue. Other employers are aware of these disadvantages but do not know how to tackle the problem.

50. In some cases the professional institutions have stepped in to support employers. The CBI cited the work done by the Royal Institute of Chartered Surveyors (‘RICS’) and the Royal Institute of British Architects (‘RIBA’). The RICS undertook a major review of why there were so few women in the profession, and followed this up in July 2004 with a conference at which it issued a ‘benchmarking tool’ to allow all those in the profession to check their policies and approaches to work to assess whether they were ‘female-friendly’. RIBA has concentrated on the provision of careers advice, the development of an on-line returners course and a mentoring system.

51. The Equal Opportunities Commission and the Government have been encouraging employers to undertake equal pay audits, to discover whether there are differences in the pay rates of men and women in their organisation, how great any disparities are, and why they appear to have arisen. There have been calls for such audits to be made compulsory. We asked our witnesses how useful they thought such audits were, and whether they believed they should be compulsory. We received a variety of answers, suggesting that in some cases companies were unwilling to conduct audits or to publish the result of any audit they did hold for fear of adverse publicity; some held audits but then did nothing to address any problems that emerged; and others made intelligent use of the findings to try to eliminate discrepancies and show themselves to be model employers. Amicus, for example, suggested that most employers took no action on the basis of audits; while the CBI suggested that employers had identified a number of different ways (reviewing salaries or improving performance management systems, for example) to address any problems revealed. The Minister pointed out that, under the guidance issued by the EOC, an integral part of such an audit was the production of an equal pay action plan to reflect its findings. She said that the Government considered such audits useful as providing a way for good employers to display their record publicly (she noted that equal pay now formed part of the Sunday Times assessment of the 100 best companies to work

---

102 See, for example, the evidence concerning the IT industry and SET: Qq 107-109 (e-skills UK) and 133 (UKRC)
103 Q 135 (UKRC)
104 Appendix 3, paras 15-16
105 Qq 47-49 (EOC)
106 Appendix 1, para 5.4 (Amicus)
107 Qq 47-50 (EOC) and 95 and 101 (Amicus); Appendix 1, para 6.5 (Amicus), Appendix 3, para 24 (CBI) See also Appendix 2 (CIPD)
108 Q 200 However the CBI noted—approvingly—that most companies did not follow the EOC guidelines but tailored solutions for themselves: Appendix 3, paras 23-25
for, for example) and a means of encouraging worse-performing companies to try harder. However, she thought there would be no advantage from making them mandatory.109

52. We received evidence that the experience of equal pay audits has been mixed. Some of our witnesses believe they are of doubtful effectiveness as a tool to make companies take the issue of occupational segregation more seriously. They are probably of more use as a way of marking out those companies that employ best practice from others, which—given the likely consequences for recruitment and retention—may concentrate the minds of the less forward-looking companies. We do not wish to denigrate them as a means of facilitating the process of changing the overall culture with respect to equal treatment of the sexes.

53. Several of the sectors which have a disproportionately small number of women workers are aware that the image generally held of them is unattractive. E-Skills UK told us of the various measures they had adopted to persuade girls that ICT was not just for ‘male geeks’. This involved both showing girls how IT could be used to access information and to learn skills connected with their interests and hobbies, and an attempt to persuade television producers to present a more rounded and interesting view of the industry, instead of relying on stereotypes.110 The representative from the financial services sector admitted that the image that many people held of City ‘high-fliers’ was of young men in sharp suits, with the few women being portrayed as “the wicked witch of the west”; while many younger people simply thought financial services sounded boring. He reported that there were two major initiatives to combat these stereotypes. The first was a programme of visits to the City by young people from the age of about 12 years, especially girls, who would meet successful women and, if they showed continuing interest in the sector, would continue to visit and eventually undertake work experience there, with the woman executive keeping in contact with them as a sort of mentor. The other was a programme to tap the recruiting potential in the outer London boroughs, which traditionally have provided few recruits to financial institutions. The Financial Sector Skills Council intended to work closely with the local Learning and Skills Councils in London Central and London East to launch programmes to advertise opportunities to young people in these areas in an attractive way, and to bring together potential recruits and employers. A pilot programme for this run in 2004 had exceeded all its targets.111 The CBI noted that even a comparatively small change, such as rethinking the way jobs were advertised, had been successful in increasing application rates from women.112

54. More generally, there are signs of increasing engagement by employers in practical measures to attract and retain women in non-traditional occupations. In particular, a number of the business-led Sector Skills Councils appear to be addressing the problem with vigour.113 E-Skills UK has put in place a number of programmes, including Computer Clubs for Girls and the Women in IT Forum, focussing on this issue.114 SEMTA has played

109 Qq 201-202
110 Qq 109, 113 and 120
111 Q 119
112 Appendix 3
113 Qq 24 (EOC) and 164-166 (LSC)
114 Qq 19 (EOC) and 113 (e-skills UK) See also Q189 (DTI)
an important role in the context of the Women in Science and Engineering project.⁠¹¹⁵ Though new, the Financial Sector Skills Council has identified occupational segregation as an important issue for the industry to address, both in terms of recruiting the best candidates and in improving the image of the industry.⁠¹¹⁶ The construction industry, working mainly through the Construction Industry Training Board, has also been active in both monitoring diversity and encouraging innovative approaches to encourage women to think of a career in the industry.⁠¹¹⁷ One of the three priorities of the Manufacturing Forum⁠¹¹⁸ is the problem of skills shortages and the need to change the public image of manufacturing, especially among women.⁠¹¹⁹

55. Employers are showing increasing awareness of the damage that occupational segregation can do to their businesses. However, although there are some imaginative attempts to tackle the problems that deter women from taking certain jobs, as yet these seem to occur in isolation, and there needs to be more effort to share best practice. We discuss the potential role of the Regional Development Agencies (‘RDAs’) in this in the next Chapter; but, with a few honourable exceptions, there is also a need for greater effort by Sector Skills Councils and trade associations. We are not asking business to behave altruistically—though some companies will doubtless do so—but we do expect them to behave fairly, and to be aware of the effect on their competitiveness of a failure to act.

¹¹⁵ Appendix 12, para 7.13 (DTI)
¹¹⁶ Appendix 7
¹¹⁷ These are listed in its Memorandum: Appendix 4 See also Q 189 (DTI)
¹¹⁸ Established as a result of the Government’s adoption of a Manufacturing Strategy in 2002
¹¹⁹ Q 189 (DTI)
5 The role of Government

The role of RDAs

56. Although, in its Memorandum to us, the DTI commented on RDAs as partners in promoting best practice and delivering equality objectives through their Regional Economic Strategies, we learned of few examples of the RDAs taking an active role in relation to the problem of occupational segregation. We received a copy of a report by a group of academics who had been commissioned by the South East England Development Agency to examine the position of women in the labour market in South East England, but, though a thorough analysis of the issues, this did not point to solutions. The RDAs in London, the South East and East Midlands are leading pilot schemes to provide women returning to work after career breaks with advice on career options, access to training, work placements and good quality, affordable childcare. These sound promising, and we look forward to the evaluation of them. However, we are concerned that they are still at the pilot stage—we would have thought that RDAs would have already finished experimenting in this area and that they would be disseminating and adopting best practice by now. We are also surprised at how tentative the DTI seems to be about the development of these pilot programmes: “If the model proves successful then, potentially, there is scope to explore whether it could be applied more widely” shows less than wholehearted belief that successful programmes will be adopted by RDAs en masse.

57. RDAs may have committed themselves to seriously tackling occupational segregation as a major focus of their work in improving the skills of the workforce and boosting productivity in their area; but the comparative silence about what they are doing leads us to conclude that most have yet to take the issue fully on board. Given their key role in ensuring that the needs and wishes of local businesses are taken into account in regional development policies, and their position as local agents for the delivery of much of the Government’s policy with respect to industry and commerce, we would have expected them to be playing a larger part in the attempts to engage the attention of employers on the disadvantages of occupational segregation.

The role of Central Government

58. The Women and Equality Unit of the DTI provided us with a detailed Memorandum of the wide range of activities being undertaken by various public sector bodies to tackle the causes of occupational segregation. We do not intend to list them here. They seemed to us appropriate. However, we noted that several witnesses suggested to us that there was

---

120 Appendix 12, paras 8.1-8.5
121 Qq 26 (EOC) and 173 (LSC). Some of our witnesses suggested that, while there was a national policy structure and a large number of local initiatives, there was a ‘gap’ at regional level: see, for example, Q 142 (UKRC)
122 Gender and the Labour Market in South East England: First Interim Report to SEEDA, Sue Corby, Celia Stanworth, Sue Long and Margaret Fox, January 2005 (not printed with this Report)
123 Appendix 12, paras 8.6-8.7 (DTI)
124 Ibid., para 8.7
125 Ibid.
an over-proliferation of initiatives with little co-ordination, a confusing number of sources of funding, and—in some cases—a tendency for the funding to run out just as pilot schemes were beginning to produce results. The EOC felt that the Skills Alliance was a key to tackling occupational segregation, as it brought together the main government Departments—the DTI, Department for Education and Skills (DfES), HM Treasury—as well as the CBI and TUC. At present, it argued, “There is a tendency for people to think of equality as the extra thing that you do after you have done everything else.”

59. We think that there needs to be greater co-ordination between government departments. Since 2002-03 there has been an explicit Public Service Agreement target across Government about delivering measurable improvements in equality for women. We are also aware that the Women and Equality Unit has been given the task of advising other departments on their specific targets for achieving this and of reporting on progress across Government. However, we suspect that other departments have not fully integrated into their policy decisions the need to be conscious of any effects on occupational segregation. We believe, for example, that the DfES has only recently started to consider the issue of segregation in the recruitment of apprentices; the Learning and Skills Council admitted that, although it had held information on training broken down by gender, it had never thought of making use of it before the EOC’s investigation into the area; and we are still uncertain of the extent to which the Department for Work and Pensions general training and employment programmes take into account the difficulties faced by women returning to work. It is not clear to us whether the slowness of other departments in addressing the issues is a result of insufficient vigour in the lead Department, the DTI, or a lack of co-operation from the other departments. It appears to us that the Women and Equality Unit still has considerable work to do, and may have neither the authority in relation to other departments nor the resources to do it.

60. This leads us on to a suggestion made by the EOC, that there should be a duty on the public sector to promote gender equality, in the same way that there is a requirement to tackle racial discrimination. This would, the EOC thought, raise consciousness of the issues generally and would lead public sector bodies to review both their policies and their relationships with outside bodies, through such means as procurement contracts. Recognising that it would take time to bring such a duty into force, the EOC suggested that, in the meantime, the NHS and local authorities should use the latitude they had under the “best value” concept to take issues of sexual as well as of racial equality into account when considering contracts for services. While gender equality could not be a deciding

126 See, for example, Qq 24 (EOC), Qq 130 (e-skills UK) and 143 (UKRC)
127 Q 24
128 PSA Target 9: see, for example, DTI Business Plan 2004-2007
129 Q 186
130 Ibid.
131 Qq 184 (DTI and 23 (EOC)
132 Qq 156-161 and 172-174 (LSC) See also Q 143 (UKRC)
133 Qq 52-56 Public sector bodies are bound in their procurement policies to ensure that they do not breach European competition law by imposing conditions that have the effect of discriminating against contractors from other Member States. However, European law allows “best value” to be taken into account when contracts are awarded, and it has been confirmed that “best value” encompasses things like the treatment by contractors of their workforces.
factor when awarding contracts, the EOC thought that it could be a contributing factor, and the EOC was drawing up guidance to local authorities about their scope for action.134 The Minister felt that, though it would not be easy, there was scope for the Government to try to adjust procurement policy to discourage occupational segregation on the grounds of gender.135

61. The Government has given a strong lead in the field of racial equality through both the adoption of a general public duty to promote such equality and through procurement policy. We think it would be valuable for the question of gender equality to be treated in the same way.

62. A further issue relates to the general ineffectiveness of current Equal Pay legislation in dealing with unfairness arising from occupational segregation. There are two overlapping problems. The first is that the legislation is designed to enable individuals to combat discrimination in pay, and there is no provision for groups of people equally affected to take a case. The second is the difficulty of finding comparators in order to establish that others are being paid more for “work of equal value” when occupations are highly segregated, as the comparator has to have the same employer. Even in the case of, for example, local authorities which employ people in a wide variety of roles, there are very long drawn out and complex court cases in which the parties argue about the validity of the comparators chosen.136 The Minister recognised the problems, but she pointed out that to tackle them in statute would require a significant re-writing of equal pay legislation and, in the case of permitting group actions, a fundamental change to one of the main principles of English law.137 She pointed to the changes made in October 2004 to the rules for employment tribunals; these were intended to speed up the hearing of equal value cases. She felt that it would be better to wait to evaluate the effect of these changes before proceeding to a substantial rewriting of the law. She also suggested that Equal Pay legislation, being designed to tackle discrimination, would not address the fundamental problem of the undervaluing of women’s work.138

63. While we understand the Minister’s concerns, it seems to us that the 1970 Equal Pay Act is reaching the limits of its usefulness. There appears to be a consensus among analysts of the labour market that most of the remaining gender pay gap is attributable to factors other than ‘straightforward’ discrimination, and it is notable that the rate of decrease in the pay gap has slowed almost to a stop in recent years.139 Although there are difficulties in dealing with the deep-seated problem of the undervaluing of women’s work through legislation, the concepts of “work of equal value” and indirect discrimination are already embedded in statute, and we believe that it should be possible to build on these. We regret that the Government appears to be ruling changes out as ‘too difficult’ without having undertaken a serious review of the options.

134 Qq 53-54 See also Q 169 (LSC)
135 Q 203-204
136 Qq 44 (EOC) and 96-100 (Amicus) Appendix 9, para 38 (TUC)
137 Q 196
138 Ibid. and Q 197
139 Q 44 (EOC)
64. We have not had time to examine these issues in the depth necessary for us to make a recommendation for specific legislative change, and we realise that considerable further work would be required before appropriate legislation could be drafted. However, we believe that the persistent undervaluing of women in the workplace is a major obstacle to the UK’s being considered to be a society with true gender equality.
Conclusions and recommendations

General

1. Our aim in undertaking this inquiry was to produce some practical suggestions on how to tackle occupational segregation. Unfortunately, the inquiry has been curtailed because of the expectation that a general election will take place shortly. We have therefore been unable to treat the issues as comprehensively as we wished. However, we believe that there is value in publishing our conclusions and recommendations based on the evidence we have received. This is an important subject, and we hope that our successors will return to it in due course, perhaps in the context of the final report from the Women and Work Commission later this year. (Paragraph 3)

Reasons for occupational segregation: lack of knowledge

2. The experience of some members of the Committee supports the EOC’s contention that, though it is by no means a universal attitude, a significant number of schools seem to consider finding work experience placements an onerous addition to their core teaching work, and they try to devolve as much of the responsibility to individual pupils as possible. For both students and employers, this is a wasted opportunity. (Paragraph 15)

3. We recognise that providing well structured and informative work placements is a burden on businesses, and that employers are understandably anxious about health and safety issues and other statutory responsibilities towards the young people involved. However, especially in sectors suffering from skills shortages, there is a strong argument from economic self-interest for employers to take seriously the opportunity afforded by work placements to “sell” their industry and their company. The burden is especially acute for small businesses, and here we see a role for Sector Skills Councils and local trade associations to provide advice and support. It might, for example, be possible to co-ordinate a programme of brief ‘taster’ sessions in several companies to share the responsibility more widely. (Paragraph 16)

4. While the issue of education of 14-19 year olds is a matter for our colleagues on the Education and Skills Committee, not us, we feel it a shame that, so far, although there has been a marked improvement in the educational achievements of girls, which should have led to a greater range of career options for these girls when they leave school, the pattern of occupational choices has not changed as much as one might have expected. We are confident that the DTI and the Learning and Skills Council are giving due attention to this issue, but we have doubts about whether the message has really penetrated down to the level of individual schools, and the local businesses that might benefit from having a wider range of candidates for jobs. We are also uncertain of the extent to which the Department for Education and Skills has ensured that the challenging of gender stereotypes is fully incorporated into the curriculum and into the general approach of schools towards fitting their pupils for adult life. (Paragraph 18)
5. Although there have been improvements in the provision of careers advice and work placements, and in the links between business and schools, the quality still varies too much from place to place. The critical links in the process of spreading best practice would appear to be the local Learning and Skills Councils, local education authorities, Sector Skills Councils, Regional Development Agencies, and local trade associations such as Chambers of Commerce. Until all these bodies are properly engaged in the process, it will be extremely difficult to challenge the general culture of sexual stereotyping of roles, and young people will not be given the information and encouragement necessary to step outside the stereotypes. Half the battle to improve women’s pay and opportunities and to tackle skills shortages will already have been lost. (Paragraph 19)

**Reasons for occupational segregation: difficulties with training**

6. While the Modern Apprenticeships programme is a key to alleviating skills shortages in the UK and to providing young people with the means to access higher value and higher paid work, it appears that the structure of the apprenticeships may have been designed too much with the traditional school-leaver recruit in mind. The development of schemes for older people, particularly those with caring responsibilities, is vital to attracting more women into male-dominated sectors; and we therefore welcome the pilots being run for older people. However, we are disappointed that the Modern Apprenticeships programme seems to date to be reinforcing gender segregation among young people. (Paragraph 24)

7. The example of Foundation Degrees shows that it is possible to construct training to make it accessible to the greatest range of people. We recognise the difficulty in extending this flexibility into employer-based schemes: the sole purpose of FE institutions is to provide training, while employers have to juggle the sometimes conflicting demands of efficiency and immediate productivity against providing for future skills needs via training. However, the development of flexibility should be encouraged, not hindered, by the overall requirements for Modern Apprenticeship schemes. We recommend that the Government review the structure of such apprenticeships to ensure that the maximum possible flexibility is built into them. We commend the suggestion that the Government should reconsider whether the programme of Young Apprenticeships, which is aimed at 14-16 year olds, should be used actively to encourage young people to think about a wider range of job options by offering training in three sectors rather than just one. (Paragraph 25)

8. We were told there was a variation in the degree to which local Learning and Skills Councils were using Equality and Diversity Impact Measures to tackle gender segregation. We think it would encourage the wider adoption of best practice if the Learning and Skills Council itself set a national indicator to show how seriously it took this issue. (Paragraph 26)

9. We note the complexity of the requirements for qualifying for and accessing the training schemes under the New Deal umbrella. This in itself may be a deterrent to the unemployed accessing the training that would benefit both them and the UK economy. (Paragraph 28)
Reasons for occupational segregation: business cultures

10. It is stating the obvious to say that the culture of industries will not be changed quickly. Both employers and trade unions could do more to tackle the overtly sexist elements of workplace culture, simply by making it clear that certain behaviour is unacceptable. We welcome the indications that some companies are now indicating that they are unwilling to do business with firms that have tolerated, let alone tacitly encouraged, harassment and discrimination. (Paragraph 33)

11. The problem of the ‘downgrading’ of jobs which have increasingly become the preserve of women is not a new one: it happened to the clerical/secretarial sector almost 100 years ago. Dealing with this problem would require an overturning of the traditional view of caring and service (and largely female) jobs as inherently inferior—less skilled, less valuable, lower paid—to ‘wealth-creating’ financial, technical and manufacturing (and largely male) jobs. This is beyond the scope of our Report, but we note, in passing, the example set by the Government in its re-evaluation of the work done by different occupational groups within the National Health Service in the context of its Agenda for Change programme. We would welcome moves by any other employer to undertake a similarly fundamental review of the value—and rewards—attached to the range of jobs within their business. (Paragraph 34)

12. It is only comparatively recently that women have regularly reached senior positions in professions in which they have been well established for a long time, such as the law and medicine. It is as yet too early to judge the success of the Government’s Strategy for Women in Science, Engineering and Technology, which was launched in 2003. Changing the culture in areas like SET will clearly require sustained effort, but the process started by Baroness Greenfield’s SET Fair report in 2002 appears to be gathering momentum. (Paragraph 36)

Reasons for occupational segregation: lack of flexible working

13. There is a long-established view that certain jobs—senior managerial posts, skilled manufacturing jobs, key service industry posts—are unsuited to part-time and flexible working. This view is accepted far too uncritically: there appear to be a number of good examples where it has been perfectly practicable to re-arrange working hours while maintaining—sometimes even improving—productivity and performance. There are already indications that employers are re-thinking their attitudes, not least in light of the success of the recent introduction of the parental right to request flexible working. A number of employers have already extended this and have indicated that they are willing to consider requests from any of their employees. At present, we would not recommend introducing an element of compulsion on employers: the codification of best practice seems more likely to facilitate its widespread adoption than any statutory requirement would. However, we believe it would be useful to monitor the success rate of such requests, and to examine the reasons for refusal to see whether there are any grounds for instituting the sort of mechanism to challenge an employer’s decision that Amicus suggested to us. (Paragraph 45)
The role of employers

14. We received evidence that the experience of equal pay audits has been mixed. Some of our witnesses believe they are of doubtful effectiveness as a tool to make companies take the issue of occupational segregation more seriously. They are probably of more use as a way of marking out those companies that employ best practice from others, which—given the likely consequences for recruitment and retention—may concentrate the minds of the less forward-looking companies. We do not wish to denigrate them as a means of facilitating the process of changing the overall culture with respect to equal treatment of the sexes. (Paragraph 48)

15. Employers are showing increasing awareness of the damage that occupational segregation can do to their businesses. However, although there are some imaginative attempts to tackle the problems that deter women from taking certain jobs, as yet these seem to occur in isolation, and there needs to be more effort to share best practice. We discuss the potential role of the Regional Development Agencies (‘RDAs’) in this in the next Chapter; but, with a few honourable exceptions, there is also a need for greater effort by Sector Skills Councils and trade associations. We are not asking business to behave altruistically—though some companies will doubtless do so—but we do expect them to behave fairly, and to be aware of the effect on their competitiveness of a failure to act. (Paragraph 51)

The role of the RDAs

16. Some RDAs are running schemes to provide women returning to work after career breaks with advice on career options, access to training, work placements, and good quality, affordable childcare. We are concerned that they are still at the pilot stage—we would have thought that RDAs would have already finished experimenting in this area and that they would be disseminating and adopting best practice by now. We are also surprised at how tentative the DTI seems to be about the development of these pilot programmes: “If the model proves successful then, potentially, there is scope to explore whether it could be applied more widely” shows less than wholehearted belief that successful programmes will be adopted by RDAs en masse. (Paragraph 52)

17. RDAs may have committed themselves to seriously tackling occupational segregation as a major focus of their work in improving the skills of the workforce and boosting productivity in their area; but the comparative silence about what they are doing leads us to conclude that most have yet to take the issue fully on board. Given their key role in ensuring that the needs and wishes of local businesses are taken into account in regional development policies, and their position as local agents for the delivery of much of the Government’s policy with respect to industry and commerce, we would have expected them to be playing a larger part in the attempts to engage the attention of employers on the disadvantages of occupational segregation. (Paragraph 53)
Co-ordination in central Government

18. We think that there needs to be greater co-ordination between government departments. Since 2002-03 there has been an explicit Public Service Agreement target across Government about delivering achievable improvements in equality for women. We are also aware that the Women and Equality Unit has been given the task of advising other departments on their specific targets for achieving this and of reporting on progress across Government. However, we suspect that other departments have not fully integrated into their policy decisions the need to be conscious of any effects on occupational segregation. We believe, for example, that the DfES has only recently started to consider the issue of segregation in the recruitment of apprentices; the Learning and Skills Council admitted that, although it had held information on training broken down by gender, it had never thought of making use of it before the EOC’s investigation into the area; and we are still uncertain of the extent to which the DWP’s general training and employment programmes take into account the difficulties faced by women returning to work. It is not clear to us whether the slowness of other departments in addressing the issues is a result of insufficient vigour in the lead Department, the DTI, or a lack of cooperation from the other departments. It appears to us that the Women and Equality Unit still has considerable work to do, and may have neither the authority in relation to other departments nor the resources to do it. (Paragraph 55)

19. The Government has given a strong lead in the field of racial equality through both the adoption of a general public duty to promote such equality and through procurement policy. We think it would be valuable for the question of gender equality to be treated in the same way. (Paragraph 57)

Equal Pay Act

20. While we understand the Minister’s concerns, it seems to us that the 1970 Equal Pay Act is reaching the limits of its usefulness. There appears to be a consensus among analysts of the labour market that most of the remaining gender pay gap is attributable to factors other than ‘straightforward’ discrimination, and it is notable that the rate of decrease in the pay gap has slowed almost to a stop in recent years. Although there are difficulties in dealing with the deep-seated problem of the undervaluing of women’s work through legislation, the concepts of “work of equal value” and indirect discrimination are already embedded in statute, and we believe that it should be possible to build on these. We regret that the Government appears to be ruling changes out as ‘too difficult’ without having undertaken a serious review of the options. (Paragraph 59)

21. We have not had time to examine these issues in the depth necessary for us to make a recommendation for specific legislative change, and we realise that considerable further work would be required before appropriate legislation could be drafted. However, we believe that the persistent undervaluing of women in the workplace is a major obstacle to the UK’s being considered to be a society with true gender equality. (Paragraph 60)
Formal minutes

Tuesday 22 March 2005

Members present:

Mr Martin O’Neill, in the Chair

Mr Roger Berry  Judy Mallaber
Mr Richard Burden  Linda Perham
Mr Nigel Evans

The Committee deliberated.

Draft Report (Jobs for the girls: the effect of occupational segregation on the gender pay gap), proposed by the Chairman, brought up and read.

Ordered, That the Chairman’s draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 64 read and agreed to.

Summary read and agreed to.

Resolved, That the Report be the Sixteenth Report of the Committee to the House.

Ordered, That the Chairman do make the Report to the House.

Several papers were ordered to be appended to the Minutes of Evidence.

Ordered, That the Appendices to the Minutes of Evidence taken before the Committee be reported to the House.—(The Chairman)

[Adjourned sine die.]
Witnesses

Wednesday 2 February 2005
Ms Caroline Slocock, Ms Sheila Wild and Ms Anne Madden, Equal Opportunities Commission

Wednesday 2 March 2005
Ms Tricia Dawson and Ms Linda McCulloch, Amicus-UNIFI
Ms Anne Cantelo, e-skills UK and Mr Tom Caple, Financial Services Skills Council
Ms Annette Williams, Ms Jane Butcher and Ms Ros Wall, UK Resource Centre for Women in Science, Engineering and Technology

Tuesday 8 March 2005 (morning meeting)
Ms Kit Roberts and Ms Jaine Clarke, Learning and Skills Council

Tuesday 8 March 2005 (afternoon meeting)
Rt Hon Jacqui Smith MP, Ms Tracey Vegro and Ms Cathleen Pratt, Women and Equality Unit, Department of Trade and Industry

List of written evidence

1 Amicus
2 Chartered Institute for Personnel and Development
3 Confederation of British Industry
4 Construction Industry Training Board–Construction Skills
5 Equal Opportunities Commission
6 e-skills UK
7 Financial Sector Skills Council
8 Learning and Skills Council
9 Trades Union Congress
10 UK Resource Centre for Women in Science, Engineering and Technology
11 Ms Ros Wollen
12 Women and Equality Unit, Department of Trade and Industry
13 Department of Trade and Industry (Supplementary Evidence)