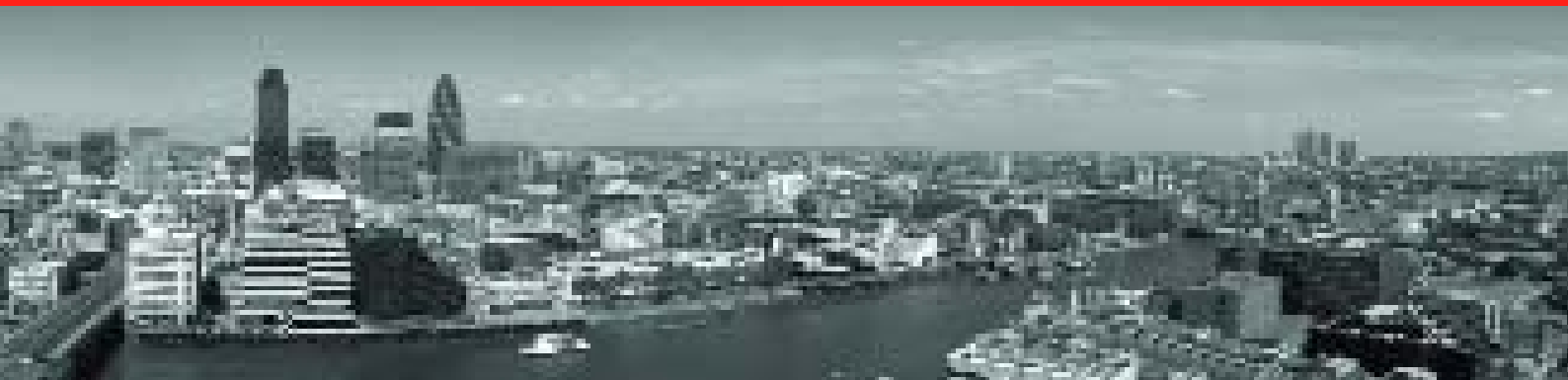


# WOMEN IN LONDON'S ECONOMY

Post-conference report



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## The Women in London's Economy Conference

London's future as a world city depends on using all the talents of women to the full. Women are the majority of London's population yet entrenched barriers often prevent them playing a full and equal part in London's economy.

A conference looking at the role of women in London's economy was held at City Hall on 13 January 2005, attended by around 250 businesswomen, policy makers, and opinion formers. Opened by Mayor of London Ken Livingstone, the event launched a new Greater London Authority report with research from GLA Economics, revealing the true picture of inequality affecting women in London's economy.

The conference had speakers from across the private, public and third sector discuss the key findings of the report, and issues faced by women in London's economy.

## Key report findings

The *Women in London's Economy* report was published in January 2005 by the Greater London Authority, incorporating new research from GLA Economics.

## Key findings:

- The gender pay gap for women working full-time in London is 25 per cent, wider than the gap of 18 per cent in Great Britain as a whole.
- The most common female occupation in London pays £5.38 per hour, while the most common male job pays £17.30 - three times as much - confirming that gender streaming makes a significant contribution to unequal pay.
- Men still dominate senior positions - only 4.8 per cent of executive directors of FTSE 100 companies in London are women.
- The average total directors' remuneration for women is less than half that of men: for women it is £103,753, while for men it is £233,047 - women are taking only 44.5 per cent of men's remuneration.
- Far fewer women with children work part-time in London than at a UK level. If the proportion were the same the output gain to London would be £1.5 billion.

The *Women in London's Economy* report has been considered as evidence by the Women and Work Commission, led by Baroness Margaret Prosser.

A full copy, and executive summary of the *Women in London's Economy* report is available at [www.london.gov.uk](http://www.london.gov.uk) or by contacting 0207 983 4000.

## Session 1: Women in business - the key issues

In this session, speakers discussed their own career experiences and the challenges that they had faced, along with some of the more general issues faced by women in business, in London.

## Session 2: Women in London's economy - the key issues

In this session, speakers focused on some of the key issues raised in the *Women in London's Economy* Greater London Authority report, with specific discussion around the gender pay gap and gender streaming of jobs and careers.

## Session 3: Women in London's economy - the remedies?

In this session, each speaker discussed the possible solutions to issues raised in the *Women in London's Economy* report, such as the availability of childcare, part-time work, and business support.

# Words from our sponsors



## Bank of Scotland

Bank of Scotland's Women in Business team is delighted to sponsor the Women in London's Economy (WiLE) event. The objectives of WiLE are firmly aligned with the Bank of Scotland's aim of encouraging and supporting women who are starting and growing businesses; with a view to achieving this through a genuine understanding of their approach, style, influences and preferences. We understand that little will be achieved by viewing women as a homogenous group or segregating them from mainstream business; value will only be derived by helping women progress through the mainstream, recognising and appreciating difference and ensuring equality of opportunity, respect and access to finance.

Bank of Scotland is the only UK bank with a dedicated team focusing on women in business and was part of the successful Halifax Bank of Scotland team who recently won the Opportunity Now Private Sector award for gender diversity. This achievement highlights the commitment and dedication which we apply to improving the opportunities and position of women both within our organisation and throughout our customer base. We applaud the in-depth, valuable research conducted by the Mayor of

London and look forward to working together in the future to help optimise and benefit from the contribution that women can and will make to the economy in the future.

## London Development Agency

The London Development Agency (LDA) is delighted to have been a key sponsor of the *Women in London's Economy* Conference for 2005. At the LDA we work to increase equality of opportunity for all and to make London an inclusive city where everyone can benefit from economic prosperity.

Women make a significant and vital contribution to London's economy - but they still face barriers to economic participation. Discrimination, lack of access to affordable childcare, and the limited availability of part-time and flexible working can prevent women from playing a full role in London's workforce.

At the LDA we are committed to challenging discrimination, promoting equality, and increasing the availability of affordable childcare, and we fully support the ideas and values of the *Women in London's Economy* conference.

For more information on the work of the LDA visit [www.lda.gov.uk](http://www.lda.gov.uk)

# Opening session – Ken Livingstone, Mayor of London



employees leaves to have a child and does not return, they lose eight years of experience, training and talent.

He went on to say that GLA Economics (an organisation set up between the Greater London Authority, Transport for London and the LDA) for the first time is actually creating a strong database of knowledge about the London economy. The research conducted by this body shows:

- The gender pay gap is wider in London than anywhere else in Britain.
- There was a trend towards narrowing that gap, but it stopped a decade ago.
- Women with children in this city are much more likely to be out of employment than in the nation as a whole.
- The costs of childcare in the capital are disproportionately higher than the rest of the country.

The Mayor was pleased to add that he had the agreement of the government to start a scheme of subsidised childcare places for people on lower incomes, creating 10,000 new, affordable places. The objective by the end of this decade is that any parent in London that wants affordable childcare for their children should have access to it, providing a level playing field that does not rely on a lottery of what borough you happen to be living in. He added:

- In London only 53 per cent of women with children are working. Nationally that figure is 65 per cent.

- The average pay rate in the most common occupation for men in this city (professional occupations) is £17.30 an hour. The average wage in the most common occupation for women in this city (sales, retails and wholesale, customer services) is £5.38 an hour.
- Women are less likely to get access to highly-paid professional jobs.
- Only 4.8 per cent of the executive directors of FTSE 100 companies are women. Even then they are paid less than the men they sit next to.

Gender segregation in jobs - the idea that men and women end up working in totally different and unequally paid sectors of the economy - is something that the law can do little about directly.

The Mayor said he believed that London is still behind much of the best practice in the USA, but could overtake it. London could be leading the way in this continent towards creating a city in which women are not discriminated against in employment or any other sphere. The Mayor affirmed his commitment to press for a single equality act based on positive duties.

He stated that he did not for one minute think that one conference or just research could change things overnight, but the Greater London Authority (GLA) would work with Londoners and London businesses to take this forward until the goal that this city will be equal and fair, irrespective of gender, is achieved.

The Mayor said that the conference is anticipated to take place annually until the problems highlighted are resolved. He started by thanking the panel of speakers and the sponsors of the conference, the Bank of Scotland, LBC News 1152 AM and the London Development Agency.

He then went on to say that if all of the population skills of London are not employed, the whole city suffers. Businesses that can't attract women will not achieve optimal profit margins, and overall the community is undermined.

He further added that we lose the talents of women workers because:

- some never get into work in the first place
- once in work, they start to fall behind their male colleagues because of childcare arrangements and family commitments that are not catered for by their firms.

The Mayor quoted a London-based bank as saying that every time one of their female

# Session 1: Women in business – the key issues

## Chair: Diane Abbott, Member of Parliament for Hackney North and Stoke Newington

Diane Abbott started the session by stating the Mayor's long-standing commitment to both women's issues and to women in business, remembering that one of his first engagements as Mayor was addressing a gathering of over 200 black business women.

In opening the session, Ms Abbott said, 'We are here to launch a major piece of research which looks at the issue of why too many women are in the low-paid ghetto, plus the vital issues of access to childcare, what can be done to help and support women entrepreneurs, and to help and support career development for women in both the private and public sectors'.



## Mary Reilly, Chair of LDA Board; Chair, CBI London Region; and Partner, Deloitte and Touche LLP.

Mary Reilly began by stressing the importance of giving girls the self-belief that they could reach the top positions in business. She said she had been successful because she 'never thought I would not do it'. She added that it was now a business imperative for organisations to help female employees succeed. 'People invest so much in their organisation and their staff that they can't afford not to encourage women to get to the very top.'

When looking at the majority of women working in London, she said there would be a real economic benefit if more women joined the workforce. 'If we can just get the women numbers in employment up to the national average, that would add one and a half billion pounds to the economy, to the gross national product in London. That is a significant amount.'

She identified a number of areas where action was needed:

- There was a need for more childcare places, and places that were flexible and affordable and available for longer periods of time. Both employers and the LDA needed to look at provision.



- Companies needed to provide family-friendly policies, such as more home-working or flexi-time.
- Employers needed to understand the benefits of having a diverse workforce. They needed to understand that they could not succeed in the long term if they didn't widen the talent pool, to get the best people at the top of their organisations to develop the business.
- Education was also fundamental in getting jobs and improving the types of jobs that people could get. She said the *Women in London's Economy* report had shown that women in London who had no qualifications or basic qualifications got much lower-paid jobs than men, or women in other parts of the country.
- There was a need for postgraduate scholarships so that women could compete for higher level positions.

- There was a need to encourage programmes, like the Skills For City programme in the IT sector, that provided high-level internships for women to help them shadow executives.
- Better financial support was also needed for those women who wanted to start their own businesses. She said that although the statistics showed women were very good at starting their own businesses, many had struggled to get through to the bank manager.

As chair of the LDA, she said the organisation's Economic Development Strategy was trying to tackle the barriers to employment that women in London faced by addressing the issues of the accessibility, availability, and affordability of childcare and by working with employers to promote equality in the workplace.

The LDA was also looking at how to support enterprises through all stages of growth, from start up through to helping them develop their competitive response once they had become established. She said that as the LDA took over the management of the Business Link contract in April, it would hopefully provide seamless support through its partners for all levels of development.

The LDA would also be working with the Learning and Skills

Council to improve skills at all levels and would be going to employers and asking them what skills were needed. She added that the LDA recognised more needed to be done and was working to do more to help women in London achieve their fullest potential in the workplace and in business.

Mary concluded by outlining a number of LDA programmes addressing women's participation in the workforce:

- Diversity Works for London - a new mayoral campaign to promote businesses that had diversified their workforce and encourage those that hadn't to value the diversity of their workforces.
- The Initiative of Enterprising Women: a customised training and monitoring programme to encourage women entering self-employment within the IT industry.
- Women in New Media: offering home-based self-employment for women in web design and production, with NVQ and accredited training offered and opportunities to link participants in a network of freelance contractors.
- Ready to Invest: aimed at recruiting and supporting a pool of investors ready and able to foster London's entrepreneurs, particularly women and individuals from minority ethnic communities.

### **Shernaz Engineer, Managing Director and Founder, Verity Appointments**

Shernaz Engineer began by talking about the rationale for starting her own business. Despite being in a well-paid and responsible job, she chose to set up on her own because she was sure she could do it better. She was confident she could run a more professional agency - and instead of making money for her bosses, she could work for herself.

She said she had faced a number of challenges in setting up the business. 'I felt that none of the high street banks took me seriously. I had a perfectly good business plan, done professionally, and letters from clients who stated that they would certainly use me if I set up on my own. That cut no ice; no one wanted to know. I finally borrowed £20,000 from an investor at 30 per cent interest. Yes, extortionate, I know, but I was determined to start and knew I could pay it back, which I did within two years.'

Ten years later, she was still facing problems borrowing. She wanted to expand the business by buying another agency and, although Verity Group had 75 per cent of the asking price and she knew the business could sustain a loan for the additional 25 per cent and pay it back, she did not find it easy to borrow.



'The bank never had a problem with us; we always kept a clean sheet. But what did I find? They put up so many barriers that I was exasperated enough to ask my bank manager, is it because I am a woman and is it because I am Asian to boot?' The bank was only prepared to lend the money after she'd given a personal guarantee and put her house up as security. She pointed out that 'businesses borrowing millions, like Enron, seemed to have no problem getting the money, while small businesses asking for a relatively small amount could find it a struggle'.

Addressing the issue of what changes were required, she brought up the awarding of public contracts. She said that despite the government's assurances that it wanted small and ethnically owned businesses to gain more public sector contracts, the commitment had not percolated down to the officials who actually awarded the contracts. Many were still risk averse. She noted that, although decisions were not supposed to be price-led, there was a tendency to award contracts to large multiples, who would sometimes go for contracts at no profit, just to squeeze the competition.

She said small businesses were also excluded because they did not have a track record within the public sector - in a real 'chicken and egg' situation. If the public sector gave small and ethnic business the work, they would be able to expand and employ more people.

Secondly, she said there was a need for a loan guarantee scheme that was simple, well publicised, widely available and easily understood and, most importantly, that was readily accepted by the banks.

Thirdly, she said Business Link for London should be more widely publicised, as they had provided excellent service and not enough people in business knew about them.

Fourthly, she raised the high cost of office space in London, which could be a real barrier to new and small businesses, suggesting that rate rebates and cheaper offices were needed.

Her final point was that transport in London was not as good as it should be. She said she understood the Mayor was working on this, but felt it would help to halve the timescales for improvements.

In closing, she addressed her words to any budding entrepreneurs in the audience.

'Can I say that there is no substitute for a good idea, determination, tenacity, hard work and the willingness to take the ups and downs of business? And if anyone says you can't succeed, tell them - "I have got the ability and I can do it".'



**Sue McDougall, Commercial and Business Controls Executive, IBM and chair of the IBM Europe, Middle East and Africa Women's Leadership Council**

Sue McDougall began by saying she felt the barriers to women in business fell into three categories: societal barriers, barriers in business culture; and women's own personal barriers.

As societal barriers, she raised the following:

- The assumption that men and women were equal was still not completely accepted - there was still an assumption that the male was the main wage-earner.
- Flexible working was still being developed, despite the wealth of legislation. She also raised the issue that flexible working was not just for families, but also for people who might have other choices.
- There was still a societal assumption is that women would take primary responsibility for childcare and that elder care was also often as big a problem for women.
- There was a long-hours culture in the UK, particularly compared to the rest of the European Union and that this was very slow in changing.

Moving on to the barriers within business culture, Sue McDougall said she disagreed that there was a gender pay gap. Within large corporations, there were no pay gaps within the same job levels - the pay gap was about the fact that women didn't do the same jobs, and that needed to be tackled.

Barriers within the business culture included:

- Companies needed to have a business case. She said the business case for flexible working had now been proven - companies were more productive if they have flexible workers and employees were happier.
- Within the corporates there was sometimes a 'face time' culture: if you're not in the office, you're not working.
- In reviewing candidates for a job, men were still reviewed on their potential, while women were reviewed on what they had achieved.
- Corporates didn't put enough effort into having mentors and sponsors, for both men and women.

As personal barriers, she identified the following:

- The lack of a 'can-do' attitude. She said that instead of saying 'I can only work three days a week, what jobs could I do?' women needed to turn it around and say 'here is a job I believe I can do, but by the way, I don't want to do it full-time.'
- Women were on the defensive. Women needed to put forward their personal ambitions, take leadership, and be proud of their diversity.
- Getting a job was 60 per cent image, 30 per cent exposure and ten per cent ability, but women tended to spend 90 per cent of their time on ability. Men did not.
- Women were risk averse. Women would only go for a job if 80 per cent certain they could do it; men did not need to be more than 50 per cent certain.
- Women did not sell their leadership skills, although they tended to be better



at team collaboration, building organisational capability, taking decisions and coaching.

- Women needed to go out of their way to find role models, mentors or sponsors.

In looking at how the Mayor could help, she said more data was needed on women-owned businesses and in particular, there needed to be a definition of a women-owned business. 'Is it 51 per cent ownership?' she asked. She said that if a corporate was trying to increase sales to women-owned businesses, it needed to have a definition to identify them.

Other areas for action she suggested were

- data-sharing between large corporates to help establish benchmarks
- cross-company mentoring
- the Pay Review Board to be forced on large corporates and on the public sector
- the education sector to do more to develop the soft skills needed in business.

She finished by saying that there was a clear need for banks to make it easier for women to raise funding, as too many women entrepreneurs had faced issues with finance.

### Session 1: Questions and answers

Following the speeches made by the speakers in this session, conference delegates were free to ask questions from the floor. Points raised in the discussion are summarised below:

#### *Public and private sector differences*

- Flexible working tended to happen more by default in the public sector.
- In the private sector, flexible working was more likely to be the result of women taking the initiative.
- The private sector did not always have the manpower to be flexible regarding maternity cover.
- There is a higher percentage of women in the public sector – because of the conditions, pensions, etc.

#### *Sharing best practice*

- Bigger businesses could consider seconding people into smaller businesses to cover maternity leave and get an exchange of ideas.
- There is actually a remarkable amount of sharing of best practice among the larger corporates.



### *Business Link*

- LDA responsibility for Business Link is still new with talks still going on about how it will work.
- Business Link have a very good reputation, particularly for start-up businesses.
- Monitoring of Business Link will improve, as will the measurement of the outputs.
- The LDA spends perhaps three to four times the money it spends on Business Link on other forms of business support.

### *Lack of women's interest in becoming private investors*

- Many investors are successful entrepreneurs, who want to put something back, and there aren't as many women entrepreneurs as men. In addition, women tend not to have as much money as men.
- You need to be a risk-taker to invest and women are less likely to be risk-takers.
- Women don't invest because they don't know about the opportunities.

### *Comments on unions getting more involved with private sector organisations and mandatory pay audits for private businesses to reduce the gender pay gap*

- Global organisations generally adhere to strict terms of corporate governance, resulting in a high degree of corporate social responsibility and maintenance of equal pay scales.
- Bringing unions in could be counter-productive for a number of companies, particularly large corporates.
- Women themselves need to ask for more to achieve higher levels of pay in the private sector.

### *Mentoring*

- Diane Abbott, Shernaz Engineer and Mary Reilly are involved in mentoring.



# Session 2: Women in London's Economy – the key issues

**Chair: Jenny Jones,  
London Assembly Member,  
Green Party**

Jenny Jones introduced the panel and said that the session would focus on the key issues raised in the *Women in London's Economy Report* - the gender pay gap, pensions, and childcare.



**Murziline Parchment,  
Director, Major Projects and  
Service Delivery, Greater  
London Authority**

Murziline Parchment concentrated on the economics side of the report, though mentioning that it also contained a good deal of qualitative information from focus groups and the experiences of individual working women. She then turned to three main issues: the gender pay gap, the 'glass ceiling' and access to adequate childcare for working mothers. She noted that:

- The pay gap between men and women in London is much greater than the pay gap between men and women in Great Britain as a whole. In Great Britain it is 18 per cent while in London it is 25 per cent.
- The national trend since the early 1990s has been for the gender pay gap to narrow, but this has not happened in London. The trend towards narrowing stopped in London during the early 1990s.
- Much of this is due to the relative growth in men's pay in London, and that women's pay has not kept up with this, ie women are not getting a fair share of the very highly paid jobs that London is generating. Women's pay in London has grown at only the same rate as the rest of the UK.
- There is a gender segregation in employment and this could be through indirect discrimination, ie upbringing, pressures in education, or it could be direct discrimination, or both.
- Women are concentrated in administration and secretarial



occupations, and in terms of grades, just 12 per cent of women in London work in managerial and senior occupations, whereas 21 per cent of men work at the senior levels.

- Almost one-third of London women work part-time, but this is less than outside the capital. Much of this is to do with childcare costs and the time needed to travel to work.

She then went on to raise the issue of gender segregation in employment and 'glass ceilings'. She observed that:

- Only 8.6 per cent of the FTSE 100-quoted companies have board members who are women. One-third of them have no women board members at all.
- At boardroom level the pay gap between male and female directors rises to 50 per cent.
- Women tend to be appointed to boardrooms only when companies are having troubles. Their appointments are thus more precarious and they risk falling over the 'glass cliff'.
- Female-owned businesses account for only ten per cent of new small businesses while male-run businesses account for 72 per cent. (The remaining percentage are 50:50 male/female owned.)

- female-owned businesses tend to be smaller than male-owned businesses.

Murziline then went on to address the issue of childcare provision. She stated that:

- The employment rate of women in London with children is 53 per cent and that of women with children outside the capital is 65 per cent.
- The high cost of childcare and lack of family-friendly job opportunities, including part-time work, were significant factors affecting women's employment in the capital.

To round off her speech, she reminded delegates that:

- If the employment rates in London of women with children rose to those of the UK, London would gain an economic output of about £1.5 billion.
- A major contribution of the pay gap is streaming in gender.

She added: 'We need to find out more, from conferences such as this and further work, as to what contributes to job streaming? What makes women go into low-paid jobs? Or, for that matter, what deters them from going into high-paid jobs? How important are years in the labour force or interrupted work patterns in productivity, and what explains the lack of part-time working in London?'

'If we look into this we will begin to build a business case to empower us as women to go to government and to businesses, and persuade them that it's worth making equality in the workplace.'

### Julie Mellor, Chair, Equal Opportunities Commission

Julie Mellor argued that the impact of women's caring responsibility was at the heart of the gender pay gap. She added that it would be impossible to close the pay gap until account is taken of this, and the way that work is organised and awarded. She observed that:

- The overall 40 per cent pay gap, that is the average hourly rate difference between women working part-time and men that work full-time, is an indication that our economy does not use women properly.

'Women leave school, college and university with the same level of attainment and achievement as men, but if we are not paid equally then the economy is not using our skills equally. So that pay gap represents the under-utilisation of women's skills,' she said.

She went on to add:

- Ninety per cent of working women are concentrated in just five job areas - the so-called 'five Cs': caring, clerical, cleaning, catering and cashiering.
- London has a high proportion of the highest paid jobs in Britain but in business, for example, only one in ten of the top jobs is done by a woman.

She then spoke of the fact that London has a relatively high proportion of people from ethnic communities. She observed that:

- The pay gap between minority ethnic women and men is eight per cent, compared to 18 per cent figure overall in

the national economy. One of the reasons for this is that minority ethnic men often find themselves doing the jobs that women do, largely because of discrimination and prejudice.

Julie Mellor then referred to London's position as a financial centre, and stated that this in many ways illustrated the best and the worst of ways in which business culture affects women at work. She added:

- In a survey of human resources managers, overall, one in ten companies admitted that they had given women employees a package to leave when they became pregnant, but in the finance sector, one in four firms admitted that they did this.
- Overall, one in 20 employers said they had had a pregnancy discrimination claim in the last three years but in finance, it was one in seven.
- While some companies are doing fantastic things on equality, the financial sector in the city as a whole has some big problems that it has failed to tackle. The best companies are being dragged down by the worst, and graduate recruitment is becoming difficult.

She then went on to address the issue of caring for families and the burdens that this placed on women. She added:



- Although 80 per cent of women workers, on average, go back to work within 17 months of having a baby, only 47 per cent, on average, return to the same employer.
- One in five women returning to work after childbirth, even in firms with flexibility, return to a lower grade job.
- Forty per cent of mothers give up or turn down jobs because of caring responsibilities.
- The government's commitment to universal childcare and extended day facilities and school, could have the biggest impact on the pay gap of any single action that can be taken by government.

She continued with the need to develop skills in women workers:

- There is a need to open up job choices for women in skill shortage areas, such as construction, plumbing and engineering. There is a national skill shortage.
- Employers are saying they are ready to take girls into non-traditional occupations yet only 15 per cent of boys and girls have received any advice about non-traditional placements.

In conclusion she stated:

- Ninety per cent of employers think that flexible working is cost-effective and helps improve their competitiveness.
- The CBI says that the Equal Opportunities Commission has done us all a favour by establishing the link between productivity and equal pay.
- To improve productivity we need to move from economy-friendly families to a family-friendly economy.

### **Diana Holland, National Organiser for Race, Women, and Equalities, Transport and General Workers' Union (TGWU)**

Diana Holland stated that discrimination against women was a reality and that the right solutions won't be found unless we address real problems. She went on to speak about women's economic inequality, the pay and pensions gap and the role of unions. She observed that:

- There is systematic undervaluing of much of the work that women traditionally do: childcare being a classic example.
- Women with children living in London are less likely to be in work than the national average.
- London leads the way with women's opportunities in non-traditional employment, ie the fire service, building and construction.

She then raised the issue that London's women are better qualified than the national average, so if that resource is not well utilised the loss is proportionately greater for London.

On the subject of black and other minority ethnic women she said:

- Black women are much more likely to work full-time than white women, and therefore the issue of childcare becomes even more important.
- Migrant domestic workers, mainly women and concentrated in London because that's where many of their employers live, form a part of London's economy that is often hidden. More



needs to be done to prevent abusive employers from exploiting the immigration status of these women.

She then mentioned the pensions gap, caused in part in the south-east by relatively large numbers of well-off retired men. She added:

- Within the south-east there is a bigger pensions gap. Women living in the south-east are on only half of men's income in retirement.
- Women are less likely to have access to an occupational pension and the employers' contributions that these attract.
- Women's working patterns ie part-time, flexible and home working, all too often lead to a reduced pension entitlement.
- Some women face a 'triple whammy' of having paid the women's reduced NI stamp, not being allowed to join a firm's occupational pension scheme in the past because they were part-timers, and now not getting their state pension at 60.

Calling for action, Diana stated that it was vital to recognise the role of women in the economy. Unions have an important role to play. Whether

it's fairer pay, equal opportunities or better conditions as a part-time worker, it's better to be a union member. Specifically, she mentioned the need for:

- Pay and pension audits - the TGWU has found situations where large numbers of women were underpaid, on the wrong grades and entitled to considerable back-pay. Audits are very useful, but only if they are implemented and a statutory requirement would help, rather than it just happening where unions can get agreement from management.
- Education and union learning reps - this is another area where unions can be very helpful.

On the issues of childcare and caring, she reported:

- The position of larger families and older children is difficult and at the moment they are on the fringes of the childcare support available.
- Informal and family caring support, which is probably the majority of it but at the moment, is not recognised.

Flexible working patterns had been mentioned by previous speakers, but she added that the TGWU has been working to promote family-friendly working practices, and gave the example of joint working with Transport for London, the bus employers and the TGWU:

- The general working pattern in the bus industry is often very family unfriendly, but it is essential that in trying to tackle the issue, there is fairness and equality for all, rather than competition

## Session 2: Questions and answers

Following the speeches made by the speakers in this session, conference delegates were free to ask questions from the floor. Points raised in the discussion are summarised below:

### *Flexible working practices*

- The need for innovative solutions, including more decentralised working and working from home.
- How to introduce family-friendly working practices regardless of salary or company size.

### *Childcare provision*

- Universal childcare with financial support for those that cannot pay for it is needed.

### *Involving ethnic minority women in equality in the workplace*

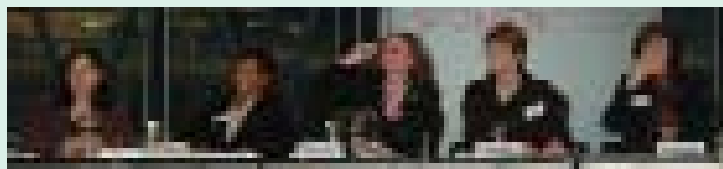
- Culture and lack of job aspirations can prevent minority ethnic women obtaining employment. Bangladeshi women are often in this position.
- Outreach programmes, including Take the Kids to Work Day, could be helpful in promoting the idea of employment.
- The government's Race Task Force may also prove useful.

### *Workers' rights under current legislation*

- Workers often do not know their rights to time off, paid holidays, or the minimum wage.
- Pregnancy-related dismissal is widespread and arises from lack of awareness on both sides.

### *Creating an equality culture*

- Education for equality in schools is essential in teaching youngsters to value equality for women.
- Programmes similar to schools' anti-bullying tactics could help in promoting equality and respect in the workplace.
- Skill shortages could help in getting women into non-traditional occupations and reduce gender segregation by occupation.



for a very small number of opportunities to work flexibly. It is jointly recognised that best practice includes support for union equality reps and the union's sexual harassment listening support service.

She concluded by saying that a fair deal and a new deal for Women are vital, and not just about women. It is about a fair deal and a new deal for everybody, because if we get it right for women, we get a better place for everybody.

# Session 3: Women in London's Economy – the remedies?

## Chair: Anni Marjoram, policy adviser to the Mayor of London on women and women's issues

Anni Marjoram introduced this session focusing on remedying current problems faced by women in London's economy.

She emphasised the fact that action needed to be taken:

'We're not interested in just producing research and having a conference. We want to be able to come back to you next year to see how this work has moved on, showing what positive and practical outcomes have come out of this work - we see this as an ongoing development'.



## Barbara Cohen, Vice-chair of the Discrimination Law Association

Barbara Cohen began, 'When we hear about things that are not right, we are inclined to say "there ought to be a law against it". In fact there are two: the Equal Pay Act that has been in force since 1970, and the Sex Discrimination Act that was enacted in 1975.' She went on to add:

- The Sex Discrimination Act needs updating and strengthening. In its day it was very progressive, and even today it could be a real force for change if it were more fully understood, applied and enforced.
- In 2003/04 there were more than 17,000 applications to employment tribunals claiming sex discrimination and over 4,000 equal pay cases. Of the cases disposed of that year, 70 per cent of both sex discrimination and equal pay cases were either settled through ACAS conciliation or they were withdrawn, normally on the basis of agreed terms of settlement. When faced with legal proceedings – that could be costly and bad for their reputation – employers were prepared to confront issues of discrimination.

'Institutional change will be a long time coming if it relies solely on individual victims



seeking legal redress. And, more importantly, why should society expect the full burden of bringing about change to fall on the shoulders of victims of unequal treatment and discrimination?' Ms Cohen went on to explain:

- In the Sex Discrimination Act, the Equal Opportunities Commission has powers to conduct investigations and to expose discriminatory practices. These powers are used too rarely.
- There are also very explicit positive action provisions in the act intended to tackle the issue of job segregation. In occupations where there are few or no women, employers can provide training exclusively for women and take steps to encourage women to apply for jobs.
- The Sex Discrimination Act also permits job training to meet the needs of women who have been out of full-time employment due to family responsibilities.



Barbara posed the question: with this good and permissive legislation and a few examples of good practice, why are we where we are today? She suggested:

- Too many employers in both the public and the private sectors choose to remain blind to the composition of their workforce.
- Employers say ‘our jobs are open to all, we do not discriminate’, paying no heed to whether women may be less likely to apply or be selected because of historic patterns of discrimination and exclusion, or because of lack of qualifications or experience, or lack of physical or social mobility seen as necessary for some of their jobs.

The law could step in to redress inequality but only if the political will was there.

She went on to say that legislating for equality is not an impossible task, and gave examples of the Fair Employment Acts in Northern Ireland, which have gone a long way towards ending religious discrimination in employment, and the 1998 South African Employment Equity Act which has made a start in undoing severe and entrenched racial and gender disparities in employment. But she added:

- The UK government in 1999 backed away from the

modest proposal by the Trades Union Congress, Commission for Racial Equality and Equal Opportunities Commission that there should be a legal duty on employers to monitor their workforce by race and gender so that equality issues could be identified.

- There will be an amendment to the Sex Discrimination Act to impose a duty on public authorities to promote sex equality.

She added that sex equality needs to be more than just about employment, because women’s ability to work depends on good healthcare, good education, adequate housing, and good transport.

- Public authorities subject to an equality duty must ensure they are not spending public money to maintain or reinforce discrimination, but in eliminating it and promoting equality. Evidence from the United States and Northern Ireland – and a few UK examples – demonstrates that it works. This is the sort of business case for equality that private sector organisations understand.

In conclusion, she said that although the law was a help it could not create equality on its own. That depended on political will and commitment in the public and private sectors.

### **Angela Mason, Director, Women and Equality Unit, Department of Trade and Industry**

Angela Mason began by outlining the proposals the government has for a bill creating a new Commission for Equality and Human Rights. She stated that the new commission will:

- Bring together all of our equality responsibility, for all our equality legislation; to meet together with responsibility for the promotion, protection and compliance with human rights; and also responsibility for trying to create and build good relations within communities and between communities.
- Oblige every public authority to have the duty to eliminate discrimination between men and women and promote equality of opportunity. This will mean that all public bodies not only have to look at issues of equal pay, at the composition of their workforce, but also to look at their policies and the functions for which they are responsible and ensure that in carrying out those functions, they promote equality of opportunity for men and women.
- Be charged with creating an equality map: a state of the nation report with targets and aspirations and benchmarks



- for equality in our society.
- Also have a duty to consult with all its stakeholders - something the current Commissions do not have.
  - Also have new powers in relation to investigating, enumerating and monitoring hate crimes.

She went on to say that the aim of the new commission will be for every individual to be able to achieve their potential, free from prejudice and discrimination; that every individual be entitled to be treated with respect and dignity; and that every individual will have an equal chance to participate in society.

Angela added that the government, in response to consultation and White Papers, intends to review existing equality legislation with a view to developing a single equality act. She then went on to address the subject of equal pay. She noted that:

- There is the issue of part-time working being available to people going up the management system. Part-time work is normally at the lowest levels but the opportunities for women to work part-time as they progress upwards in their careers is an issue that needs to be addressed.

She then spoke on the subject of low pay generally and observed:

- There is the whole question around the creation of a low-wage part-time economy, and how this will impact on equal pay, particularly when there is a problem with a large part-time pay gap. What are we doing about it? The

government has set up a Women and Work Commission, chaired by Baroness Prosser. The commission will be reporting to the Prime Minister with recommendations in autumn 2005.

- The extension of maternity (and paternity) leave, the right to request flexible working, introduced in 2004, have been enormously popular. There's growing evidence that the existing rights to flexible working are being taken up by substantial numbers of women.

Angela then went on to describe the government's proposals on childcare. She added:

- That the two issues have actually come together for the first time. The government now has a goal of 20 hours a week of free, high-quality care for 38 weeks for all three and four-year-olds, and this to be all in place by 2010.
- There will be out-of-school childcare places for all 14-year-olds between the hours of eight and six each weekday by 2010.

She then went on to say that if we as a society want a productive economy, we have to utilise to the full the talents of all our people, and not just 50 per cent of the population. And if we want balanced, well-functioning, healthy, vibrant families then you have to look at their organisation, care and responsibilities. These are political issues.

She concluded by saying that if we want a democratic society then all of us have to participate fully. So what happens to women is absolutely crucial for what happens to society and to us all.

### Kay Carberry, Assistant General Secretary, TUC

Kay Carberry began by congratulating the GLA on the excellence of their recently published report *Women in London's Economy* that backed up the unions' case: that women's inequality in the labour market is a huge problem, not just for women but for employers and for the economy. She went on to say that the report showed the problems for women in London are the same as for women elsewhere, but more so. She went on to list the main problem areas for London and the country as a whole. Kay Carberry then outlined a second list of possible solutions for the problems facing London's women. She mentioned:

- The new legislation that will shortly introduce to public sector organisations a positive duty to promote gender equality. This will mean that public sector bodies will have to ensure that they know what the gender impact is likely to be, not just of their employment policies, but of everything they do, including the kinds of services they deliver and the ways that they deliver them.
- That the Mayor of London is planning 10,000 more affordable childcare places in the capital, as part of the Mayor and the LDA's childcare affordability programme, and the London childcare strategy.
- That London needs more part-time jobs, but these need to be good quality jobs that go further up the career ladder so that women returning after maternity are not penalised. There needs to be flexibility too: part-time

jobs are not necessarily flexible work.

On the subject of low pay she added:

- That women's work is not only low paid but is undervalued. This is particularly so with childcare. There is also a need to understand where the new childcare workers are going to come from. What she didn't want to see is a further expansion of the army of very low-paid women doing caring work.
- The Mayor's new living wage unit will help counter low pay in London, and some other parts of the country could take a lesson from this.
- As mentioned earlier, the unions would like to see all employers doing equal pay audits.
- The new positive duty for sex equality on public sector employers was a step forward. The unions would like to see that duty extended to all employers, including the private sector, and the single equality act could be helpful here.

On the jobs and gender divide she stated:

- More women need to get into non-traditional jobs, and the Equal Opportunities Commission is about to produce a report that advises all of us, including local authorities, how they can do that. Particular recommendations will be aimed at schools and the career service that could perhaps do a lot more than they are doing at the moment.

On the subject of what the Mayor of London and the GLA



could be doing, she had the following actions to recommend:

- Fund and conduct research into equality. More of it is needed and it should be reinforced. Publicise and highlight the research findings and review them regularly in conferences such as this one.
- Involve the unions, who are in the process of planning a best practice guide on childcare for employers in London.
- Involve employers by highlighting the productivity benefits case.
- Use the GLA's procurement powers to reward companies and contractors with a good record on equality.
- Continue the work on low pay.
- The GLA and the LDA must work with the stakeholders, employers, the education sector, the training sector, to improve access for women to non-traditional jobs.

She welcomed the new London childcare strategic partnership that is going to include employers, unions, the NHS, local authorities and childcare providers, and also the safe travel at night scheme - because many women work unsocial hours.

In conclusion, she called for a single equality act.

### Clare Logie, Director, Women in Business Programme, Bank of Scotland

Clare Logie started by saying that Halifax Bank of Scotland has a suite of diversity policies and has added to these a focus on female customers. The aim is to support and encourage women to start or grow a business, recognising that female entrepreneurship is a growth area. She added that Bank of Scotland has a dedicated team of three that work full-time, focusing on this area in order to understand any differences that may arise with regard to gender and develop solutions. Although the same basic rules of business apply for any venture regardless of gender, ie you need a good business idea, capital and the knowledge of where to get it, a decent business plan (written down or in your head), a certain amount of skill, loyal customers, strong business relationships, a favourable economy and a bit of luck now and then, she noted that existing research suggests that:

- Women typically only use 30 per cent of the start-up capital that men use and much of that often comes from their own resources, family, friends and personal credit cards.
- Women often undercapitalise their businesses by financing from turnover only, which can make it harder to grow a business.
- Women can be reluctant to go into debt, often equating debt with failure. The banks, however, see debt in a very different light: if you're not taking on debt then the business may not be growing as fast as it could.
- Men and women can approach banks in different

ways. Women are often overly cautious: whereas a man might say 'I'm going to be a millionaire in 18 months: this is how I'll do it', women are often reluctant to plan more than a year ahead and may lack the confidence to go for high returns. This in turn may make the banks less keen to invest in something they suspect may provide modest returns.

She then posed the question of why this should be? She outlined the following possibilities:

- Even highly educated and professional women often get their management experience in traditionally 'female' areas, such as human resources or public relations, and are not routinely exposed to a full profit and loss or detailed finance and its jargon and thus can find finance off-putting.
- They may also be excluded from the formal and informal networks that are so valuable to business success.
- The 2003 statistics from the London Business School indicated that women are about half as likely as men to expect to start a business, are about a quarter less likely to seek good opportunities, and two-thirds less likely to think they have the skills to start a business. They are also a third less likely to know an entrepreneur and considerably more likely to fear failure.

Clare then turned to what the banks could do to counteract these tangible and intangible barriers to women entrepreneurs. She stated that:



- On both sides there needs to be an education process: women learning the language of the banks and finance, but also for the banks to say, 'hang on, not everything has to look the same. This might be a fantastic proposition'.
- The Bank of Scotland is constantly researching the market, trying to understand the issues and prepare a positive path for women.
- There are a lot more women's business networks starting up and they can be beneficial, adding that she personally enjoyed meeting and making new contacts.
- The Bank of Scotland has a women's business starter pack and also produces a twice-yearly magazine called Big Fish, aimed at women entrepreneurs. In addition, there are web pages for women in business and the bank sponsors conferences like this one. They provide advice and build relationships whenever they can.

She concluded by saying that her bank wanted to ensure its female employees and customers excel because if they do, then the company and the economy would benefit from it.

### Session 3: Questions and answers

Following the speeches made by the speakers in this session, conference delegates were free to ask questions from the floor. Points raised in the discussion are summarised below:

#### *Review of the sex discrimination legislation and a single equality act*

- There is a need to provide a single unified piece of legislation that will combine and revise existing legislation.
- Workers need to be educated about their rights and obligations.

#### *Flexible working*

- There are pitfalls to flexible working - employers sometimes expect the same amount of work to be done in a shorter time.
- Employers need to take a longer term view of women with small children and their potential once their childcare responsibilities are reduced or gone.

#### *Promoting best practice in equality*

- The Mayor should award a prize to the London company with the best equality record.
- The GLA should be using its purchasing power to favour companies with a good track record on equality. This would put pressure on companies that didn't currently take equality seriously.
- Ultimately, legislation on equality should be extended to the private sector as well as public bodies.

#### *Changing the working culture*

- Much can be learned from disability discrimination legislation and experiences in South Africa, including the concepts of accommodation and reasonable adjustment - consideration of individual circumstances and whether adjustments to working practices are needed, thus ensuring that women are moving into all levels.
- People often work long hours in intense environments where they are not productive because management is not all it should be.
- Something needs to be done about men in the UK working longer hours than any other country in the EU, which is partly presenteeism.
- The UK government is continuing to allow individuals to opt out of the Working Time Directive, which limits the working week to 48 hours. If men worked shorter hours, it would give women more flexibility and more opportunities to get into the labour market.
- Men need to assume more responsibility for caring for their kids.

#### *Women in non-traditional occupations*

- The number of women fire-fighters has more than doubled, albeit from a small base number (100).
- The annual capitalwoman conference held in March included 25 per cent younger women, many of whom were interested to hear about non-traditional occupations.
- The EOC estimates that between 25 and 30 per cent of people in non-traditional occupations need to be women before there is culture change.



## Closing session – Nicky Gavron, Deputy Mayor of London



Nicky Gavron started with two personal anecdotes that informed her of inequality at an early stage. When she was four, her father told her that brains were of no use to a girl; and when she was five, she conducted a survey of her classmates asking them whether, if they could have chosen their sex, they would have wanted to be boys or girls. None of the little girls she asked would have chosen to be girls.

She went on to thank the delegates for attending and contributing. She also thanked the conference sponsors, the Bank of Scotland, LBC and the LDA, and all those who had worked on the *Women in London's Economy* report.

Nicky then went on to say that in whatever career or profession women take up, there are wage inequalities, and this not just a women's issue, it is an issue for all Londoners. She continued:

- There is a huge waste of women's skills and talents and this is particularly significant when girls are outperforming boys in nearly all school subjects.
- The cost of having such a biased pay structure in employment is the loss of potential for wealth creation.

She added that there is not one single cause. The origins are social and cultural as well as

economic and we need to look at our own attitudes. She added that in London:

- The pay gap is wider than in the rest of the country.
- There has been no improvement in women's relative position in over a decade.
- The evidence shows that lack of affordable childcare is the critical barrier to many women taking up training and job opportunities.
- Over 50 per cent of children in inner London are living below the official poverty line, despite it being one of the world's richest cities.

The London childcare strategy and the measures being put in place with the LDA will go a long way towards breaking the cycle of poverty.

Nicky went on to say that the inequalities of pay must be tackled with a wide spectrum of initiatives: formally through legislation; informally by confronting prejudice, discrimination and glass ceilings and, of course, by demonstrating what women can achieve if given the opportunity.

The GLA wants to see family-friendly working practices become the norm, and she looked forward to welcoming employers back to next year's conference. She added specifically that:

- The idea of seconding people from big businesses to small enterprises when women go off on maternity leave was good.
- The GLA is supporting equal pay audits. However, we need the Pay Review Board to force companies in the direction of pay audits and pay transparency and to

make sure that audits are actually implemented.

- Elder care is another issue that needs to be raised with employers.
- The GLA is also setting up the living wage unit to analyse what levels of pay should be an acceptable minimum.

Nicky went on to say that the real aim of today's conference was to kick-start the dialogue and to get input into how we can bring about changes, changes in attitude and changes on the ground. That aim had been achieved.

On the subject of banking and finance she added that:

- Although she couldn't prove it she got the feeling that banks outside of London were more businesswoman-friendly and more likely to 'bankroll rather than bankrupt'.
- The practice of the finance sector offering leaving packages to pregnant employees was both a scandal and a waste of resources that would not be tolerated in any other field.
- This was particularly important for London because three-quarters of the jobs in the future are going to come from the financial and business sectors.

In conclusion she returned to the subject of waste: waste of human capital, waste of women's talent, waste of women's potential and opportunities. No economy can run on waste.

As well as acknowledging women's success, she appealed for further thoughts and more ideas, inviting women to email them to the GLA.

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#### Vietnamese

Nếu bạn muốn có văn bản in to hoặc bản tiếng nói, video hoặc đĩa CD, hãy liên hệ theo số điện thoại hoặc địa chỉ dưới đây.

#### Bengali

আপনি যদি এই নথির অন্য কোনো প্রকারে অনুলিপি (বড় অক্ষর, ব্রইল, অডিও ক্যাশেট বা ভিডিও) চান তবে দয়া করে আমাদের সাথে যোগাযোগ করুন।

#### Greek

Αν θέλετε να αποκτήσετε αυτήν την έκδοση του εγγράφου σε μεγάλα γράμματα, σε βραχίονα, σε κασέτες ή σε βίντεο, παρακαλούμε επικοινωνήστε με την ακόλουθη διεύθυνση ή τηλεφωνικά στο παρακάτω τηλέφωνο.

#### Urdu

اگر آپ اس دستاویز کو کسی اور شکل میں (بڑے حروف، برایل، آڈیو کاسیٹ یا ویڈیو) میں چاہتے ہیں تو براہ کرم درج ذیل پتے پر ہمیں اطلاع کریں۔

#### Turkish

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#### Punjabi

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#### Gujarati

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