**PAPER 1**

**Overview paper**

**Gender equality and paid/unpaid work**

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**EXECUTIVE SUMMARY**

* Gender inequalities in the distribution of paid and unpaid work, as well as inequalities within the paid labour force, have been remarkably resistant to change.
* Women continue to undertake the lion’s share of unpaid work, despite a rapid increase the female employment rate and in earnings. Latest figures estimate that women, on average, undertake 60% more unpaid work than men.
* In the paid labour market, women are more likely to be in part-time and less secure forms of employment. Of all female employees, 40.5% work part-time compared with 12.8% of all male employees. The percentage of women in temporary forms of employment is nearly double the male rate.
* Women, on average, continue to earn less than men. In 2018, the gender pay gap for all employees stood at 17.9%. The pay gap is most pronounced for those aged above 40, pointing to the significant impact that having children continues to have on women’s earnings and labour market participation.
* Climate change and automation are likely to have significant impacts on the future of work, and there is some emerging evidence that the risks of these twin developments are greater for women. Gender-sensitive policies are required to mitigate these potentially negative impacts.
* Reducing inequalities in paid and unpaid work, in general, will require a comprehensive set of policy measures that recognise the interconnectedness of the paid and unpaid spheres. The slow pace of change shows that concerted policy action is required if greater gender equality is to be promoted.
* Key policy measures should include measures to incentivise men to take on a greater share of caring work (e.g. dedicated fathers leave), protections for those on caring leave or working flexibly, and investment in quality public services (e.g. childcare, social care) that can reduce the amount of unpaid caring that is required.

**Disclaimer: This paper was commissioned by the Women’s Budget Group to inform the Commission on a Gender-Equal Economy. An input to the Commission, it has been written by an independent author and should not be taken to represent the views of the Commission on a Gender-Equal Economy or the Women’s Budget Group.**

**Introduction**

Gender inequalities in the distribution of paid and unpaid work have been remarkably resistant to change, even against the backdrop of a sharp increase in women’s participation in the paid labour force in the UK over the last four decades. Further, while experiences are shaped by the intersection of class, ethnicity, age, migration status and gender,[[1]](#footnote-1) across the board women continue to undertake the vast majority of unpaid work, whether this is childcare, housework, caring for other adults, or voluntary work.[[2]](#footnote-2)

This paper provides an overview of paid and unpaid work from a gender perspective. The first section defines paid and unpaid work and looks at how unpaid work has been conceived of in mainstream economics and feminist economics. Section 2 sets out key statistics on the gendered distribution of paid and unpaid work in the UK, as well as on inequalities in the paid labour force. It also considers how the rise of artificial intelligence (AI) and pressures relating to climate change might impact on the amount, and distribution, of paid and unpaid work. The final section examines policy proposals for promoting greater gender equality in relation to paid and unpaid work. These examine both how paid and unpaid work can be divided more evenly between men and women, and measures to promote equality in the paid labour market.

**Part 1: Paid and unpaid work: definitions, concepts and explanations**

Paid work is defined as any productive work for which an income is received, whether in the formal or informal economy.[[3]](#footnote-3) Unpaid work, on the other hand, is productive work for which there is no financial compensation. In economic terms, the ‘third person criterion’ is used to delimit what constitutes “productive” unpaid activity from “non-productive” activity, with the former constituting unpaid work (sometimes also referred to as the ‘production boundary’). Credited to Margaret Reid, the third person criterion states that ‘If an activity is of such character that it might be delegated to a paid worker, then that activity shall be deemed productive’.[[4]](#footnote-4) This means, for instance, that preparing a meal is considered productive as it could be outsourced to restaurant/catering workers, while eating the meal is not. Following the third person criterion, a wide range of activities fall under the umbrella term of unpaid work. Housework, childcare and caring for other adults are the most common and for these there is the best available data. Other forms of unpaid work include volunteering, gardening, and DIY jobs.

Even as women were earning an increasing share of the household income, women continued – and continue (see Part 2) – to undertake the lion’s share of unpaid caring and household work, suggesting that other factors, such as gender norms and discrimination, play a role in maintaining these inequalities.[[5]](#footnote-5)

There is a sizeable feminist literature that points to how the work that is primarily undertaken by women has been systematically economically not valued or undervalued. Marilyn Waring’s ground-breaking exposition of the exclusion of women’s unpaid work from national accounts that produce assessments of Gross Domestic Product brought this issue to the fore, and has inspired campaigning to change national accounting rules.[[6]](#footnote-6) Waring argues that if women’s unpaid work was measured and accounted for in the same ways as paid work, then it would also be taken into account when formulating social and economic policy and afforded a higher status. As it is, she argues, the exclusion of unpaid work from national account assigns such work no economic value, suggesting that it is not ‘worth counting’. Kabeer makes a similar argument, describing the mainstream view of the economy as an ‘iceberg view’ in which conventional economic indicators only make visible a small part of the productive economy.[[7]](#footnote-7) There has been some progress in making unpaid work economically visible through the production of ‘satellite accounts’ that sit alongside the national accounts and estimate the market value of unpaid work, but this data is not used in policy making.[[8]](#footnote-8)

It has also been argued that failing to acknowledge the economic value of women’s unpaid work contributes to inequalities in the paid labour market.[[9]](#footnote-9) Many of the occupations where women are overrepresented in the paid labour force - such as teaching, social care, nursing – are paid less than occupations dominated by men that are of similar skill level. Feminists have argued that the lack of recognition for women’s work in the home creates a bias that sees work primarily undertaken by women as having a lesser economic value.

Note:The writings of bell hooks and other intersectional feminists caution against treating women’s experiences of work, whether paid or unpaid, as a singular experience defined solely by gender. For this reason, our account of the position of gender inequalities in the next section disaggregates by gender, ethnicity and class where statistics allow.

**Part 2: Gender inequalities in paid and unpaid work in the UK**

Increased participation in the paid labour market by women is a defining trend of the last fifty years. Figure 1 shows the narrowing of the gender gap in the employment rate between 1971 and 2018. In 1971, the gap was nearly 40 percentage points whereas by 2018 this had narrowed to just under nine percentage points. Interestingly, this narrowing of the gap is due in part to a drop of ten percentage points in the male employment rate and there are marked differences in employment rates by ethnicity. The percentage of women described as ‘economically inactive’[[10]](#footnote-10) in 2018 was 24.4% for White British women, 38.5% for Chinese women, 54.5% for Pakistani women and 57.8% for Bangladeshi women.[[11]](#footnote-11) Note, of course, that the description of these women as economically inactive is itself an example of the devaluing of women’s unpaid work (for instance, 38.1% of Bangladeshi women stated that they are responsible for looking after the household).

Figure 1: UK employment rate for males and females aged 16-64, 1971 to 2018 (Source: LFS)

The headline employment rates are problematic not just because they mask this variation by ethnicity, but also because they mask some persistent gender inequalities with regards to paid and unpaid work; specifically, the continued unequal distribution of paid/unpaid work and gender inequalities in the paid labour force. For this reason, it is important for policymakers to look beyond the headline rate and also consider trends in earnings and types of work (part-time, tenure, paid/unpaid), as we do now.

***Inequality 1: Women continue to undertake the lion’s share of unpaid work***

Despite their increasing participation in the paid labour force, women continue to undertake the majority of unpaid work. Time use data shows that women in the UK, on average, carry out 60% more unpaid work than men,[[12]](#footnote-12) with transport (driving self and others) being the only area where men exceed the time spent by women (see Figure 2). The gender disparity is most marked in childcare, cooking, laundry and housework. Breaking this down further, it is women aged 26 to 35 who undertake the most unpaid work (34.6 hours on average per week (67%) compared with 17.4 hours (33%) for men in the same age group). The data also shows that those on low incomes carry out a fifth more unpaid work, on average, than those on high incomes.

Figure 2: Average hours of unpaid work done per week in each category for men and women, UK, 2015 (Source: HETUS 2015)

It’s difficult to know how the time spent on unpaid work by women and men has changed over the last forty years due to a lack of comparable data from that period. Data is, however, available for the period from 2000 to 2015 and this shows that, in respect of both childcare and adult care, there has been little shift in the overall gender division of unpaid work.[[13]](#footnote-13) For childcare, there has been a slight increase in the proportion of unpaid work by men where there is a pre-school child in the household, but a decrease where the youngest child is in primary or secondary school (see Table 2.1). In fact, the overriding trend is a reduction in the total amount of unpaid childcare, suggesting that most of the gains in respect of gender equality are the result of women doing less unpaid work, rather than men increasing the amount of unpaid work they do.[[14]](#footnote-14)

|  |  |
| --- | --- |
|   | Age of parent's youngest child living in same household |
|   | Pre-school | Primary school | Secondary school |
|   | 2000 | 2015 | 2000 | 2015 | 2000 | 2015 |
| Male | 86.7 | 90.7 | 38.7 | 28.2 | 12.1 | 8.0 |
| Female | 209.2 | 199.4 | 82.3 | 74.5 | 28.7 | 19.9 |
| Total | 295.9 | 290.1 | 121.1 | 102.7 | 40.8 | 27.9 |
| *% by females* | *70.7* | *68.7* | *68.0* | *72.6* | *70.3* | *71.2* |

Table 2.1: Average daily minutes of childcare provided, by gender of parent and age of their youngest child in household, UK, 2000 and 2015 (Source: HETUS 2015)

Note, however, that this trend is differentiated by educational qualification and socio-economic status. The fall in unpaid childcare among parents of preschool children is most marked among mothers in manual or intermediate occupations with GCSE qualifications or less, while mothers in higher managerial, administrative and professional occupations with degree level (or higher) qualifications have seen an increase.[[15]](#footnote-15) This most likely reflects the better maternity provisions available to those in professional occupations, which gives them paid time off from work to do unpaid childcare.

In respect of adult care, the proportion of care undertaken by women increased between 2000 and 2015 (see Figure 3). The gender disparity is most marked among those aged under 50, suggesting that the responsibility for caring for ageing parents falls primarily on women. Among those 50 and over, care is more likely to be for a partner and so more evenly shared, although 62.6% is undertaken by women. Overall, in the period from 2000 to 2015, the amount of unpaid adult care has increased.[[16]](#footnote-16)

Figure 3: Percentage of adult care provided by females by age group, UK, 2000 and 2015 (Source: HETUS 2015)

Similar trends in the continued gendered division of unpaid work are in evidence in other advanced economies, with only some of the Nordic and Scandinavian countries showing more marked trends towards gender parity.[[17]](#footnote-17) Longitudinal research by Grunow et al in Germany points to the strong role played by gender norms in maintaining these persistent inequalities.[[18]](#footnote-18) Tracking the division of unpaid household labour over the first 14 years of marriage among heterosexual couples, Grunow et al find that even though nearly half of newly-wed couples share household tasks evenly, the husband’s share declines over marriage, particularly at the birth of the first child. Moreover, they find that husbands’ increasing their share of housework is uncommon, even when women’s earnings and hours increase.

**Future of work: The impact of automation and climate change on gender inequalities**

Automation and climate change are the two factors that are likely to have the biggest impact on the shape of work over the next several decades.

Automation refers to the replacing of tasks undertaken by workers with technology and machines. Self-checkouts are a now common example of automation; others include the use of algorithms or robots. It is widely accepted that automation is going to rapidly transform the nature of work over the next several decades, and emerging research suggests there may be a gendered impact. In the UK, analysis by the ONS suggests that 70.2% of the jobs at high risk of automation are held by women[[19]](#footnote-19) and a recent estimate by IPPR found that 9% of women and 4% of men are in jobs at high risk of automation.[[20]](#footnote-20) Jobs at high-risk of automation include administrative and customer service jobs, where women predominate. This concurs with research in other advanced economies, such as the in-depth study by the Institute for Women’s Policy Research in the US which found that 58% of jobs at high risk of automation are held by women.[[21]](#footnote-21) The concern over greater job losses for women from automation are heightened by the fact that men predominant in artificial intelligence and technology more generally. In the UK, only 17% of tech jobs are held by women, and boys are far more likely to express an intention to work in technology than girls.[[22]](#footnote-22)

Ensuring that technological advances, such as automation, reduce gender inequalities will require concerted action to promote technology careers to women and ensure transition plans are in place for those whose jobs are likely to be affected by automation. Some feminist writers, such as Howcroft and Rubery, have suggested that the productivity gains from automation could lead to shorter working weeks and a more equal distribution of paid and unpaid work.[[23]](#footnote-23) However, this would require a considerable shift in gender norms, given how resistant the gender disparity in unpaid work has been to change even in the face of women’s increased participation in the paid labour force.

Alongside automation, climate change is expected to have a significant impact on the future of work. It has been suggested that both the types of job and the hours of paid work we all do will need to change. There are projected to be cuts to jobs in unsustainable industries, such as livestock agriculture, tourism and those reliant upon fossil fuels, and growth in sustainable industries, such as renewable energy.[[24]](#footnote-24) As yet, there has not been a comprehensive gender impact analysis of likely job changes and this is urgently needed in order for policymakers to be able to make gender-sensitive responses to climate change.

Some authors also argue that total output will need to be cut in order for emissions to be reduced to a sustainable level. There is growing momentum behind a 4-day work week, but others have argued that working hours may need to be cut to as low as 9 hours per week in advanced economies.[[25]](#footnote-25) For some, this represents an opportunity to share paid and unpaid work more evenly. As with automation, however, this is unlikely to happen without policies that actively incentivise a more gender-equal distribution of paid and unpaid work, for instance more generous paternity and caring leave.

**Part 3: Policy proposals for promoting greater gender equality in paid and unpaid work**

Work, as we have seen, continues to be subject to persistent inequalities, whether that relates to the distribution of paid and unpaid work or inequalities within the paid labour market. In this section, we consider policy proposals that can promote greater gender equality in the work sphere.

Before setting out these proposals, it is worth revisiting debates around what constitutes ‘greater equality’ in the sphere of work.[[26]](#footnote-26) Some have argued that equality is achieved when women increase their participation in the paid labour force to the same level as men and have the same opportunities and earnings as men. Others have argued that there needs to be greater recognition that there are a range of useful and productive activities, of which paid work is just one. This line of argument asserts that equality should not only be about the ‘masculinisation’ of women’s working lives but also about ensuring that unpaid work, such as childcare, housework, and adult care, is afforded the same status as paid work – in recognition of the role it plays in our collective wellbeing. As Waring asserts, the hope is that when unpaid work is recognised and afforded an equal status to paid work, it will encourage a more equal distribution of unpaid work.[[27]](#footnote-27) Over the past several decades, the first set of arguments has been the driving force behind policy changes in advanced economies. However, the latter is also vitally important if our objective is to build a caring economy founded on principles of social justice.

With these dual objectives of greater equality in the paid labour market and raising the status of unpaid work in mind, this paper sets out policy proposals across the following four inter-related areas[[28]](#footnote-28):

1. Promoting a more equal sharing of paid and unpaid work
2. Introducing changes in the organisation of paid employment, in order to facilitate the combination of paid and unpaid work both by women and by men
3. Provision of public services, such as child care, and an enabling institutional environment
4. Addressing inequalities within the paid labour force

These four areas recognise the interdependence of the paid and unpaid work spheres. That is, there is a recognition that changes in one of these will likely impact on the other. While this may seem an obvious point, policymakers often ignore the interrelatedness of paid and unpaid work. Specifically, policymakers concerned with the formal labour market rarely consider the impact that their policies will have on unpaid work.

1. ***Promoting a more equal sharing of paid and unpaid work***

The gendered distribution of paid and unpaid work has been stubbornly resistant to change, even as women have increased their working hours and earnings. This suggests that more active policy levers are required to encourage men to undertake a greater share of the unpaid work that sustains our families, communities, economy and society. Table 3.1 sets out policies that have been suggested for achieving such a redistribution.

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| --- | --- | --- | --- | --- |
| Policy | How would this work? | Where has it been piloted or implemented? | Risks/Challenges | Likelihood of implementation in UK |
| Integrating unpaid work into mainstream economic indicators | This is based on Waring’s call to increase the visibility and status of unpaid work. By integrating into mainstream indicators, the hope is that unpaid work would be taken into consideration in setting economic and social policy. Ultimately, it is argued that the higher visibility and status of unpaid work would also encourage men to do a greater share. | Not fully implemented in any advanced economy. In the UK, the ONS publishes ‘Satellite Household Accounts’ that quantify and value unpaid work.[[29]](#footnote-29) However, existing separately from mainstream economic indicators, they are not taken into consideration in the setting of economic and social policy. New Zealand has come closest with its reframing of the 2019 Budget as a ‘Wellbeing Budget’, with progress measured against a comprehensive set of indicators, including unpaid work in its Living Standards Framework (LSF).[[30]](#footnote-30)  | Challenges are primarily around technical aspects of integrating non-monetary measures (e.g. how to value unpaid work). No significant negative risks.  | Low |
| Universal Basic Income (UBI) (sometimes also referred to as Citizens Income) | UBI is a tax-free, unconditional and non-contributory basic weekly income to every individual as a right. In its full- form, it would replace current means-tested benefits, with advocates arguing that UBI would significantly reduce administrative burden and is a better fit for the modern, flexible workforce than the existing benefit system. In guaranteeing a basic income, advocates argue it would support unpaid work by removing financial pressure to engage in paid work where this competes with caring or other responsibilities/needs. | No large-scale scales/implementation examples available. Trials of more limited versions of UBI, usually targeted at disadvantaged groups, have been conducted in Finland and by charities/development agencies in developing countries. Findings are at best inconclusive.[[31]](#footnote-31) The Finland trial gave monthly payments of 560 Euros to 2,000 unemployed people, but the government has refused to fund expansion. | General consensus that full implementation of a UBI that tackles poverty would cost a substantial proportion of GDP (ILO estimates 20-30% of GDP) and so is unlikely to be feasible.[[32]](#footnote-32) Some critics also argue that it would reinforce traditional gender roles by reducing the need/incentive for women to work.  | Full UBI: LowLimited version: Low/moderate |
| Shorter working week | Advocates argue that a shorter working week for all would encourage a more equal sharing of paid and unpaid work.[[33]](#footnote-33) Suggestions for the length of the working week vary, but there is growing momentum in the UK behind calls for a 4-day working week. In Sweden, there were a number of trials of a 6-hour working day.[[34]](#footnote-34)  | Trials have been conducted by individual companies/public bodies and some have also implemented this as a permanent change.[[35]](#footnote-35) One of the most high-profile was Perpetual Guardian, a New Zealand insurance company with 240 staff. Perpetual Guardian trialled a 4-day week (with same pay) for 6 months and made the switch permanent after finding staff had increased well-being, reduced stress and there was no cost to productivity.  | One of the challenges can be the upfront cost of putting in place the shorter working week as more staff may be required in the short term in certain sectors.Further, critics have cautioned that freeing up time will not by itself encourage more equal sharing of paid and unpaid work. They suggest that policy levers are needed at critical stages, such as around the birth of the first child (see Table 5 below for maternity/paternity policies). | Low/moderate |
| Wages for unpaid work | An iconic campaign of the second wave feminist movement was ‘Wages for Housework’ (founded in Padua in 1972, but soon spread internationally). Key figures, such as Sylvia Federici, adopted a Marxist-feminist lens and argued that, unless unpaid housework was compensated with a wage, it will not be seen as work. Women’s strikes took place in a number of countries during the 1970s, but the movement is no longer active. However, the key tenet that paying for unpaid work would encourage greater recognition of its value has merit and could also encourage more men to undertake a larger share of unpaid work. A modern version of this could be benefits paid to those undertaking unpaid care work, whether for a child or an adult (i.e. different from the UBI concept in that it is specifically targeted at those undertaking work).  | No trials. While there are benefits for single parents and out-of-work parents, these are not framed as compensation for unpaid caring work and also require work-related activities once the youngest child is over the age 1. Child benefit, while not subjected to work-related activity requirements, is set at such a low level that it cannot be considered compensation for unpaid caring.[[36]](#footnote-36)  | Critics argue it would disadvantage those who are working and faced with high childcare costs and, further, that it could lead to a reinforcement of traditional gender roles (akin to UBI).  | Low |
| Paid caring leave (maternity, paternity, parental, caring) | A more limited form of the ‘wages for unpaid work’ proposal, these are policies that incentivise and financially reward breaks from paid work to facilitate caring work. They are likely to be key to encouraging more equal sharing, particularly when used around critical life-course events to disrupt gendered norms around caring work. They are discussed in the next section concerned with measures to enable paid and unpaid work to be combined more easily.  |

Table 3.1: Potential policies for promoting a more equal sharing of paid and unpaid work

1. **Introducing changes in the organisation of paid employment, in order to facilitate the combination of paid and unpaid work both by women and by men**

While there have been advances in flexible working practices and leave provisions, many still find it difficult to combine paid and unpaid work. Table 3.2 sets out proposals aimed at making flexible working the default, encouraging men to take leave in order to care for children and adults, and increased protections for those with caring responsibilities.

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| --- | --- | --- | --- | --- |
| Policy | How would this work? | Where has it been piloted or implemented? | Risks/Challenges | Likelihood of implementation in UK |
| Flexible working as the default in the public and private sector | Implement legislation to require all jobs to be advertised as available with flexible working, unless there is a sound business reason for why a job cannot be offered on a flexible basis. The objective is to make flexible working the norm rather than something that has to be requested. Such a bill was the subject of a 10-minute rule motion by the MP Helen Whateley in July 2019.[[37]](#footnote-37) This should be accompanied by measures to protect those that choose flexible working from being penalised (see below the recommendations around ‘Protections for workers on caring leave/working flexibly). (Note also that the flexible working as default could be introduced in the public sector without legislation; legislation is required to compel the private sector).  | Increasing numbers of employers, particularly large employers, are making flexible working options available to staff within increasing recognition that this is key to retaining talent. However, there is also evidence that those taking up flexible working options, particularly working part-time, continue to be penalised, for example by slowed career progression (TUC 2017).  | Some have argued that this would incur costs to businesses and organisations with more complex working arrangements. While there may be an upfront cost, others argue that it outweighed by the benefits of improved employee well-being and the reduced absenteeism, turnover etc. this could translate into.  | Moderate |
| Maternity, paternity, and parental leave that is fairly remunerated and incentivises fathers to undertake a greater share | Introduce individual, ear-marked and non-transferable rights to leave that are well-remunerated. Shared Parental Leave (SPL), which was introduced in 2015, has had a dismal uptake rate of around 1% of all eligible parents.[[38]](#footnote-38) Encouraging greater uptake, by men, will require a dedicated period of fathers’ leave on a ‘use it or lose it’ basis. Ensuring that fathers’ care for children from an early age is key to disrupting the gendered division of childcaring. Note that such leave should be a right from the first day of employment and the level of financial support must be increased (currently £145.18/week for SPL) for both mothers and fathers to make going on leave affordable to all workers.  | Evidence from other countries shows that dedicated fathers’ leave increases uptake.[[39]](#footnote-39) In Sweden, equal rights to parental leave were introduced in 1974. However, uptake remained low until 1995 when a dedicated 1-month of fathers’ leave was introduced. At that point, uptake went from 9% to 47% over a period of 8 years. Similarly in Quebec, introduction of dedicated 5 weeks of fathers’ leave at a replacement rate[[40]](#footnote-40) of 70% saw fathers’ uptake increase from 21.3% to 74.9% (over the same period, fathers’ uptake in the rest of Canada fell from 11% to 9% under an SPL system with a 55% replacement rate).[[41]](#footnote-41) It is also worth noting that time-use data from Quebec shows that fathers taking up their quota of leave spend more time in unpaid care work and their partners spend more time in paid work.  | As with the recommendations around flexible working, the main criticism of such policy recommendations is the impact on employers, in terms of increased costs and administrative burden associated with covering the leave.  | Moderate |
| Caring leave | Carers UK has called on the government to give all employers 5 to 10 days of paid caring leave annually. As with parental leave, it is hoped that by remunerating the leave, this both removes financial pressure from the carer and encourages a more equal sharing of such leave between men and women.  | In Sweden, the Care for Related Persons Act (1988) provides a right to leave to care for seriously ill relatives. Up to 100 days are available per cared individual and this is compensated for through the National Insurance System.In Italy, unpaid carers are entitled to 3 days leave per month that is paid for through the national social security agency.  | As above for maternity/paternity leave recommendations | Low/moderate |
| Protections for workers on leave/working flexibly | To ensure that those taking up flexible working or parental/caring leave are not penalised, adequate protections need to be in place. In March 2019, Maria Miller MP introduced a private members bill to protect pregnant and new mothers from redundancy in the six months after the end of pregnancy and maternity leave. It is not clear yet whether this Bill will pass the House. However, such measures, as well as stronger protections for those taking up flexible working, are urgently required.  | Germany provides similar protections, preventing redundancy from the start of pregnancy until 4 months after childbirth.  | No significant downsides, although some business groups have argued it would reduce their ability to make genuine decisions around staffing levels.  | Low/moderate |
| Support with childcare costs | See Table 3.3 for discussion of policies around childcare provision. |

Table 3.2: Potential policies for changing the organisation of paid work

1. **Policies to promote the provision of quality public services, such as universal child care, and an enabling institutional environment**

The provision of quality public services can reduce the amount of unpaid care that is needed, whether that relates to adults or children. As the majority of unpaid carers are women, this has the potential to reduce gender inequalities. For this reason, Table 3.3 sets out proposals for universal early childcare and the establishment of a National Care Service that is free at the point of delivery. The table also sets out additional policy levers around second earner incentives within the social security system.

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| --- | --- | --- | --- | --- |
| Policy | How would this work? | Where has it been piloted or implemented? | Risks/Challenges | Likelihood of implementation in UK |
| Provision of free, high-quality, universal childcare | The provision of a universal system of free, high-quality childcare would increase labour force participation rates of women, thereby reducing the gender employment and earnings gap further. Currently, it is women with a pre-school aged child that are least likely to be in employment (either part- or full-time) with childcare costs for under 3s prohibitively high for many. Modelling by the WBG finds that such a system for children aged 6 months to 5 years would cost between 1.8% and 3% of GDP (depending on wage levels of childcare staff).[[42]](#footnote-42)  | International evidence suggests that extending quality universal childcare improves child cognitive outcomes and reduces socio-economic inequalities.[[43]](#footnote-43) Countries where there is a significant universal pre-school offer include Denmark, Norway and Sweden.  | While universal childcare has been shown to improve cognitive outcomes and reduce inequality, some studies point to negative impacts on non-cognitive abilities if long hours are spent in childcare.[[44]](#footnote-44) For this reason, some argue that childcare policy should not be concerned solely with enabling parents to work. Rather work requirements should be reformed (e.g. through shorter working weeks) to enable paid and unpaid work to be combined more easily.The cost of implementing free, universal childcare is the most significant barrier.  | Low (though subsidised hours may increase) |
| Establishment of a National Care Service | The National Care Service would provide social care free at the point of delivery in the same way that the NHS provides health care. This would benefit the recipients of care services as well as reduce the burden on unpaid carers, the majority of whom are women. It is likely that this would enable a narrowing of the gender employment gap with research by Carers UK recently finding that some 468,000 individuals had left their job in the past two years to care for a relative who is older, disabled or seriously ill.[[45]](#footnote-45) With most social care currently privately funded, the establishment of a National Care Service would have significant cost implications.  | There is variation in social care provision in the UK. In Scotland, personal care is free for those over 65 and, in Northern Ireland, home care is free for those over 75. Across Europe, there is also considerable variation.[[46]](#footnote-46) Germany provides basic, non-means tested care support funded by mandatory social care insurance. However, this is not sufficient to cover the cost of residential care. France also has a mandatory social care insurance, but financial support is primarily received by poorer recipients.  | The most significant barrier to the implementation of a National Care Service that is free at the point of delivery is cost, particularly in the context of an ageing population.  | Low |
| Reduction in 2nd earner disincentives for those receiving social security, such as Universal Credit | Commentators have noted that the design of Universal Credit (UC) reinforces a single earner family model.[[47]](#footnote-47) This is principally because there is no separate work allowance for the 2nd earner (i.e. the primary earner will have used up the work allowance, meaning the 2nd earner will usually lose benefits from the first pound earned). As such, the very design of the system discourages sharing of paid and unpaid work. UC could work to promote gender equality by having dedicated work allowances for the 1st and 2nd earner.  | Changes to UC to reduce the 2nd earner disincentive have been advanced by a large number of organisations in the UK, including WBG, Resolution Foundation, and CPAG. | Opposition to this centres primarily around the upfront cost of introducing such a change.  | Low/moderate |

Table 3.3: Policies to promote the provision of adequate public services, such as universal child care, and an enabling institutional environment

1. **Policies for addressing inequalities within the paid labour force**

Inequalities within the labour force continue, despite increasing educational parity. Table 3.4 sets out four proposals for reducing gender inequality in the paid labour market.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Policy | How would this work? | Where has it been piloted or implemented? | Risks/Challenges | Likelihood of implementation in UK |
| Tackling occupational segregation by encouraging girls into STEM roles and other male-dominated industries | STEM and other male-dominated industries, such as building and trades, are more highly paid than female-dominated industries. Initiatives to encourage more girls to study these subjects and enter the industry are needed. In addition, more needs to be done to ensure that women stay in those industries, with a recent survey finding that 56% of women leave tech industries at mid-career point (10 to 20 years in).[[48]](#footnote-48) | The Wise Campaign ([www.wisecampaign.org.uk](http://www.wisecampaign.org.uk)) for gender balance in science, technology and engineering published a call for action in 2019 advocating for an outreach programme for girls, retraining programmes for women, and calling on organisations to sign up to increasing the percentage of women they employ. Some Scandinavian countries (e.g. Finland, Sweden) have set quotas and/or targets for women’s participation in STEM and in institutional appointments. However, results of these have been mixed.  | European data found a negative correlation between countries with targets or quotas for women in science and the actual number of women employed as researchers in this field, suggesting that they might negatively affect perceptions of women in the field.[[49]](#footnote-49)  | Quotas: LowOther measures: Moderate |
| Raising the incomes of those in caring work to achieve parity with male-dominated occupations of similar skill level | Many of the female-dominated sectors of the economy, particularly those related to caring, are paid less than male-dominated sectors. Initiatives to raise incomes in those would positively impact more women than men.  | Childcare workers in a number of other advanced countries receive higher remuneration than in the UK. In some contexts, early childcare workers have much smaller pay differentials with primary school teachers, or even parity.[[50]](#footnote-50)  | The main challenge is the cost, which childcare costs already high and the social care system under significant financial pressure.  | Low |
| Raising the minimum wage | Women are the majority of those on low incomes. As a result, lifting the incomes of the lowest earners through an increase in the National Living Wage would reduce the gender pay gap.  | Research published by the Fawcett Society in 2014 gives an indication of the gender equality benefits of raising the minimum wage.[[51]](#footnote-51) It showed that raising the minimum wage to the level of the Living Wage (as set by the Living Wage Foundation rather than National Living Wage set by government) would benefit nearly 1 million more women than men, thereby reducing the overall gender pay gap by nearly 1 percentage point.  | Opposition to raising the minimum wage is primarily from employer groups who argue that it would put pressure on their businesses.  | Moderate |
| High wage cap and other measures to reduce high wages | This is the inverse of raising the minimum wage: As the majority of high earners are men, capping the maximum wage would reduce the gender pay gap. There have been a number of calls for this, including Jeremy Corbyn’s maximum wage law that would cap the maximum income that could be earned and proposals by the French Socialist Melenchon to impose a 100% marginal tax on high income earners. | No modelling available on reducing high wages. However, a recent study found that 79% of those earning more than £100,000 are male suggesting that reducing high wages would have a gender equalising effect.[[52]](#footnote-52) Similarly, research by the IFS found that women account for 17% of the top 1% of income earners.[[53]](#footnote-53) New requirements for companies to report on the ratio of their CEOs pay relative to the median pay of their UK employees will come into force in January 2019.[[54]](#footnote-54) | There would be significant opposition to imposing a wage cap. In relation to pay ratio reporting, critics have warned that simply reporting on the pay ratio will not in itself reduce it.  | Wage cap: Low |

Table 3.4: Policies for addressing inequalities within paid labour force

**4.0 Key messages for policymakers and conclusion**

Despite near educational parity and a significant rise in female participation in the paid labour force, the sphere of work is still subject to persistent inequalities. Women still undertake the majority of unpaid work and, on average, are more likely to be in part-time work and earn less than men. The slow pace of change in the face of the rapid increase of women in the paid labour force means that policy must proactively seek to tackle these inequalities. Tables 3.1 to 3.4 have set out a range of policy proposals aimed at promoting greater gender equality in the work sphere. In this concluding section, we summarise the key measures and principles for their implementation as a series of key messages for policymakers.

Key messages for policymakers:

1. **Recognise the interdependence of the paid and unpaid spheres.** One of the great failures of policy has been to tackle the paid labour market largely in isolation from unpaid work. This has meant that while women have increasingly entered the paid labour force, it has been difficult to combine caring and paid work responsibilities.
2. **Recognise the critical role of key events in the life-course, such as the birth of the first child.** Earnings and other measures of gender inequality have drastically reduced for those under 40 but open up rapidly around the age children are born. These key moments must be a focus for policymakers when seeking to reduce gender inequalities in work.
3. **Gender inequalities are resistant to change and require proactive policy measures.** The rapid increase in the female employment rate has not ushered in a more equal sharing of paid and unpaid work. Proactive policy measures are required to incentivise men to take on a greater share of caring responsibilities and unpaid work.
4. **No single policy measure is a ‘silver bullet’.** To make meaningful change, a comprehensive set of policies is required, with the interactions between these carefully considered. Policies must seek to:
	1. Incentivise men to adopt a more active role in caring work through dedicated fathers leave that is remunerated at replacement level. Similarly, paid caring leave should be available for all employees.
	2. Make it easier to combine paid work and caring responsibilities, for instance by ensuring that all jobs are advertised as flexible by default. Note, however, that without incentives to encourage men to take on a greater share of caring responsibilities, improving flexible working provisions is unlikely to significantly shift gender inequalities in the distribution of paid and unpaid work. There must be adequate legal protections for those working flexibly and taking leave to undertake caring work (e.g. redundancy protection), and these must be enforced.
	3. Provide quality public services to reduce the amount of unpaid care that is required. Quality, universal childcare that is free or genuinely affordable and a National Care Service are key to this.
	4. Structure the social security system to promote gender equality and recognise the value of caring work. Currently, elements of the social security system, such as the second earner disincentive, reinforce traditional family models and should be redesigned to encourage women into work. Furthermore, work-related activity requirements for those with very young children fail to recognise the demands of caring work and the value of this. These should be removed until children are of school age.
	5. Raise the status and value of unpaid work by integrating into mainstream economic indicators, similar to what the New Zealand Treasury has undertaken with the Wellbeing Budget. The aim is to encourage policymakers to reflect on the impacts of their proposed policies on unpaid work.
5. **We all benefit from measures that promote gender equality in the paid and unpaid work sphere.** These measures will create an enabling environment that ensures valuable care work can be undertaken and talents can be utilised. In short, these measures are key to building a wellbeing economy for all.
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