

SUBMISSION TO JERSEY STATE ASSEMBLY GENDER PAY GAP REVIEW

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What are the main causes of a gender pay gap?

There is a lot of research to show that there are several causes, while some of the gap remains unexplained. If the gap is interpreted as the general wage gap (the average male wage minus the average female wage, or the female wage as a proportion of the male wage) then the causes include family constraints on job search and job availability, more restricted geographical mobility for women (who may accept additional caring responsibilities that tie them down, eg for elderly or sick parents), training systems which favour men, direct exploitation by employers who gain from paying women less (which need not be the same thing as discrimination), and social norms which downgrade the value of typically female work. Another factor which is often cited is human capital (education and work experience), which has historically been in favour of men. However, this is now far less the case, though it still applies in respect of work experience. Women have difficulty making good the effects of absences from work. Part-time work is also associated with low pay, both hourly and in terms of course of total take-home pay, and women are far more likely than men to be part-time. It is of note, though, that part-time work in the UK is increasing amongst men and their position is particularly bad.

If the gap is interpreted as at the occupational or at the job level, then the implications are different. These gaps vary enormously by occupation. My own research suggests that the gap is lower (as a proportion) for highly educated women. However, because of gender segregation (which is changing, but slowly), many women do low-paid jobs which men do not do, or barely do (eg cleaning, caring, and to some extent catering). Calculating the gaps for these is therefore almost futile and resort has then to be made to comparison with broadly similar occupations (eg female domestic cleaners with male refuse collectors), which is a slow and difficult process. Unfortunately the main emphasis of government policy seems to be on the issue of comparable treatment of men and women doing the same type of work, which often (but not entirely) amounts to helping women in elite or at least relatively comfortable positions. The real problem for women is not so much comparability but low pay in jobs that men do not do.

What initiatives can be undertaken to reduce a gender pay gap?

The simplest and most effective method would be to institute a statutory minimum wage, or raise this if it already exists. This would help low-paid women most and it is they who are in the most need of help. As they are more likely than men to be low paid, this enhances the position of women in one fell swoop. More generally, any compression of the wage distribution reduces pay gaps, whether based on gender or ethnicity or some other factor. Not all employers will adhere to the new pay norms, whether based on a minimum or living wage, but it will have increasing effect over time.

Other initiatives might include a more explicit gender focus, especially increasing opportunities for women to break out of low-paid occupations. Vocational training programmes, which are currently effectively managed by employers, should be far more focussed on offering women the chance to train for higher paid work. This could be supported by a state-based financial incentive to enter such schemes. Very differently, as this would have the opposite effect, the state could strengthen credentials for doing typically female work, as I believe happens currently in Sweden. If cleaning jobs could be certificated, this would perhaps be a problem for women not interested in gaining certificates, but it would raise the prestige of this sort of work and therefore ultimately the pay female cleaners receive.

Should employers allow staff to request information on pay broken down by gender?

No. It is almost impossible to compare like with like (eg precise grades in jobs where these don't exist) or to account for differences in work experience. Sufficient numbers are also needed.

Is a pay gap more likely in segregated industries/occupations?

Some research, including my own, shows that the pay gap is largest in desegregated (integrated) occupations. It is possible that segregation protects the highly educated (both men and women) from gender competition. However, integrated work is relatively highly paid.

Is the pay gap exacerbated by basing a starting salary on previous earnings?

In the private sector, yes. Pay structures in many public organisations mitigate against this.

Should employers asking about salary history be banned?

Yes.

Will closing the pay gap help the economy?

Probably not. It's a matter of swings and roundabouts. To me it's solely an equity issue.

Do women face barriers to promotion?

I am a bit sceptical that this is a fundamental problem, though it no doubt contributes to the overall gap. It is not in the interests of employers to block promotions of capable people. While social norms have played a part in making women *seem* less capable, these are changing. It's a problem to some extent but in my view of declining importance. Selection by women into particular positions also contributes, though this selection is itself influenced by strongly gendered social norms as well as perceptions women might have – no doubt largely realistic – of career opportunities in certain sectors.

Is childcare a cause?

Obviously, but it is not the sole or necessarily the main cause. Motherless women also suffer a pay gap. However, the gap is very low for young people without children. Age is also an issue, and some of that is the result of historical discrimination and related factors.

Should fathers have greater choice to be primary caregivers?

Undoubtedly. It might have little effect initially but should be encouraged.

Is a culture change needed to encourage more men to take career breaks.

It is primarily the fault of employers who discourage this and who refuse to implement the statutory flexible working policy (at least in terms of the spirit of the legislation).

How long can women not work before it hits future progression?

I believe there has been a lot of research on this but don't know the answer. I would guess 6 months.