

# Gender Equality, Employment and 4.0: a UK perspective

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# Why Gender Equality?



- "OECD projections show that by 2030, if the share of women working reached the same level as for men, annual growth rates in GDP per capita would rise by 0.5 percentage points in the UK. The boost to economic growth would be even higher if women's working hours increased too."
- > Businesses that have diverse, inclusive workplaces recognise this brings improved productivity.



### McKinsey: "The future of women at work"

"In the automation age, women face new challenges overlaid on longestablished ones. Technology adoption could displace millions from their jobs; many others will need to change the way they work.

Globally, 40 million to 160 million women may need to transition between occupations by 2030, often into higher-skilled roles. If they make these transitions, women could find more productive, better paid work; if they don't, they could face a growing wage gap or leaving the labor market.

# The future of work: UK approach



The UK's Industrial Strategy

"The aim of the Industrial Strategy is to boost productivity by backing businesses to create good jobs and increase the earning power of people throughout the UK with investment in skills, industries and infrastructure."

> Built on **five foundations**: ideas, people, infrastructure, business environment, places

# What are the challenges?



### Under-representation and the gender pay gap

Barriers that prevent under-represented groups from realising their full potential need to be broken down. For example, women, who account for just under half of all employees in the UK, are more likely to be in 'low-paid, low-skilled' work.

### Skills gaps

As technological change transforms the jobs and the skills that our businesses require, we need to make sure that people have the opportunity to learn and train throughout their working lives.

# The Gender Pay Gap



Women working **full-time** in the UK are **paid on average** 

**8.6%** less

than men in the UK

Overall, women working in the **UK** are **paid** on average

17.9% less

than men in the UK

### What causes it?



# Occupational segregation 14%

Industrial segregation 21%

**Unobserved factors:** 25%

Labour market history 40%

Women are less likely to progress to senior roles

Women tend to work in **lower paying**, **female dominated sectors**.

Includes gender stereotypes, discrimination & individual choices

Women receive on average a 2% p.a. reduction in hourly wages for each year taken out of employment.

# Tackling the Gender Pay Gap in the UK



- Equal Opportunities Legislation: Equality Act 2010
- Government Equalities Office
- Ground-breaking new regulations passed in 2017
  - Organisations with 250 or more employees must publish specific gender pay gap information annually on their UK website, and the Government's website, <a href="https://gender-pay-gap.service.gov.uk/">https://gender-pay-gap.service.gov.uk/</a>
  - Organisations are also encouraged to publish a plan of action

# Business and employers: Government support



### **Collating the data**

- Acas guidance
- The Gender Pay Gap Explained

# Understanding what the data tells you

 Eight Ways to Understand Your Organisation's Gender Pay Gap

### Linking problems to actions

 Evidence-based actions for employers

### **Understanding the evidence**

 Four steps to developing a gender pay gap action plan

# Evidence-based actions and how to implement them

 Evidence-based actions for employers





Second year of reporting on Gender Pay Gap



Positive competition among employers

## The skills gap



#### **Industrial Strategy commitments**

"Through our Industrial Strategy, we are determined to ensure that we have both the skills to take advantage of new technologies and the means to help those who are affected by technological change."

- Primary, secondary and tertiary education
- Girls in STEM and Maths
- New entitlement for adult learners

### What next?



"Men and women need to be skilled, mobile, and tech-savvy in the automation age, but women face pervasive barriers. Concerted and creative new solutions are needed to enable women to move forward." (McKinsey)

### More information at:

https://www.gov.uk/government/org anisations/government-equalitiesoffice



https://www.gov.uk/world/organisations/british-embassy-prague

