

## 7 | TOWARDS AN ECONOMY THAT WORKS FOR WOMEN

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*There have been huge changes in the economy since the 1960s, and yet women are disproportionately working in flexible and low paid sectors while new jobs in the digital economy are dominated by men. And in the labour market, having children benefits men and disadvantages women. There is a need for public investment in social infrastructure, such as care and education, to help women in their working lives and boost national productivity.*

A time traveller from the 1960s arriving in 2016 would be puzzled by many aspects of modern life; technological advances; automation; the decline of manufacturing; the growth of the service sector. The hapless visitor from the past would wonder where the coal mines had gone, how a steel industry could just evaporate into thin air, what on earth an online content manager or a coffee barista is, and would be perplexed by Uber, Task-Rabbit and Deliveroo. Today's labour market is barely recognisable as seismic political, social and economic changes have reshaped our industrial landscape.

But how much has really changed for women? While it is true that women's labour market participation has been steadily increasing over time and that the gender pay gap is shrinking year on year – albeit at a glacial rate – it is also true that occupational segregation by gender stubbornly

persists in the 21st century, as do workplace sexual harassment, pregnancy discrimination, unequal pay and many of the other scourges of women's working lives which would have been familiar to the 1960s observer.

Those who hoped that new industries such as green technologies and programming would create new, highly skilled jobs for women turned out to be sorely disappointed. In 1967 the author of a career guide to computer programming wrote "programming requires lots of patience, persistence and a capacity for detail and those are traits that many girls have". Perhaps unsurprisingly, there is no evidence to support the argument that girls have a natural aptitude for programming. But nor is there any evidence that boys have a natural aptitude for IT. So why is it that burgeoning technological industries are so male dominated? According to the UK Commission for Employment and Skills, women make up only about a quarter of those working in the UK's digital industries today.

As new, skilled areas of work emerge, the same old patterns of gendered occupational segregation continue to constrain women's working lives and incomes. Women's work continues to be concentrated in the old 'five Cs' (cleaning, caring, catering, cashiering, and clerical) and it continues to be defined by low pay and low status.

The creeping casualisation of the labour market has been particularly pernicious in many of the sectors where women predominate. Zero hours and short hours contracts are rife in the retail sector, while agency work and zero hours contracts abound in care work, cleaning and catering. And by 2014, there were more than 1.7 million workers reporting that they were in some kind of temporary work. The number of women in temporary work rose from 773,000 at the start of 2008 to 892,000 by the end of 2014 and the proportion of women in temporary work because they could not find a permanent job increased from a quarter to nearly a third.

## The same story

When the TUC conducted interviews with women on various forms of casual contract in 2014, some clear themes emerged: increased risk of pregnancy and maternity discrimination; problems managing childcare and other caring responsibilities because of unpredictable and fluctuating hours; low and fluctuating pay and the impact this has on in-work benefits; lack of training or other opportunities to progress; and problems asserting workplace rights through fear of losing work or having hours cut. One woman university lecturer on a fixed term contract who was interviewed by the TUC reported that she was not given supervision of students, which is a prerequisite for career development in her field. She was told that this would not be fair on the students because she would be “out of here in a few years”. Several women reported that they felt that their casualised contracts meant they were seen as “dispensable” and not someone to invest in.

One woman working on a short hours contract in retail reported that the cost of her travel to and from the shop cancelled out her earnings from the shift. Another woman, a further education college tutor, recounted how she was working full-time hours for part-time pay and that all of the women with children had been gradually forced out of the workplace. “All my colleagues in the department that I work in are either men or women who do not have children. I am the last mother standing!” she said. This astute observation highlights an uncomfortable but unavoidable truth: women’s role as the primary carer in the majority of households is still as central to our working lives as it was for women in the 1960s.

Earlier this year, the Equality and Human Rights Commission found that over three quarters of pregnant women and women on maternity leave experience

negative and potentially discriminatory treatment at work. That's the equivalent of 390,000 women in Britain each year. While some of that discrimination takes place during pregnancy – ranging from women being forced out of their jobs, demoted, made to work in unsafe environments, to women being harassed and bullied because of their pregnancy – much of it takes place upon return to work. The challenges of balancing work with the needs of young children still seems to be perceived by many – not least discriminatory employers who prefer not to employ women of childbearing age – as a problem for women to solve alone, rather than a problem for fathers too.

A toxic combination of discrimination against women during pregnancy and maternity leave, unaffordable child-care, a lack of quality, well-paid part-time work, employers who refuse to countenance requests for flexible working, and social norms which still expect men to be breadwinners and women to be primary care givers – all mitigate against women's earnings and labour market participation. Furthermore, the effects are long-lived. Women who take prolonged breaks from the labour market after having children are less likely to get back into work at the same skill and pay level as before. One in six women change jobs after having a child and for the majority of those, this is because they could not access part-time work or hours to suit their needs in their previous job. Women who seek part time work to fit in with caring responsibilities often find their earnings decrease far more steeply than their working hours. Recent analysis by the Joseph Rowntree Foundation and the Timewise Foundation found that for every part-time job vacancy which paid £20,000 pro rata, there were 18 full-time vacancies. While progress has been made in closing the full time gender pay gap, the part time pay gap remains alarmingly wide. Women are more likely to work part-time than men across all age groups and the proportion of women who work part-time rises steadily

with age and peaks for women over the age of 50. Women working full-time now earn about 9 per cent less per hour than men but women working part-time earn nearly 38 per cent less.

Earlier this year the TUC commissioned research into the motherhood pay penalty. The analysis found that by the age of 42, mothers who are in full-time work are earning 11 per cent less than full-time women without children. Interestingly, while women who have children earn less, men who have children earn more. Fathers who work full-time experience, on average, a 21 per cent 'fatherhood wage bonus' and fathers with two children earn more (9 per cent) than those with just one. For the cohort of full-time workers who were born in 1970 there was an overall gender pay gap of 34 per cent, which can be explained by women earning less and men earning more after having children.

### **Shifting the status quo**

So if women's working lives are still as constrained by caring responsibilities, discrimination and deeply entrenched occupational segregation as ever, what hope can there be of ever achieving change? I hope that our time travelling observer from the 1960s would not come to the conclusion that it is futile to attempt to change. Rather I hope they would conclude that we simply have not done enough to bring about real change for women.

Too often debates about the labour market, investment, skills and the economy fail to acknowledge the multiple ways in which women are excluded. If we want to see labour market changes which actually benefit women, rather than increasing marketisation, outsourcing, and casualisation – all of which we know to be particularly problematic for women workers – then we need to start with a gendered analysis of what our changing labour market and working practices mean for women. We need

to challenge the misrepresentation of new, precarious forms of work as being 'flexible' or 'agile' and to recognise that in many cases all of the flexibility and the power resides with the employer, not the worker.

We also need to consider our working culture and our social norms relating to gender roles in the family and the workplace. A culture that demands that men sacrifice being involved in family life and women sacrifice their jobs and economic independence is not good for anyone. Long working hours, low pay, and lack of job security mitigate against that holy grail of work-life balance for both men and women.

None of this is inevitable. Just because the problems facing women in the labour market are deeply entrenched does not mean that they are intractable. The Women's Budget Group has set out a vision for a feminist plan for a caring economy. Rather than simply focus investment in capital infrastructure projects and new burgeoning areas of the economy such as new technologies – without ever considering how to open up these sectors to women – the Women's Budget Group calls for investment in "social infrastructure". That is to say care, health, education and training services, social security and housing. Investment in social infrastructure would benefit women's working lives as well as national productivity. Recent analysis by the Women's Budget Group for the International Trades Union Congress found that by investing 2 per cent of GDP in care industries, up to 1.5 million jobs could be created in the UK, compared to 750,000 jobs for an equivalent investment in construction. This 2 per cent of GDP investment in public services would create almost as many jobs for men as investing in construction industries but would create up to four times as many jobs for women.

So, while we also need greater investment in capital infrastructure projects, we must not overlook the fact that investing in the public sector, and specifically in publicly

funded and provided care for children, for people with illnesses and disabilities, as well as for frail elderly people, would have a significant impact on women's labour market participation, women's earnings, productivity, and on the wellbeing of all of those who depend on care – lest we forget, there is every chance that each of us will need to be cared for at some point in our lives.

A low wage, casualised, and privatised economy may be the status quo but it is not inevitable. We arrived here through political decisions and it is only by challenging those political decisions that we will ever build an economy that truly works for women.