# The road to equal pay: where next?

Preethi Sundaram, Policy and Campaigns Officer



## **About Fawcett**

- The UK's leading campaign for equality between women and men
- Trace our roots back to 1866, to Millicent Fawcett's peaceful struggle for women's votes
- Vision: a society where women and our rights and freedoms are equally valued and respected and where we have equal power and influence in shaping our own lives and our wider world



## About this presentation

- The gender pay gap
- ...in context
- Equality Act: a missed opportunity
- The gender power gap
- What next for equal pay?



## The gender pay gap



#### Women earn less, own less and are more likely to live in poverty



#### What's the gap?

- Full-time pay gap stands at 15.5%
- Rises to 33% in the City of London and 55% in the financial services industry
- Four times as many women in part-time work
- 64 % of lowest paid workers are women



## What are the causes?

- Direct discrimination
- 'Motherhood penalty'
- Lack of responsibility on employers
- Women's worth undervalued in the workplace
- More women in part-time work
- Lack of pressure to implement change



## The broader picture

- 64% of low paid workers are women
- 40% of ethnic minority women live in poverty
- Retired women earn on average just over half the income of retired men
- Women are more likely to depend on state support to boost their income



## ...in context



## Women face a 'triple Jeopardy' of cuts

- 1. Cuts to jobs
- 2. Cuts to services and benefits
- 3. Women to 'fill the gaps'



## What will this mean for women?

- Rising female unemployment where will the women go?
- Growing, not decreasing, gender pay gap
- Reduction in women's incomes
- Reduction in women's financial independence
- Increase in domestic and volunteering responsibilities



## Equality Act 2010: a missed opportunity



## Section 78

- Gender pay audits (section 78)
  - Focus on large companies
  - Only if voluntary action fails
  - 3 year lead-in time
  - Puts responsibility on employer to tackle pay gap
  - Voluntary action has failed
  - What gets measured gets done



### No action on equal pay

- Government "will not commence, enact or repeal section 78"
- Kicked into long grass
- Non-implementation is a step backwards
- But the clause is not gone for good
- Forthcoming Government consultation could address equal pay auditing



## Where next for equal pay?



## Tackling the motherhood penalty

- Extending the right to request flexible working
- Parental leave proposals
- Organising work to suit modern families
- Challenging workplace assumptions
- For every month a father takes off in the first year of a baby's life, the mother's future earnings rise by 7%



#### **Changing the system**

- Legislation that is fit for purpose
- Education and IAG services that dismantle gender stereotypes



#### **Protecting what we have**

- Red Tape challenge
- Ensuring that there is no regression on hard fought gains for women's equality



## What you can do...



#### Take action!

- Join Fawcett to support our work
- Join our e-newsletter and keep up to date with our campaigns and ways to get involved



#### To join Fawcett, for more on our campaigns...

#### www.fawcettsociety.org.uk

To contact me....

Preethi.sundaram@fawcettsociety.org.uk

