

# Gender Pay Gap in Wales Report

## ***Country Fact Sheet Wales***

### ***Some Facts about the Gender Pay Gap in Wales***

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## ***The current situation in Wales***

According to the Office for National Statistics (ONS) data published in 2015, the Gender Pay Gap (GPG) for median hourly earnings (excluding overtime) in Wales is 7.8%. Whilst Wales has a lower GPG for full-time workers than England which was recorded in the same report as 10%, it is higher than Scotland (7.3%) and Northern Ireland has managed to eliminate its gender pay entirely at -1.4%. There is therefore still work to be done and particularly when looking at the Gender Pay Gap for all employees (full and part-time workers), which in Wales is significantly higher at 14.6%<sup>1</sup>.

When breaking the data down further, the pay gap becomes more apparent with age. The Chartered Management Institute (CMI) reported in 2015 from their National Management Salary Survey, that over the age of 40, the pay gap widens further and it is most noticeable in organisations with 250-999 employees<sup>2</sup>.

According to Chwarae Teg's 2012 report 'A woman's place', the number of women entering the labour market in Wales has been steadily increasing. Between 1996 and 2012, the proportion of women in Wales who were in employment (including self-employment), rose by 4%. For men, the trend was reversed and in this time period, there was a 1.6% decrease of men in work in Wales. Despite the recent increase in women taking up employment, fewer women than men are employed in Wales on the whole and women take up the majority of part-time roles. The report illustrates that the median weekly hours worked by women in Wales is 32.5 compared to men working 37.7 hours and on average, women earn less<sup>3</sup>. There are many reasons why this is the case, which will be commented on throughout this report.

As is the case throughout Europe, the difference in earnings between women and men depends very much on the sector that they work in. Please see the table below for a breakdown of the Gender Pay Gap (GPG) per sector<sup>4</sup>:

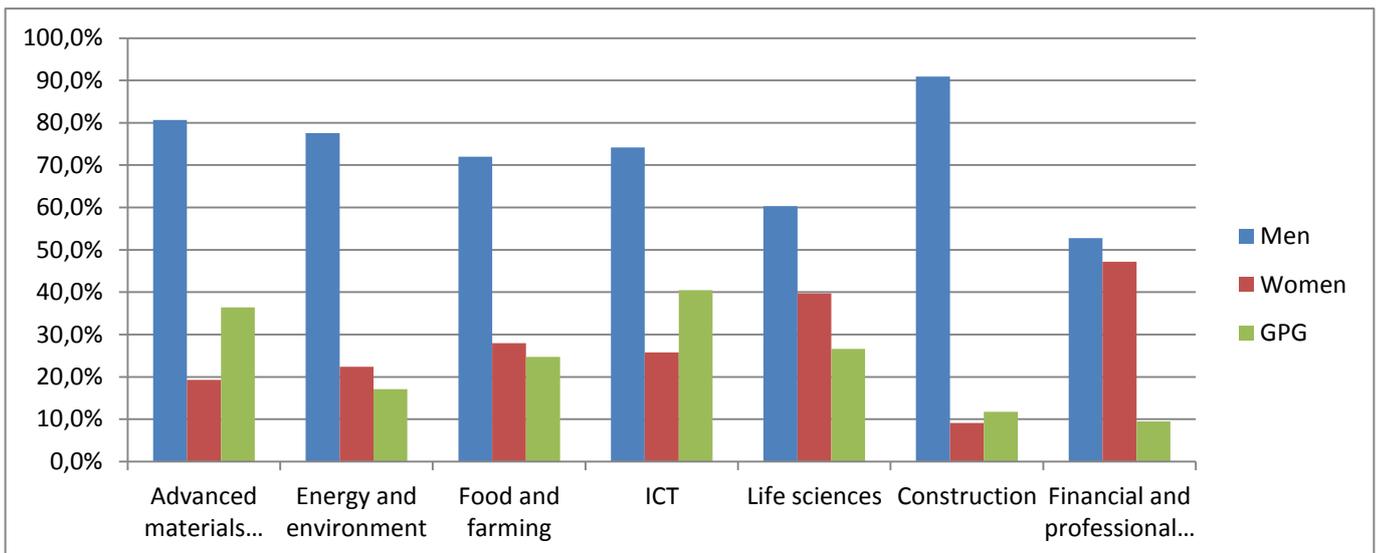
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<sup>1</sup> Stats Wales, June 2015. Available at: <http://gov.wales/statistics-and-research/priority-sector-statistics/?lang=en> [Accessed: 03 June 2016]

<sup>2</sup> Chartered Management Institute (2015): National Management Salary Survey. Available at: <http://www.managers.org.uk/campaigns/gender-salary-survey> [Accessed: 30 May 2016]

<sup>3</sup> Chwarae Teg, (2012): A woman's Place. Available at: <https://www.cteg.org.uk/research/womans-place/> [Accessed: 24 May 2016]

<sup>4</sup> Stats Wales, June 2015: <http://gov.wales/statistics-and-research/priority-sector-statistics/?lang=en> [Accessed: 03 June 2016]



As the table demonstrates, in 2015, the most notable pay gap was in the ICT sector at 40.5% and the lowest pay gap was in the Finance and Professional Sector 9.5%.

## ***Women in the workplace***

Women consistently outperform their male counterparts in general **in education** in Wales and are more likely to end up with a better degree classification; however, they are significantly under-represented in many sectors and, in particular, in the fields of Science, Technology, Engineering and Maths (STEM).

In the **Public Sector**, women are concentrated in education and health. According to recent findings in the Working Patterns in Wales report conducted by Cardiff University and the WAVE Programme, women “make up between 80% and 90% of all the primary and nursery education teachers, special needs education teachers, social workers and librarians in Wales”<sup>5</sup>.

In the **Health Service**, occupational gender segregation i.e. how people are distributed across the service in terms of their gender, is even more apparent. In 2015, the EHRC report ‘Who Runs Wales’ found that whilst 77% of the workforce in the Health Service is female, women only make up 10% of the Chief Executives of NHS Health Boards and Trusts<sup>6</sup>. Even though there are very few women at the upper tiers of the Health Service, nursing is the one of the main pathways to women accessing better paid, full-time work in Wales.

<sup>5</sup> Parker, A with Pocher, P and Davies, R (2014) Working Patterns in Wales: Gender, Occupations and Pay. Cardiff University and WAVE Project

<sup>6</sup> Equality and Human Rights Commission (2014): Who runs Wales? Available at: [https://www.equalityhumanrights.com/sites/default/files/wrw\\_2014\\_english.pdf](https://www.equalityhumanrights.com/sites/default/files/wrw_2014_english.pdf) [Accessed: 24 May 2016]

**In the Private Sector**, in a survey of 100 top companies in Wales, only two had women in the most senior positions<sup>7</sup>.

The situation is marginally better with the gender balance in management in the Voluntary Sector. The number of women working as directors or CEOs is around 36%.

The take-up of **apprenticeship programmes** in Wales is heavily gender-segregated. According to a report by Heriot-Watt University, from 2013, the most notable gender differences are in the following sectors:

<i>Apprenticeship programme area</i>	<i>Percentage of women enrolled<sup>8</sup></i>
Engineering	3.2%
Vehicle Maintenance	1.5%
Construction	1.1%
Electro/Technical skills	0.7%
Early Years Care	97%
Childcare Learning	96%
Teacher Support	89%

In **political life**, figures from 2014 showed that only 27% of councillors in Wales were women<sup>9</sup>. There is currently only one Welsh leader of the four main political parties who is a woman: Leanne Wood (Plaid Cymru). The lack of women in political life in Wales means that decisions are made mainly by men, and women have few political role models in Wales to aspire to. It is evident that men still dominate in the sectors which attract higher salaries and which often do not offer flexibility.

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<sup>7</sup> Equality and Human Rights Commission (2014) Who runs Wales?

[https://www.equalityhumanrights.com/sites/default/files/wrw\\_2014\\_english.pdf](https://www.equalityhumanrights.com/sites/default/files/wrw_2014_english.pdf) [Accessed: 02.06.2016]

<sup>8</sup> Sosenko, F with Danson M and Netto, G (2015) Modern Apprenticeships - Equality and the Economy : spreading the benefits. Equality and Human Rights Commission, Scotland.

<sup>9</sup> Equality and Human Rights Commission (2014) Who runs Wales? Available at:

[https://www.equalityhumanrights.com/sites/default/files/wrw\\_2014\\_english.pdf](https://www.equalityhumanrights.com/sites/default/files/wrw_2014_english.pdf) [Accessed: 02.06.2016]

## ***Contributing factors to the Gender Pay Gap in Wales***

Three quarters of employed and self-employed people in Wales work in gender-segregated jobs<sup>10</sup>. Women still take up the majority of the low paid and part-time jobs and they dominate in what is known as the '5 Cs': caring, cashiering, cleaning, catering and clerical. Women often take up these roles as they must work part-time around their caring responsibilities and this sometimes results in the undervaluation of certain roles and underemployment of women.

### ***Welfare Reform***

The Welfare reform in Wales which commenced in 2013, changed the way that state benefits are distributed and has impacted women disproportionately. There are strong incentives for part-time workers and this affects women more as they make up a higher proportion of part-time workers and are therefore reliant on benefits and working tax credits as they take home less money than men on average.

### ***Unpaid care***

Unpaid care in Wales is one of the reasons why women make up the majority of part-time workers. Part-time work is notoriously undervalued, usually low paid, and very few senior positions are offered on a part-time basis, which means that women are often not using their full-skill set and not reaching their full earning potential.

Women in Wales are primarily responsible for child care; only 4% of fathers have main caring responsibilities<sup>11</sup>. In addition to this, women are often the carers of their grandchildren; around 5000 grandparents in Wales, mainly grandmothers, have their grandchildren living with them.<sup>12</sup>

### ***Lack of affordable childcare***

A lack of affordable childcare is still a primary reason why women do not return to work full-time. Since women are often the second earners, the proportion of their income that would be spent on childcare is often a deciding factor for women to quit working altogether. Women simply cannot afford to return to a full-time post, particularly if they are in lower paid work, as it often costs more than they earn to pay for childcare. The introduction of childcare vouchers has made childcare less expensive for those whose employers are signed up to the scheme and can make

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<sup>10</sup> Parker, A with Pocher, P and Davies, R (2014) Working Patterns in Wales: Gender, Occupations and Pay. Cardiff University and WAVE Project

<sup>11</sup> Chwarae Teg (2012). A Woman's Place. Available at: <https://www.cteg.org.uk/wp-content/uploads/2015/01/a-womans-place-full-report-1-2-DT.pdf> [Accessed 10 June 2016]

<sup>12</sup> National Assembly for Wales (2012) Kinship Care in Wales – Quick Guide

returning to work a possibility. These vouchers allow women to pay for their childcare out of their net income, pre-tax.

### ***Lack of senior part-time posts and flexibility at the top***

In 2014, research carried out on behalf of Chwarae Teg explored the barriers to modern working practices in Wales. Even though more and more employers in Wales are offering flexibility and the 'Right to Request' flexible working in Wales has been introduced for all employees who have worked at a business for 26 weeks or more, part-time workers are often seen as less committed and therefore valued less.

Senior positions are rarely advertised with a degree of flexibility and part-time senior posts are even harder to come by, which severely restricts the talent pool available and prohibits many women from advancing their careers. In addition to this, a long hours' culture still persists in some sectors and is particularly prevalent in senior management roles<sup>13</sup>. This affects women as if they did not have so many domestic and care responsibilities, they too would be prepared to work longer hours and therefore get paid higher salaries and promoted more.

### ***Confidence***

The Institute of Leadership and Management (ILM) produced a report in 2013 which showed that men are far more likely than women to apply for positions if they only partly meet the requirements of the job criteria.<sup>14</sup> There are a variety of reasons for this but one issue is that many women lack confidence in their abilities.

Confidence is affected when women have been absent from the labour market during their maternity leave or due to caring responsibilities. As the main carer, women often have to return to work on a part-time basis, which can limit their opportunity for progression as fewer part-time jobs are available at senior levels. Also, women can lose confidence in their skills, which can become out-dated when they are not a role that permits them to use them regularly<sup>15</sup>.

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<sup>13</sup> Chwarae Teg, Agile Nation (2014) Barriers to Modern Working Practices for businesses in Wales. Available at: <https://www.cteg.org.uk/research/barriers-modern-working-practices-businesses-wales/> [Accessed: 07 June 2016]

<sup>14</sup> Institute of Leadership & Management (2013), Ambition and gender at work. Available at: <https://www.i-l-m.com/Insight/Inspire/2013/May/ambition-gender-key-findings> [Accessed: 16 June 2016]

<sup>15</sup> Chwarae Teg, Agile Nation (2014) Pressures, Promotions, Pay-rises and Parity. Available at: <https://www.cteg.org.uk/research/pressures-promotions-pay-rises-parity/> [Accessed: 16 June 2016]

## ***Some of the Initiatives to Reduce the Gender Pay Gap in Wales***

### ***The Legislative Framework***

In 1970, the Equal Pay Act was introduced in the UK which prevented less favourable treatment between men and women in terms of pay and employment rights. However, without pay transparency and due to horizontal and vertical segregation, a sizeable gender pay gap still persists.

In 2010, the Equality Act was introduced to supersede the Equal Pay Act and bring together equality legislation. With this revision of legislation, employers could no longer insist their employees signed pay secrecy clauses in a bid to make pay more transparent.

In Wales and also in Scotland, the Public Sector Equality Duty lays out specific duties that public bodies have relating to equal pay.

The general duty requires public authorities to pay due care and attention to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
- Advance equality of opportunity between people from different groups; and
- Foster good relations between people from different groups<sup>16</sup>

In addition to the general duties, there is guidance around specific duties for example, Wales must consider pay gaps across all of the protected groups and not just between women and men and an action plan must be in place to set out any policy needed to address any gender pay issues.

### ***Chwarae Teg***

Since being founded in 1992 Chwarae Teg has been working to help ensure that women in Wales can enter the workplace, develop their skills and build rewarding careers. Chwarae Teg does this in a number of ways, namely through its projects, research and public policy work.

Chwarae Teg's flagship project [Agile Nation](#) which was funded by the European Social Fund (ESF) and Welsh Government (WG) ran between 2008 and 2015. Agile Nation worked with employers to create more gender-balanced and diverse workforces, with women to develop their management skills and obtain a recognised management qualification and with primary educators to create more gender aware learning environments. The project supported 2,298 women, 594 educators and 456

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<sup>16</sup>Equal Pay Portal (2016) Beyond Gender. Available at: <http://www.equalpayportal.co.uk/government-action/> [Accessed: 6 June 2016]

employers and had a number of additional outcomes such as women entering senior roles.

The ESF and WG-funded [Agile Nation2](#) Project, launched in 2015, is supporting employers in Wales in relation to culture change in their business and increasing opportunities for women. It also supports women to gain management training and with their professional development.

Research commissioned by Chwarae Teg has provided the evidence to design several projects and to influence key policy and decision-makers. The most notable research that was undertaken was the 2012 '[A Woman's Place](#)' report which highlighted the progress in Wales to reduce the Gender Pay Gap in the 20 years since the founding of Chwarae Teg in 1992 and the work that still needs to be done.

### *[Fair Foundations](#)*

Fair Foundations was a programme funded through the Agile Nation Project which focussed on children learning and exploring in gender-aware environments. This highly focused aspect of the project worked with schools to create a strategic approach to promoting gender equality and gave every adult who works in the school, including parents, the opportunity to learn more about challenging gender stereotypes and their effect on aspirations and future career choice.

### *[Athena Swan \(Equality Challenge Unit\)](#)*

The Athena SWAN Charter was introduced in 2005 to recognise efforts being made by higher education and research providers to advance the careers of women in England and Wales. In 2015, the fields were expanded and the Charter now recognises work undertaken in humanities, arts, social sciences, business and law.

### *[Women Adding Value to the Economy Project \(WAVE\)](#)*

The EU-funded Women Adding Value to the Economy (WAVE) Project run by Cardiff University concluded in 2015 and was designed to reduce the gender pay gap in Wales in a number of ways.

Tools were developed by Cardiff University to highlight gender-based pay inequalities in organisations such as their [Equal Pay Barometer](#) tool which highlights the difference in pay for men and women in different roles and occupational sectors.

There was also a Women's Workshop Project which supported and up-skilled women to develop their careers in non-traditional sectors and to gain higher valued work which pays more.

### *Women in Public Life Development Scheme (WIPL)*

In 2014, the National Assembly for Wales launched the Women in Public Life Scheme which was delivered by Chwarae Teg and Cardiff Business School.

The scheme was set up by the Assembly's former Presiding Officer Dame Rosemary Butler to give women the skills and confidence to apply for and achieve positions of influence and decision making within public life.

With women being significantly underrepresented in public life, this scheme had an important role to play.

It helped to ensure the effective development and progression of women into roles that often have a direct influence on people's lives across Wales.

Over 18 months, 13 Mentees participated in a scheme of intense personal development and skills training, one-to-one mentoring support, and role shadowing opportunities at the highest levels in public bodies.

The scheme was highly successful and had several pleasing outcomes including:

- 85% (11/13) of Mentees have applied for a position in public life
- 31% (4/13) of Mentees have applied for more than one position in public life
- 54% (7/13) of Mentees have achieved a position in public life
- 15% (2/13) of Mentees have achieved more than one position in public life

### ***Women in Science, Technology, Engineering and Maths (STEM)***

#### *Get On With Science Project (GOWS)*

Improvements to the delivery of STEM subjects is key to economic growth and underpins many of the priority sectors identified in the Welsh Government's Economic Renewal Strategy.

In 2014, the GOWS project, delivered by Chwarae Teg and ContinYou Cymru, aimed to improve the delivery of science in schools in Wales and to encourage all pupils, especially girls, to pursue science subjects and consequently consider careers in the STEM.

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The project also encouraged family involvement in science activity such as day trips to interactive science centres in Wales to engage the whole family in the subject.

## ***Women in construction***

Women currently account for only 11% of the construction industry's workforce, but only 1% work on-site in Wales. Furthermore, while the number of women pursuing apprenticeships has increased over the past ten years, only 2% of construction apprenticeships are filled by women<sup>17</sup>.

For these reasons, 3 organisations, : Chwarae Teg, [NPTC Group of Colleges](#) and Women in Construction designed a programme to offer women who are interested in careers in construction a place on a fully-funded 12 week 'Introduction to Construction' course.

Participants learned the basic elements of carpentry, brickwork, plumbing and painting and decorating, securing a Level 1 Qualification upon completion.

## ***50:50 by 2020 Campaign***

In December 2014, the Minister for Communities and Tackling Poverty wrote to Cabinet colleagues reminding Ministers of their role in public appointments and the Welsh Government's commitment to ensure at least 40% of appointments are women.

Chwarae Teg, EHRC and BT (a leading telecommunications firm) are leading the 50:50 by 2020 campaign which aims to see a completely equal gender split in senior positions in Wales by 2020. Businesses and individuals can pledge their support for the campaign and share their success stories to encourage others to show their commitment to gender equality in the workplace.

## ***Careers ambassadors and schools' work***

There have been a number of initiatives in Wales to take women ambassadors from sectors dominated by men and vice versa into schools to speak to pupils about the earning potential and career paths in those sectors.

One such scheme is the [See Science](#) initiative that has several projects and one of which takes STEM Ambassadors aged 17 and upwards, into schools in Wales to encourage the uptake of STEM subjects. This service is particularly important as there have been recent cuts to the careers' service in Wales so young people are not getting the information they need about careers in individual growth sectors and in their earning potential in the field of STEM.

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<sup>17</sup> The Smith Institute (2014) Building the Future: Women in Construction. Available at: <http://www.designengineerconstruct.com/pdfs/building-the-future-women-in-construction.pdf> [Accessed: 30 May 2016]