



GENDER PAY GAP

NWCI Briefing Paper
May 2006

To address the gender pay gap of 17% in Ireland,

- **increase the incomes of those working for low pay**
- **achieve greater work life balance and greater sharing of caring work between men and women**
- **to increase the supply of affordable and quality childcare**
- **address the glass ceiling**

Issues

Care Responsibilities

Women carry the main responsibilities attached to caring and are still required to balance paid employment and caring work. In many cases the cost of childcare does not justify employment. Take up of part-time and full-time employment by women is directly linked to the lack of affordable and quality childcare and eldercare available. Women with caring responsibilities have restricted choices, which are affected by the structural inequalities that exist in an economic environment where care work is undervalued.

Family Friendly Practices

Although flexible work policies are in place in most organisations, in practice these policies do not work to the benefit of all employees. The lack of access to family friendly policies at work can trap low-income women in the home, as they are unable to afford to go to work or else struggle to keep up full-time employment whilst caring for a family. Flexible work practices are especially not available in low paid and insecure employments where many women work. Typically those who do avail of them are penalized through lower promotional prospects, proportionately lower pay and are seen as being less committed to work. This is due to Ireland's work culture, the undervaluing of care work and because if they do exist, the practices are mainly seen as options relevant only to women. These issues are of grave concern to the NWCI because family friendly policies are seen as being the answer to enabling women to return to the labour market. However if the issue is to be taken seriously within the government and

organisations, adhering to employment policies and putting flexible work policies that are written into practice, would facilitate many women into employment.

Low Pay

Women are more likely to be in low paid and low skilled positions in comparison to men. There is less opportunity for vertical mobility in the labour force from low paid employment. The minimum wage has been critical factor in increasing the incomes of low paid women and providing a minimum standard of security for low paid women workers.

Childcare

Childcare remains the single most significant barrier to women's equal participation to men in all aspects of society, including employment. The arrival of children means that a woman typically has nine years less experience than a father with identical qualifications and expertise by the age of 47yrs. The absence of adequate childcare and eldercare provision makes it difficult for many women to access full-time employment or training. Women carry the main responsibilities attached to caring and are still required to balance paid employment and caring work. In many cases the cost of childcare does not justify employment. Take up of part-time and full-time employment by women is directly linked to the lack of affordable and quality childcare and eldercare available. Women with caring responsibilities have restricted choices, which are affected by the structural inequalities that exist in an economic environment where care work is undervalued.

Glass Ceiling

We hear constantly about the increased participation of women in the labour-force here in the South. However, despite their increased participation in the labour market and better qualifications, women are still dramatically under represented in the higher echelons of both business and public sector organisations. While some may question the existence or otherwise of a glass ceiling – by which is meant, according to the Glass Ceiling Commission 1996, the ‘invisible, artificial barriers that prevent qualified individuals from advancing within their organisation and reaching full potential’, the absence of women in senior management both in Ireland and elsewhere remains remarkable. For many, the glass ceiling or its equivalent continues to prevent ambitious and qualified women from reaching their goals. The glass ceiling certainly helps to explain why, in spite of their increased participation in the labour force, women continue predominantly to be employees rather than employers or self-employed.

Recommendations:

Valuing Care Work / Work life Balance

- NWCI recommends that family-friendly options should become statutory with all employees having an enforceable right to such an option. This would have the effect of making family-friendly options integral to all workplaces, thus transforming the culture of work fundamentally.
- Promote the parenting role of fathers by providing paid parental leave benefit for parents of young children and part-time paid parental leave benefit for parents of children up to age 11.
- Ensure implementation of family friendly policies in all types of employment, which will not affect advancement opportunities, rate of pay or training opportunities.

Low Pay

- Maintain the minimum wage rates particularly in recession times
- Index the minimum wage increases to increases in average incomes
- Provide targeted training programmes to upskill women in low paid employment.

Childcare

A state subsidised childcare system of mixed delivery of childcare (community based, public, small scale private and home based care) is essential to enable women to participate actively in economic life. Childcare costs should be on a sliding scale and directly related to parents ability to pay. The first steps in the development of the model would be to

- Establish a public pre-school childcare place for all children
- An annual childcare subsidy towards wages and running costs in registered childcare facilities (public, private, community).
- Establish a target to meet 80% of cost of childcare for low income and disadvantaged parents.

Glass Ceiling

The policy lessons arising from the NWCI New Opportunities for Women initiative pointed to the need to devise a holistic framework for change that would involve:

- commitment
- systems changes (procedures for promotion, reward, monitoring)
- education (awareness raising, training,)
- life/work balance (accommodating employee needs)

- monitoring and alignment (modifying policies and practice in the light of progress)

Models of good practice pioneered included:

1. Stimulating companies to introduce new policies and practices.
2. Measures to break the glass ceiling.
3. Special training programmes for women.