

# BULLETIN

## Women and the Labour Market

### Introduction

Even after three decades of equal opportunities legislation and policies, the participation of women in the labour market remains different and unequal from men (Bimrose, J. et al., 2003)<sup>1</sup>.

Because of this, women's participation in the labour market has been the subject of a recent IER research project which focused on one specific English sub-region. The research was commissioned by the Learning and Skills Council (LSC), Coventry and Warwickshire, with funding support from the European Social Fund. The National Learning and Skills Council is strongly committed to equality issues and is implementing a system of Equality and Diversity Impact Measures (EDIMs) to provide targeted measures for improvement relating to participation, retention and achievement at each level of qualification and learning activity. The aim is that EDIMs will equip the local LSCs, which are responsible for the planning and funding of all post-16 education and training outside Higher Education, to address inequality systematically so that equality and social inclusion are promoted rather than inequality and exclusion being consolidated.

### The research

The research project included three principal outcomes:

- A targeted review and analysis of research on gender discrimination in employment at a national (UK), regional (West Midlands) and sub-regional (Coventry and Warwickshire) level;
- A review of the dissemination of gender and employment related research relevant to the sub-region;
- An action plan to improve women's participation in the sub-regional labour market.

### Setting the scene: women's participation in the labour market

At national level, employment rates for women are increasing whereas for men they are decreasing. The economic activity rates of the population of working age for men and women in the West Midlands are similar to the UK rates and have remained relatively stable from 1996 to 2001. However, women are, on average, five times more likely to be in part-time employment than men.

Within the sub-region, a markedly higher than the national average percentage of men are employed in production in Coventry and Warwickshire where the industrial sector employs the lowest average percentage of women. Indeed, women are concentrated in small and medium sized organisations. Only 42 per cent of employers in the sub-region have a written equal opportunities policy. Reflecting the ageing of the population and the rise in female participation rates, the potential supply of labour in Coventry and Warwickshire increasingly tends to be females and from the 50-plus age group.

The presence and age of a dependant child continues to have a marked effect on the employment rates of women with a new trend being the increasing number, particularly among the highly educated, who are postponing starting a family or returning to work sooner after having a baby. This is coupled with the trend among successive cohorts of women to take shorter breaks out of work for childbearing and child rearing.

### Gender segregation in the labour market

Gender segregation is a recognised structural feature of the UK labour market. This segregation impacts on the occupational opportunities and earnings of women and represents differences in the status and pay of men and women.

These divisions can be seen as intrinsically linked to the sexual division of labour. One key explanation proposes that women are satisfied with or prefer jobs which fit with their childcare and domestic arrangements (*Human capital theory*). Another key explanation claims that gender segregation is an intrinsic part of organisational culture which constrains women's choices (*Social process theory*).

<sup>1</sup> The research summarised in this Bulletin was commissioned by the Learning and Skills Council, Coventry and Warwickshire, with funding support from the European Social Fund. The views expressed are those of the authors. The study, *Improving the Participation of Women in the Labour Market: Coventry & Warwickshire*. Coventry: Warwick Institute for Employment Research by Bimrose, J., Green, A., Orton, M., Barnes, S., Scheibl, F., Galloway, S. & Baldauf, B. (2003) was published by the Learning and Skills Council. For further details please contact: j.bimrose@warwick.ac.uk

Table 1

Percentages

	COVENTRY AND WARWICKSHIRE			WEST MIDLANDS			ENGLAND		
	Males	Females	All Persons	Males	Females	All Persons	Males	Females	All Persons
1996	85.8	70.1	78.6	85.7	70.3	78.4	85.2	71.7	78.8
1997	84.0	73.4	79.2	85.5	69.9	78.1	85.0	71.8	78.7
1998	87.7	73.8	81.4	85.7	71.3	78.9	84.6	72.0	78.6
1999	86.5	73.6	80.4	84.7	72.7	79.1	84.9	72.6	79.1
2000	81.9	74.2	78.3	83.3	72.1	78.0	85.0	73.1	79.3
2001	86.1	75.1	80.9	84.1	71.5	78.1	84.4	73.0	79.0
2002	83.7	75.7	79.8	84.4	72.0	78.6	84.3	73.2	79.0

*Employment status by Gender: Coventry and Warwickshire, 2001. The figures are aggregated from which agriculture class 0100 (1992 SIC) have been excluded. Source: Annual Business Inquiry Employee Analysis from NOMIS*

Marked patterns of gender segregation across different occupational groupings, such as engineering being male dominated and hairdressing female dominated, are reflected at a national, regional and sub-regional level.

Table 2:

	Total		Percentage	Percentage	Percentage
			of total in employment	of total females in employment	of total males in employment
<b>Women</b>	full-time	86891	23	50	n/a
	part-time	87775	23	50	n/a
<b>Men</b>	full-time	166578	45	n/a	87
	part-time	25719	7	n/a	13
<b>Total</b>	full-time	253469	69	n/a	n/a
	part-time	113494	31	n/a	n/a
<b>Women</b>	174666	48	100	n/a	
<b>Men</b>	192298	52	n/a	100	
<b>Total in employment</b>	366964		n/a	n/a	

*Employment status by Gender: Coventry and Warwickshire, 2001. The figures are aggregated from which agriculture class 0100 (1992 SIC) have been excluded. Source: Annual Business Inquiry Employee Analysis from NOMIS>*

For example, the number of women registered with the Engineering Council has dramatically increased since 1984, although still only six per cent of engineers and technologists are women. In 2002, only nine women were recruited in the West Midlands to the Modern Apprenticeship scheme in construction. Even in sectors where women dominate, such as social care, vertical segregation persists, with women under-represented at senior levels.

### Women's employment patterns and commitment to paid work

Women's commitment to employment has been viewed both in terms of individual preferences and as a reflection of life stages.

The individual preference approach defines two distinct groups within the labour market: 'career orientated women' and 'domestically orientated women'. Women's attitudes to employment can also be argued to be a reflection of their life-stages - such as pre-marriage, family formation and the final phase of working life. However, definitions of commitment based on working long hours and sacrificing personal life for work are biased in favour of men because they ignore women's caring and domestic labour. It is important to avoid regarding women as an homogeneous group and research indicates different policy responses for different groups of women.

### The gender pay gap

At national level, a large quantity of data shows the persistence of the gender pay gap.

Despite the fact that women's earnings have increased over the last two decades, women continue to earn less than men. Indeed, the most recent data shows the pay gap growing. Full-time employed women's hourly rates and weekly gross pay are significantly less than those of men working full-time. Women working part-time also earn significantly less than men working part-time.

Additionally, women are less likely to receive other elements that constitute 'earnings', such as bonuses, pension schemes and medical insurance. There are significant pay differences between men and women working in the evening or at night, with men generally compensated for working unsociable hours whilst in most instances women are not.

Significant differences in earnings amongst women also exist. For example, a woman graduate without children is estimated to earn twice as much over her lifetime as a woman with no qualifications and no children. The earnings forgone by mothers varies by number of children and the skill level of the woman. Factors affecting the gender pay gap include:

- Discrimination;
- Occupational segregation;
- Women's predominance in part-time work; and
- The unequal impact of women's caring responsibilities.

Figure 3:

	MALES				FEMALES			
	Average gross weekly earnings total £	Percentage earnings under			Average gross weekly earnings total £	Percentage earnings under		
		£250 %	£350 %	£460 %		£190 %	£250 %	£350 %
Great Britain	453.3	16.6	41.6	64.2	337.6	13.8	35.7	64
England	459.2	16.2	40.9	63.5	341.5	13.4	34.8	63.3
West Midlands	425.3	17.3	45.6	68.9	311.2	15.8	41.4	70.1
Coventry and Warwickshire	459.9	13.7	39.3	62.5	314.9	13.5	40.6	70.3

Figure 3: Average gross weekly earnings by sex at a national, regional and sub-regional level, 2000. The data is based on full-time employees on adult rates whose pay was not affected by absence. Source: New Earnings Survey, Office for National Statistics

### Flexible working practices

Flexible working is seen as important in enabling women's participation in the labour market, although in some instances such practices have been implemented as an attempt by employers to address skill shortages. Flexible working is particularly prevalent in larger organisations; in public sector organisations; in firms which have strong equal opportunities policies; and in organisations that have large proportions of female employees. The implementation of flexible working may be viewed as problematic because:

- Employers may not understand the business case;
- Traditional forms of working are embedded in the organisational culture;
- The implementation of such practices may be constrained by the organisational structure.

Research has shown that the introduction of flexible working is not costly and that benefits such as significant improvements in productivity, reduced absenteeism and increased retention are often greater than expected. Many examples of good practice exist, although there is evidence that employers in Coventry and Warwickshire have limited awareness of Work-Life Balance issues.

### Recruitment, training & professional development

Despite gender discrimination in recruitment being illegal, studies show it continues. Practices such as word-of-mouth recruitment reflect and reinforce gender segregation in the labour market.

Although women have increased their levels of education and training, there are notable differences in the training of men and women, with men receiving more training than women. There are significant differences in the training received by women working full-time and part-time. Women educated to degree level are more likely to receive training than those with fewer qualifications.

In educational settings, girls and boys are now performing equally in most subject areas up to the age of 16 but there are significant gender differences in the subject areas studied by men and women after the age of 16. For example:

- With the exception of biological sciences where women dominate, men dominate science subjects;

- Women are over-represented in education and humanities whilst men are over-represented in engineering and technology;
- At degree level, the subjects studied by men and women are similar to those chosen at A/AS level;
- Modern Apprenticeship schemes evidence prominent gender segregation.

At a regional level, women undertake more training related to their personal development than men, whereas men participate in more taught training courses related to their current or previous employment than women. Consequently, women are more likely to undertake training within a college and pay for it themselves, whereas men are more likely to undertake training at work, which is funded by their employer. Significantly more women than men are unable to participate in education and training courses because of their caring responsibilities.

### Sexual harassment in the workplace

It is estimated that 50 per cent of women experience sexual harassment during their working lives, although such harassment is rarely accepted as a significant problem. Young women who have been employed for less than a year, or who are in a low paid job, are most likely to suffer sexual harassment. Sexual harassment has a negative impact, even if the frequency of the behaviour is low, and it is argued to be an important mechanism for creating and maintaining occupational segregation. Two dominant responses to sexual harassment are denial and ignoring the event.

### Ethnicity, Disability and Age

The interaction of gender with ethnicity, disability and age also has a negative impact on labour market participation. Key points are:

#### Ethnicity

- The position of women from ethnic minority groups in the labour market is markedly different and unequal to that of men;
- Some ethnic groups display distinctive patterns of segregation by occupation and industry – for example, the concentration of Asian women in the distribution sector;
- Some Black women are strategically choosing careers such as nursing and social work that are considered to be gendered

because these jobs offer a greater possibility of entry to courses, access to employment opportunities, qualification and promotion;

- Young women from Muslim groups have a low participation rate in employment, education and training;
- Pakistani and Bangladeshi women have a higher risk of being economically inactive and are the most disadvantaged ethnic minority groups.

#### *Disability*

- One in five of the working age population in the West Midlands is disabled;
- The disabled are more likely to have no qualifications, face unemployment, to work part-time and be under-represented in senior positions than the non-disabled;
- There are significant differences in the economic activity rates of men and women with disabilities;
- Forty-five per cent of disabled women are in employment;
- Disabled women in the region are twice as likely to be unemployed as able-bodied women;
- Employed disabled people have lower average hourly earnings than the able-bodied and this gap is increasing;
- Research has shown that there is too much emphasis on disabled people changing to accommodate employers rather than employers changing to accommodate disabled people.

#### *Age*

- Compared to the UK generally, Coventry has a higher number of young people and Warwickshire has a higher number of people aged 35-64 years;
- For both Coventry and Warwickshire there is a projected increase in the female population aged 50-69 years over the medium-term;
- For the female 20-24 year and 25-34 year age groups economic activity rates and employment rates rise, and peak in the 35-49 year age group;
- The economic activity and employment rates of the female 25-49 year age group in the Coventry and Warwickshire LSC area are higher than those recorded regionally or nationally;
- In the 50-retirement age group, economic activity rates and employment rates in Coventry and Warwickshire are similar to the regional and national averages;
- Nationally, women's employment rates decline steeply after the age of 45;
- Educational attainment is a key factor in underlying variations amongst women participating in the labour market within the same age group.

### **Summary of key findings**

The key findings from the research can be summarised as follows:

- Women's participation rates in the labour market are increasing;
- Women do not constitute an homogeneous group: they have diverse labour market experiences; and
- Women are slightly outperforming men in compulsory and post-compulsory education in many subjects.

However, women dominate in part-time work, which tends to be low paid, has few promotional prospects and has limited training

opportunities. Also, the gender pay gap is persistent and even widening. Gender segregation means women are under-represented in many occupational sectors, including manufacturing and construction which are important to the sub-region.

Sexual harassment in the workplace is a strong and recurrent theme in women's employment, but is often regarded as not being a significant problem.

Educational subject choices are still influenced by gender stereotypes and there is significant gender segregation in Government training schemes.

A key issue is women's caring responsibilities, but employers in the sub-region appear to have limited awareness of Work-Life Balance policies.

There are structural explanations of gender inequality in employment but women's participation in the labour market may also be affected by their choices about paid employment and caring responsibilities. Women's employment experience is also affected by dimensions of ethnicity, disability and age.

### **Developing an Action Plan**

An integral part of the project was the development of a sub-regional Action Plan. Two consultation events were held - one for local employers and one for practitioners, including organisations such as training providers, local colleges, the Connexions Service, local authorities and Jobcentre Plus. These events were used to disseminate the main research findings and to enable key local actors to discuss and develop what they saw as being critical issues. At the practitioner event this was done through a series of workshops, and at the employer event by a self-completed questionnaire and question and answer session. The outcomes of these participative events then fed into the Action Plan.

Drawing on the research findings, the key issues for the Action Plan were identified as being: women's dominance in part-time work; women's under-representation in certain sectors; women's caring responsibilities; the prevalence of sexual harassment at work; developing different policy responses to address the differing position of specific groups of women; and the need for specific primary research within the sub-region and effective sub-regional 'signposting' and dissemination of relevant research and evaluation findings.

The LSC is now identifying partners with which it can take forward each action point.

### **Conclusion**

Women's participation in the labour market is increasing dramatically and as demonstrated by this sub-regional study, the labour force available to employers is increasingly female, and older. However, women's experience of employment remains different and unequal from that of men.

The research report - which can be accessed on the Learning and Skills Council website at [www.lsc.gov.uk/cw](http://www.lsc.gov.uk/cw) - identified key aspects of this differentiated experience of employment. What the research also did, however, was inform an Action Plan to tackle that gender inequality in the sub-regional labour market.