National Advisory Council on Women and Girls: Monthly Spotlight

FAIR WORK

Summary

The employment rate for women is lower than for men, although the gap has narrowed somewhat over time. Women are less likely to be employed if they are minority ethnic, and the minority ethnic employment gap is much higher for women than men. Women are far more likely to work part-time, particularly disabled women, Bangladeshi and Pakistani women, and the youngest and oldest women. North Lanarkshire, Glasgow City and West Dunbartonshire had the lowest proportions of women in part-time employment in 2019, and Midlothian the highest.

Women continue to earn less than men, on average, and gender pay gaps are much bigger for the private sector than for the public sector. There is significant variation by occupation and industry. Disabled women earn less than non-disabled women on average in the UK. Pakistani women have the lowest average hourly earnings in Great Britain and Chinese women the highest.

Women are more likely to experience particularly adverse work-related impacts from the COVID-19 pandemic. They are overrepresented in health and social care jobs as well as many of the ‘shut-down’ sectors, and are more likely to have caring responsibilities which may make it hard to maintain or take on employment.

Key Figures

- The employment rate for women was 71.7% in 2019, and 78.0% for men.
- The minority ethnic employment gap was 22.0 percentage points for women in 2019, compared to 9.5 percentage points for men.
- The unemployment rate in 2019 was 3.2% for women and 3.8% for men.
- Just over a third (36%) of young women aged 16-24 were unemployed and not enrolled in full-time education in 2019, compared to almost two-thirds of young men of the same age (64%).
- Over 8 in 10 people agree that mothers should have the right to six months paid parental leave (85%) compared with just over half agreeing that fathers should have the same right (55%).
- Women account for three quarters (76%) of part-time employment.
- At a UK level, employed women are around 50% more likely than employed men to be on a zero-hour contract (3.6% vs 2.4%).
- In 2019, the median full-time gender pay gap in Scotland was 7.1%, while the median overall gender pay gap was 14.3%.
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Introduction

This paper offers an overview of current evidence about fair work in Scotland, from a gendered perspective. The Fair Work Convention’s ‘Fair Work Framework’ defines Fair Work as work that offers effective voice, respect, security, opportunity and fulfilment; that balances the rights and responsibilities of employers and workers; and can generate benefits for individuals, organisations and society.¹

‘Fair work and business’ is a national outcome – one of the 11 in the National Performance Framework – which is for us to ‘have thriving and innovative businesses, with quality jobs and fair work for everyone.’² Aspects of this fair work which are mentioned in the vision for this outcome include protecting workers’ rights, providing decent working conditions, taking seriously the wellbeing and skills of our workforce and provision of good quality and fair work, training and employment for all.

Paying the Living Wage is also considered by the Scottish Government as an important aspect of fair work practices.³

This paper provides a summary overview, and is intended to be accessible for people from all communities across Scotland regardless of whether or not they have existing knowledge about this area. As it is an overview it cannot examine every issue in depth. For more information about the topics discussed, please follow the references in the endnotes.
1. The employment rate

The Census and the Annual Population Survey (APS) are the two main sources of data on how different groups of people fare in the labour market. The APS data is released quarterly and is more up-to-date, whereas data from the Census, which was last carried out in 2011, provides a more detailed breakdown of the categories, such as ethnic categories, and is available at lower geographies. Statistical significance within APS data is based on 95 per cent confidence intervals.

The employment rate for women aged 16-64 in January – December 2019 was 71.7%. This was an increase of 1.4 percentage points from the year before, and an increase of 3.8 percentage points since 2009. The employment rate for women dropped from 68.0 in 2009 to 66.3 in 2011, following the 2008 financial crisis, but then rose after this and remained between 68.9 and 70.9 from 2014 to 2018.

A person is classed as being employed if they are over 16 years old and have done at least one hour of paid work in the previous week, or have a job that they are temporarily away from.

In comparison, 78.0% of men were in employment in 2019. This means that the gender employment gap (which measures the difference between the employment rates for men and women) was 6.3 percentage points in 2019. The gender employment gap had fallen from 7.6 percentage points in 2018, and from 6.9 percentage points in 2017. The gender employment gap in 2009 was slightly higher, at 8.2 percentage points. Graph 1 illustrates these changes over time.

**Graph 1: Employment rate for ages 16 to 64 by gender, 2004 to 2019 (Annual Population Survey)**
In 2019, 42,400 women (aged 16+) were unemployed in Scotland, decreasing by 9,600 from 2018. The unemployment rate for women has fallen from 5.8% in 2009 to 3.2% in 2019. The unemployment rate for men decreased from 7.9% to 3.8% over the same period.

An unemployed person is defined here as someone who is aged 16 or over, not in employment but would like a job, has actively sought work in the previous 4 weeks and is available to start within the next fortnight (or someone who is out of work and has accepted a job which they are waiting to start in the coming fortnight).

Women accounted for three-fifths of ‘economically inactive’ people aged 16-64 in Scotland, in 2019. Over a quarter of women aged 16-64 were classed as economically inactive (25.9%) compared to under a fifth of men of the same age (18.9%). Since 2009, the proportion of women classed as economically inactive has fallen, while for men it has risen.

Someone is classed as ‘economically inactive’ if they are neither employed nor unemployed according to the above definitions. There are many reasons why people may be inactive and not considered an active part of the labour supply: for example, they may have a long-term illness or disability, be studying for a qualification, staying at home to look after their family, or have retired. Over half of the people classified as economically inactive in Scotland in 2019 were either long-term sick or students. Reasons for economic ‘inactivity’ differ by gender, as the graph below shows. Women are far more likely than men to be looking after family or home, with 126,400 women aged 16-64 who were not employed or seeking employment doing so in 2019, compared to just 21,000 men.
1.1 By age

As Graph 3 shows, women of all working-age age groups are more likely to be ‘economically inactive’ than men of the same age. Women aged 16-24 were most likely to be classed as economically inactive in 2019, followed by those aged 50-64, with the figure over 30% for both age groups. Those aged 25-34 and 35-49 were the least likely to be classed as economically inactive, at under 20%.
Just over a third (36%) of young women aged 16-24 in Scotland were unemployed and not enrolled in full-time education in 2019, compared to almost two-thirds of young men of the same age (64%). These figures were similar to those seen a decade before, in 2009 (37% for young women and 63% for young men), but represented an increased gender gap from the previous year. In 2018, 44% of young women and 56% of young men were unemployed and not enrolled in full-time education.

The proportion of 16-19 year olds who are not in employment, education or training (NEET) has also typically been higher for men than women. The rate for women was 6.7% in 2019, compared to 10.4% for men.

Research conducted in 2016 found that pensioner employment had risen consistently over the preceding decade, including through the recession which followed the 2008 financial crisis. Between 2004 and 2015, pensioner employment rose by 94%, whilst the employment rate increased from 5.2% to 8.2% over the same period. Data on the economic activity status of pensioners suggests that in 2015, 79% of female workers over the age of 65 were occupied in part-time jobs (and 56% of male workers).
Overall, pensioners were more likely than any other age group to be self-employed. Working pensioners were found to work mainly in medium-high skilled occupations, but female pensioners worked considerably more in medium-low and low skilled occupations than male pensioners. The reasons that pensioners were choosing to remain in work included:

- Not yet feeling ready to stop working
- Income to help cover essential items, such as bills
- To boost pension income
- People wanting to continue to use their skills and/or employers needing those skills
- Income to help cover discretionary spending
- Opportunities to work flexible hours
- A desire to stay mentally/physically fit
- A wide range of personal reasons.

On the other hand, research has found resistance among some to shifting societal expectations that people should now work longer, and that women in particular tended to express long-held expectations about retiring at 60, if not before. The rise in state pension age for women was seen as a ‘shift in goalposts’ and widely perceived as unfair.

Prior to April 2010, women reached the state pension age (SPA) at 60. Between April 2010 and November 2018 the SPA for women increased to 65. These changes did not affect the SPA for men, which remained at 65. The SPA for both men and women will increase further to reach 66 by 2020, and will continue to increase to 67 years between 2026 and 2028.

1.2 By ethnicity

Women are less likely to be employed if they are minority ethnic. The minority ethnic employment gap (the difference between the employment rate for White people and for visible ethnic minority people) is much higher for women than men; for women the minority ethnic employment gap was 22.0 percentage points in 2019, compared to 9.5 percentage points for men.
As of 2019, the minority ethnic employment gap was largest for those aged 16 to 24 (26.1 percentage points), followed by ages 25 to 34 (25.3 percentage points), ages 35 to 49 (15.0 percentage points), and ages 50 to 64 (3.1 percentage points).

Data from the last Census, in 2011 (illustrated in Graph 5 below), shows that working-age ‘Asian’ women and those of ‘Other ethnic groups’ were much less likely to be employed than ‘White’ women, ‘Caribbean or Black’ women, ‘African’ women or those of ‘Mixed or multiple ethnic groups’.¹²
There is some evidence to show that in minority ethnic households with extended families, people are brought up with the cultural expectation that they will look after their family members, and many therefore can find it difficult to strike the balance between caring and continuing with their jobs.\textsuperscript{13}

At the time of the last Census in 2011, ‘White’ women aged 65+ were more likely than those of other ethnicities of the same age to be retired. ‘African’ women and those of ‘Mixed or multiple ethnic groups’ or ‘Other ethnic groups’ were around twice as likely as ‘White’ or ‘Asian’ women to be employed aged 65+, although the small numbers of women in some of these groups mean that these findings should be treated with some caution.

\begin{center}
\textbf{Note:} ‘other ethnic groups’ includes Arab, which accounted for around two thirds of those in this ‘other’ category in 2011.
\end{center}
1.3 Disabled women

A slightly higher proportion of disabled women (50.6%) than disabled men (47.0%) of working age were employed in 2019. This means that the employment gap between disabled and non-disabled people was wider for men (38.2 percentage points) than for women (27.5 percentage points). The disability employment gap was lower for young people and increased with age with the gap being highest for those aged 50 to 64 years, for both women and men, as Graph 6 shows.

**Graph 6: Disability employment gap for ages 16-64 by gender and age, 2019 (Annual Population Survey)**

1.4 By nationality

The employment rate for women in Scotland was higher for EU nationals that for UK nationals in 2019, but lowest for non-EU nationals. Over three quarters (77.1%) of female EU nationals were employed in 2019, compared to 72.4% of UK nationals and 48.6% of non-EU nationals. Men had a higher employment rate for all three groups, but the largest difference was seen among non-EU nationals, where the male employment rate of 65.5% meant there was a gender employment gap for non-EU nationals of 16.9 percentage points.

1.5 By region

In 2019, men had higher employment rates than women across all local authorities in Scotland, except Na h-Eileanan Siar and West Dunbartonshire. Since 2009, the
employment rate for women has increased in 27 of the 32 local authorities whereas for men the employment rate had increased in only 21 of the 32 local authorities.

In 2019, the highest employment rates for women were seen in Na h-Eileanan Siar (85.4%), Orkney Islands (81.1%), Midlothian (79.1%) and Perth and Kinross (78.0%).

In 2019 the highest gender employment gap was in Moray at 15.9 percentage points, (employment rate of 66.9% for women compared with 82.8% for men), and Shetland Islands had the second highest with a gender employment gap of 13.5 percentage points (70.5% for women vs 84.0% for men).

Graph 7: Gender employment gap by local authority, 2019 (Annual Population Survey)
1.6 By highest qualification held

As might be expected, the highest employment rate for women in Scotland in the period from April 2019 to March 2020 was among women with a qualification at degree level and above. More than four-fifths of women in this category were employed (83%), compared to under half of those with no qualifications (47%), as Graph 8 shows.

**Graph 8: Employment rates by highest qualification held and gender, Scotland, April 2019 – March 2020 (% Annual Population Survey)**

<table>
<thead>
<tr>
<th>Qualification</th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>Degree level and above</td>
<td>83</td>
<td>86</td>
</tr>
<tr>
<td>SVQ 4</td>
<td>78</td>
<td>84</td>
</tr>
<tr>
<td>SVQ 3</td>
<td>66</td>
<td>78</td>
</tr>
<tr>
<td>SVQ 2</td>
<td>64</td>
<td>73</td>
</tr>
<tr>
<td>SVQ 1</td>
<td>50</td>
<td>58</td>
</tr>
<tr>
<td>Other qualification</td>
<td>66</td>
<td>79</td>
</tr>
<tr>
<td>No qualification</td>
<td>47</td>
<td>54</td>
</tr>
</tbody>
</table>

Note: not seasonally adjusted

The employment rate for women with a qualification at degree level or above was similar in the UK as a whole compared to Scotland (84% vs 83%), but the employment rate for women with no qualifications was much lower in the UK as a whole (36%, compared to 47% in Scotland).

**Maternity**

In 2019, a slightly higher proportion of women (30.7%) than of men (28.9%) in employment had children aged 16 or under. Across the UK the employment rate for women has increased over the last decades, and since the 1980s the employment rate for mothers has increased even faster than that for other women.
The Growing Up in Scotland study found that the proportion of mothers who were in paid work increased as the cohort children grew older. The study also found that mothers who had a child in 2010/11 were slightly more likely to have remained in work after childbirth and during the first five years of their child’s life than mothers in the study who had had a child 6 years earlier. In 2015, 21% of mothers of 5 year old children had not been in paid work at any of the three time points considered (when the child was aged 10 months, 3 years and 5 years) compared with 24% of mothers of 5 year olds in 2009/10. The analysis found no evidence of any change in the proportion of mothers who were not in paid work and looking for work between the cohorts, however – at the time their child was aged 3, 6% of mothers in both cohorts were looking for work.

The study found that mothers who gave up work after having a child and had not returned by the time the child was aged 5 tended to live in less advantaged circumstances than mothers who remained in or returned to work within the first five years after childbirth. For example, those who left work were more likely to be younger, to be single mothers, and to be living in the most deprived areas. They were also less likely to have a degree or to have been working in professional or managerial occupations.

When controlling for the influence of other factors, being a single mother, having lower levels of educational qualifications, having another child before the cohort child turned 5, and the cohort child having a long-term health condition all independently predicted giving up work and not having returned by the time the child was aged 5.

Mothers who worked during pregnancy were more likely than those who hadn’t to be in work at the three further time points measured (when their child was 10 months, 3 years and 5 years old) and only a small minority of mothers who worked during pregnancy had left work and not returned by the time the child was aged 5 (10% for those who had a child in 2004-05 and 7% for those who had a child in 2010-11).

The following were cited by mothers in the study who were looking for work but had not managed to find any, as the main reasons that they believed they had not yet managed to find work:

- **No suitable jobs available:** this was by far the most commonly referenced reason at the time their child was aged 10 months (quoted by 53% of mothers looking for work at this point, which dropped to around a quarter by the time the child was aged 5). References included mentions of struggling to find jobs with hours that would fit in around family responsibilities, as well as there being a lack of jobs in a particular field or their local area, as well as a lack of jobs more generally.
- **Childcare issues**: this was mentioned by a substantial minority of mothers at each age point, and included difficulties with arranging childcare as well as mentions of childcare simply being too expensive to make working worthwhile. The proportion of mothers referencing this as a barrier rose from 14% when children were 10 months to 26% when their children were 5 years. However, it was a more significant barrier for single mothers.

- **Not having looked very hard**: this was often because they preferred to stay at home to look after their child or children; due to other family commitments; or because of practical constraints on their ability to take a job (such as moving to a different area or expecting another child).

- **A lack of qualifications and experience**

- **Issues organising transport**

After controlling for other factors, younger maternal age (aged under 30 – and particularly aged under 20 – when the child was born) and lower household income were found to be the two strongest and most consistent predictors of mothers looking for work (rather than either being in work, or out of work but not seeking work) across each of the age points.

The authors suggest that their findings indicate that the following should be priorities for policy aimed at helping mothers to engage in paid work:

- ensuring that **secure and well-paid part time positions** are available across all skill levels
- promoting other forms of **family-friendly working**, such as being able to work from home and/or to work only during school hours, and being able to take time off at short notice without pay penalties or other negative repercussions (this may be particularly important for mothers who care for a child with a long-term health condition)
- ensuring access to **affordable and suitable childcare** for younger children, including children under the age of one (which may be of particular benefit to single mothers)
- potentially, a targeted approach to supporting the **needs of young mothers** which should most likely straddle a range of policy areas, including health, education, employment, housing, and welfare
- ensuring **public transport** enables mothers to get to work (particularly important for those in less accessible areas)

They also note that any initiatives seeking to support mothers to enter, re-enter or remain in work should take into account a mother’s level of education and skills, which may include efforts to support mothers to gain further skills and qualifications
but would also need to be supported by efforts to ensure that mothers consider continuing their education or learning new skills to be a worthwhile pursuit.

There is evidence that some companies avoid hiring (or promoting) women who are either pregnant or deemed likely to become pregnant, as well as denying opportunities to returning mothers. Some companies may avoid promoting pregnant women or mothers for fear that their childcare responsibilities will impinge on their work. However, the Scottish Social Attitudes Survey in 2015 found high levels of support for fathers taking up to 5 days paid leave a year to look after a sick child. Nearly 9 in 10 (89%) thought that fathers of children under 5 ‘definitely’ or ‘probably should’ be able to take up to 5 days paid leave a year to look after their child when they are ill. This was similar, though slightly lower, than the equivalent figure for mothers (94%).

Differences in people’s attitudes to maternity leave and paternity leave for six months after the birth of a child were starker, however. Over 8 in 10 agreed that mothers should have the right to six months paid leave (85%) compared with just over half agreeing that fathers should have the same right to six months paid leave (55%). Although attitudes to mothers having six months paid leave had not changed significantly since 2010, there had been a significant increase in support for paternity leave since 2010. In 2010, 46% agreed that fathers should have the right to six months paid leave compared with 55% in 2015.

Attitudes towards up to 6 months paid parental leave varied somewhat between subgroups. Younger people, aged 18-39, were more than three times as likely as those aged 65 and over (77% and 22% respectively) to say that fathers should have the right to take 6 months paid leave after their children are born. This level of support from those under 40 suggests that these changes are in tune with the attitudes of those most likely to be having children and making decisions about parental leave in the coming years. Women (58%) were more likely than men (52%) to say that fathers should be entitled to 6 months paid leave and people living in the most deprived areas (66%) were more likely than those living in the least deprived areas (46%) to think that fathers should be entitled to paid leave. In 2010 gender and age were also significantly related to people’s attitudes to parental leave. However, while self-rated hardship, socio-economic class and whether there were children in the household were related to people’s attitudes in 2010, in 2015 these were not significant.

Exploring which factors were associated with agreeing that mothers should have the right to take 6 months paid leave but disagreeing that fathers should have this right showed that gender, age and self-rated hardship were significant. Men (34%) were
more likely than women (28%) to agree that mothers should have the right to take up to 6 months paid time off work but to disagree that fathers should, as were those aged 65 and over (50%) compared with younger people (for example, 16% of those aged 18-29). People who felt they were living comfortably on their current income (32%) were more likely than those who felt they were struggling on their present income (22%) to agree that mothers should, but disagree that fathers should, be able to take 6 months paid parental leave after their children are born.

Finally, the survey also asked respondents to assess whether a woman who took a year off for maternity leave is equally deserving of a promotion as a female employee who had not taken any additional time off. Nearly 9 in 10 (89%) thought that both women were equally deserving of a promotion. Only 1 in 10 people thought that the woman who had not taken a year off for maternity leave was more deserving of a promotion. Only 1% of people thought that the woman who had taken time off for maternity leave was more deserving of promotion.
2. Hours worked

Part-time employment accounted for 41% of all women’s employment in the third quarter of 2019, compared with 12% of all men’s employment. This has remained fairly consistent for the past 15 years, with part-time employment accounting for between 41% and 44% of all women’s employment throughout this period. The proportion of employed men working part-time has risen more steadily over this period, from 10-11% in 2004-06.

Levels of both part-time and full-time employment for women increased between 2009 and 2019. For men, levels of part-time employment increased, and full-time employment was also marginally higher than in 2009.

Graph 9: Employment rate (16-64) by gender and full-time/part-time, 2019 (Annual Population Survey)

1.2.1 By age

At the time of Scotland’s last Census, in 2011, women in the youngest and oldest age brackets were the most likely to be working part-time. Among those who were in employment, women aged 16-19 were the most likely to be working 1-30 hours per week (72%) followed by women aged 65-74 (65%). Women aged 25-29 were the
least likely to be working part-time, and the most likely to be working 38 or more hours per week.

Women were more likely than men to be working part-time (1-30 hours per week) across all age groups, with the smallest differences seen among those aged 22-24 and 25-29. In these age groups, 23% and 12% of men respectively worked 1-30 hours a week, compared to 38% and 31% of women.

While the proportion of women working part-time was lowest among those aged 25-29, for men the lowest proportions working part-time were found among those aged between 30 and 54, where 7-8% of men in each 5-year age group worked part-time.
1.2.2 By ethnicity

‘Bangladeshi’ women (Bangladeshi, Bangladeshi Scottish or Bangladeshi British) were by far the most likely to be working part-time in 2011, as Graph 9 shows, with 57% working 1-30 hours a week. This was followed by ‘Pakistani’ women (49%) and ‘White Gypsy/Traveller’ women (44%). ‘Indian’ women were the least likely to be working part-time, at just 31% of those who were in employment. Those whose ethnicity was ‘White: other’ were most likely to be working 38 or more hours a week (49% of those who were employed), followed by ‘White Polish’ women (45%) and ‘Chinese’ women (44%).

Graph 11: Hours worked among women aged 16-74 in employment the week before the Census, by ethnicity (Scotland’s Census 2011)

Note: ‘other ethnic groups’ includes Arab, which accounted for around two thirds of those in this ‘other’ category in 2011.
Women were more likely than men to be working part-time (1-30 hours per week) across all ethnicities, with the smallest differences seen among those who identified as ‘Chinese’ or ‘other Asian’. As with women, ‘Bangladeshi’ men were more likely than those of any other ethnic group to work part time (37%), but ‘White Polish’ and ‘White Irish’ men the least likely to be doing so, at 9% each.

1.2.3 Disabled women

Disabled women in employment were more likely than non-disabled women in employment to work part-time in 2011, as Graph 12 shows. The same was true for men, although the proportion of disabled men working part-time (20%) was far lower than the proportion of disabled women working part-time (50%), as is true of non-disabled men and women.

Graph 12: Hours worked among women aged 16-74 in employment the week before the Census, by disability status (Scotland’s Census 2011)

<table>
<thead>
<tr>
<th></th>
<th>Part-time (1-30 hrs/week)</th>
<th>Full-time (31-37 hrs/week)</th>
<th>Full-time (38+ hrs/week)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disabled women</td>
<td>50%</td>
<td>23%</td>
<td>27%</td>
</tr>
<tr>
<td>Non-disabled women</td>
<td>43%</td>
<td>24%</td>
<td>32%</td>
</tr>
<tr>
<td>Disabled men</td>
<td>20%</td>
<td>19%</td>
<td>61%</td>
</tr>
<tr>
<td>Non-disabled men</td>
<td>13%</td>
<td>18%</td>
<td>69%</td>
</tr>
</tbody>
</table>

1.2.4 By nationality

In comparison to UK nationals, women in Scotland were more likely to be working part-time in 2019 if they were non-EU nationals, but less likely to be working part time if they were EU nationals. Just under half of non-EU national women in Scotland who were in employment worked part-time (44.4%), compared to 41.4% of female UK nationals and 35.9% of female EU nationals who were in employment.
1.2.5 By region

In Jan-Dec 2019, North Lanarkshire, Glasgow City and West Dunbartonshire had the lowest proportions of women in part-time employment, at 33%, 34% and 35% of all women in these areas in employment, respectively. Midlothian had the highest proportion of women in part-time employment, at 51% of all women in employment.
3. Self-employment

Self-employment accounted for 12% per cent of all employment in Scotland in 2019. Women only accounted for just over a third of this (36%), although this is an increase from 27% in 2004. The number of women who are self-employed had increased from 66,200 in 2004 to 116,900 in 2019.

The proportion of women who are self-employed is highest for non-EU nationals (11.0%), followed by UK nationals (9.2%) and EU nationals (8.9%).

The graph below shows some of the key differences in employment between men and women in 2019. It should be noted that a small number of respondents who were unable to report whether they were full-time or part-time have been excluded.

Graph 13: Employment (16+) by gender and work pattern, 2019 (Annual Population Survey)
At the time of the last Census, in 2011, women were most likely to be self-employed if they were between the ages of 35 and 59, with women aged 40-49 showing the highest rate of self-employment (7% of all women in this age group). A similar pattern was observed for men, with the highest rate of self-employment for those aged 45 to 59 (16%).

While self-employed women were split fairly evenly between those who worked part-time and those who worked full-time, only a small proportion of self-employed men worked part-time. Among those aged 45 to 59 with the highest rates of self-employment overall, 2-3% of all men were part-time self-employed, while 13-14% were self-employed full-time.
4. Underemployment and unstable employment

4.1 Underemployment

Underemployment provides a measure of underutilisation of labour. It can refer to those who are in work but who would prefer to work more hours for the same rate of pay (hours-based underemployment), or it can refer to those whose work does not make full use of the skills that they possess (skills underemployment).

The Annual Population Survey only gathers information on hours-based underemployment. In 2019, hours-based underemployment was higher amongst women (7.5%) than men (6.7%). Women’s underemployment had fallen from a peak 11.6% in 2012. Underemployment has consistently been highest among part-time employees, particularly part-time men. In 2019, a quarter of part-time men were underemployed (26%), followed by around one in eight part-time women (13%). It was lowest among full-time women (4%) and full-time men (4%).

In terms of skills underemployment, research conducted by the UK Commission for Employment and Skills found that in 2015, a third (32%) of establishments reported having at least one member of staff with both skills and qualifications above the level that they required for the job. It identified that women often took on part time roles characterised by lower skills levels most likely as a consequence of care responsibilities and exacerbated by limited child care options. The top three occupational groups with underutilised staff were managers (33%), administration and clerical staff (16%) and sales and customer service staff and associate professionals (10%), while the research found that incidence of skill underutilisation was highest in Borders (39%), Edinburgh and Lothians (38%) and Glasgow (38%) and lowest in Highlands and Islands (29%), Ayrshire (27%) and Dumfries and Galloway (20%).

4.2 Unstable employment

There were around 69,000 people employed on a zero-hours contract in Scotland in the last quarter of 2019. This represented 2.6% of people in employment – slightly lower than for the UK as a whole (3%). Just over a fifth of people on zero-hours contracts in the UK worked in Accommodation and food (23%), a further fifth in Health and social work (20%), while 15% worked in Transport, arts and other services and 11% in Education. Around a fifth of people on zero-hours contracts were in full-time education (19%).

Breakdowns are not currently available for Scotland, but at a UK level, employed women are around 50% more likely than employed men to be on a zero-hour
contract (3.6% vs 2.4%). Younger people are also three times as likely as the average to be on zero-hour contracts (9.1% of people aged 16-24 in employment in last quarter of 2019, compared to 3.0% overall), but those aged 65+ were also around twice as likely than the average to be on zero-hour contracts (5.7%). Those who were born in a country other than the UK were somewhat more likely to be on zero-hours contracts (3.4% of people in employment born outside the UK, compared to 2.9% of UK-born people).
5. Modern Apprenticeships

There is a fairly consistent pattern of higher numbers of men than women starting and completing MAs, and of more men training in MA frameworks that are associated with higher earning, male-dominated careers. In 2019-20, there were 11,226 female MA starts, compared to 16,649 male MA starts – women represented 40% of all MA starts. This remains the same as in 2014-15, when women also represented 40% of all MA starts.

The percentage of ‘gender imbalanced’ MA frameworks (i.e. where the gender balance is 75:25) decreased by 4 percentage points, from 72% in 2018-19 to 68% in 2019-20. This is a decrease of 5 percentage points since 2013-14. Graph 14 below shows the proportions of male and female starts on different MAs in 2019/20. Note that breakdowns are not provided for some MAs due to the small numbers involved.

Graph 14: Modern Apprenticeship starts in 2019/20 by gender and occupational grouping (Skills Development Scotland)
6. The gender pay gap

The gender pay gap is the difference in average hourly earnings between men and women, expressed as a percentage of men’s average hourly earnings. The gender pay gap is much broader than ‘equal pay for equal work’, because it compares all earners, including those doing different kinds of work. There are multiple ways to measure the gender pay gap:

- We can compare full-time workers, part-time workers, or all workers. The gender pay gap for all workers is higher than the gender pay gap for full-time workers because a higher proportion of female workers are part-time workers – who tend to earn less per hour than full-time workers. Among part-time workers, the gap is actually negative – meaning that male part-time workers earn less than female part-time workers on average. This may partly be explained by the fact that a higher proportion of part-time jobs held by men than those held by women are done by young people aged 16-24.

- We can use either the **median** (i.e. the hourly earnings of the 'middle' worker) or the **mean** (i.e. the sum of hourly earnings divided by the number of workers). Among full-time workers, the mean pay gap is higher than the median because it is more sensitive to the earnings of a small number of very high earners, who are predominantly men. For this reason, the ONS prefer to use the median, which is less affected by extreme values, while others such as the Equality and Human Rights Commission prefer to use the mean because this ‘captures the full pay gap and does not exclude those on very high earnings’.

In 2019, the median full-time gender pay gap in Scotland was 7.1%. This means that if the male and female populations of full-time workers were each lined up in order of their hourly pay, the man in the middle of the male population would be earning 7.1% more per hour than the woman in the middle of the female population. The median full-time gender pay gap is one of Scotland’s National Indicators.

Meanwhile, the median overall gender pay gap in 2019 was 14.3%, and the part-time pay gap was -8.6%.

In 2019, employed women had median gross earnings of £394 per week, compared to £567 for men. Women working full time earned £527 per week on average, while women working part-time earned £210 (these figures were £620 and £177 respectively for men).
Since 2003, the gender pay gap in Scotland has been lower than in the UK as a whole, but progress on reducing it has been slow and intermittent. Graph 15 shows the changes in the median full-time and overall gender pay gaps since 2011.

Graph 15: Gender Pay Gap: Median Hourly Earnings for Full-time Employees and All Employees (excluding Overtime), 2011-2019 (% Annual Survey of Hours and Earnings)

Scotland’s full-time median gender pay gap was lower than for any of the regions of England measured in 2019 – London had the biggest gap, at 13.8%. The gender pay gap in Wales was slightly lower than in Scotland, however, at 6.4%, and Northern Ireland had the lowest in the UK, at -2.8% - meaning that women earned more than men, on average.\(^{42}\)

6.1 By sector, occupation and industry

The overall and full-time (median) gender pay gaps are much bigger for the **private sector** than for the **public sector**. In 2019, the overall pay gap for the private sector was 23.7%, compared to 11.6% for the public sector.\(^{43}\) The pay gap was 16.7% and 6.3% respectively for full-time employees. However, the median gender pay gap for full-time hourly earnings (excluding overtime) for public sector employees has been increasing since 2016, while the gender pay gap for the private sector has been continuing to decrease, as Graph 16 shows.\(^{44}\)
Looking at different **occupations**, in 2019, the median gender pay gap for full-time employees was highest for ‘Skilled trades occupations’ at 24.7%, followed by ‘Managers, directors and senior officials’, at 22.7%. The pay gap was lowest for ‘Administrative and secretarial occupations’ at 6.4% and ‘Caring, leisure and other service occupations’ at 6.3%. Women are concentrated in certain sectors and industries (‘horizontal’ segregation) and also tend to occupy different positions in organisational hierarchies (‘vertical segregation’), which contributes to the existence of gender pay gaps within occupations and sectors. See section 7 for more on occupational segregation.

As Graph 17 shows, in terms of different **industries**, ‘Professional, scientific and technical activities’ and ‘Financial and insurance activities’ had the largest gender pay gaps in 2019. ‘Professional, scientific and technical activities’ includes legal, accounting, head office, management consultant, architectural, engineering, scientific research and development, advertising, market research and veterinary activities. ‘Transportation and storage’, meanwhile, was the only industry on this list to record a negative gender pay gap. This industry classification includes land, water and air transport, transport via pipelines, warehousing and support activities for transportation, and postal and courier activities.
Graph 17: Gender Pay Gap (Median Full-Time Hourly Earnings, excluding Overtime) by Sector, Scotland, 2019 (% Annual Survey of Hours and Earnings)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Pay Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional, scientific and technical activities</td>
<td>30</td>
</tr>
<tr>
<td>Financial and insurance activities</td>
<td>29.2</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>17.2</td>
</tr>
<tr>
<td>Human health and social work activities</td>
<td>16.6</td>
</tr>
<tr>
<td>Other service activities</td>
<td>15.4</td>
</tr>
<tr>
<td>Real estate activities</td>
<td>15.2</td>
</tr>
<tr>
<td>Information and communication</td>
<td>14.4</td>
</tr>
<tr>
<td>Wholesale and retail trade; Repair of motor vehicles; Total; all women</td>
<td>12.6</td>
</tr>
<tr>
<td>Agriculture, Forestry and Fishing</td>
<td>12.5</td>
</tr>
<tr>
<td>Construction</td>
<td>11.2</td>
</tr>
<tr>
<td>Education</td>
<td>5.7</td>
</tr>
<tr>
<td>Electricity, gas, steam and air conditioning supply</td>
<td>4.9</td>
</tr>
<tr>
<td>Public administration and defence; Compulsory...</td>
<td>4.8</td>
</tr>
<tr>
<td>Arts, entertainment and recreation</td>
<td>4.1</td>
</tr>
<tr>
<td>Administrative and support service activities</td>
<td>3.9</td>
</tr>
<tr>
<td>Accommodation and food service activities</td>
<td>3.6</td>
</tr>
<tr>
<td>Transportation and storage</td>
<td>-5.8</td>
</tr>
</tbody>
</table>

Note: Covers employees aged 16+ on the PAYE system on adult rates and whose pay was not affected by absence. The sectors are defined using the Standard Industrial Classification (SIC) 2007.

Graph 18 below shows that the increase in earnings in 2019 for full-time women was greatest for skilled trade (6.6%), elementary occupation (increasing by 4.6%) and Managers, Director and Senior Officials (increasing by 4.5%). These occupations account for 17.2% of all women in full-time employment. Nominal earnings for full-time women marginally decreased for caring, leisure and other services and sales and customer services (decreasing by 0.3%). These occupations account for 18.5% of all women in full-time employment.
Meanwhile, the increase in earnings for full-time men was greatest for Managers, directors and senior officials (increasing by 6.7%) and also Process, plant and machine operatives (increasing by 4.7%). These occupations account for 23.3% of men in employment. Nominal earnings for full-time men marginally decreased for Caring, leisure and other services (decreasing by 0.2%). This occupation account for 3.1% of men in full-time employment.
Experimental data shows that among those who successfully completed a Higher National Certificate (HNC) or Higher National Diploma (HND) course at a Scottish college in 2012-13 and who went on to employment, with no further enrolments in tertiary education, men had a median earning £2,200 higher than women around four years later (in the 2016-17 tax year). Men had median earnings of £17,100, compared to £15,000 for women. This difference by gender may be due to range of things, such as differences in subjects studied, levels of qualification and mode of employment – more women than men tend to work part-time, for example.

Initial data suggests that for most subjects, female graduates from Scottish universities have lower median earnings that male graduates five years after graduation. In the 2015-16 tax year, median earnings of female graduates were lower than those of their male peers for all subjects except English Studies, Psychology and Combined. The largest disparities were seen with Veterinary Science, Subjects allied to Medicine (excluding nursing) and Agriculture, where women’s median earnings were 90%, 86% and 81% of their male peers respectively.
6.2 By age

For both men and women in Scotland, median gross weekly earnings for full-time employees reached a peak at age range 35-49 in 2019 (£692 for men and £598 for women). Median gross weekly earnings for full-time women are less than full-time men’s for all age groups, with the gap between men and women’s earnings increasing with age from 16-24 to 50-64 year olds, as Graph 20 below shows.

**Graph 20: Median Full-time Gross Weekly Earnings by Age and Gender, 2019 (Annual Survey of Hours and Earnings, 2019)**

Older women therefore experience a greater gender pay gap than younger age groups. Looking at median hourly earnings for those working full time, women aged 50-64 experienced a pay gap of 11.7% in 2019 (up from 10.6% the year before). In comparison, the 2019 median full-time gender pay gap was 6.3% for ages 35-49, 7.4% for ages 25-34, and 0% for ages 16-24.⁴⁹ One of the reasons for differences in the gender pay gap between age groups identified at UK level is that women over 40 are more likely to work in lower-paid occupations and, compared with younger women, are less likely to work as managers, directors or senior officials.⁵⁰ It is also notable that the gender pay gap widens significantly as women reach childbearing age.

Data is limited for the 65+ age group.

The median gender pay gap for full-time hourly earnings has decreased slightly for those aged 35-49 and 50-64 since 2011. For those aged 16-34, the gender pay gap
for full-time employees is consistently lower than the gender pay gap for other age groups, but has increased since 2011, as Graph 21 shows. (Note that there were discontinuities in the data series in 2004, 2006 and 2011 due to methodological changes).

**Graph 21: Median Gender Pay Gap for Full-time Hourly Earnings by Age, Scotland, 1997-2019 (Annual Survey of Hours and Earnings)**


### 6.3 By ethnicity

Analysis from ONS looking at Great Britain as a whole shows that women of ‘Pakistani’, ‘Bangladeshi’, ‘any other Asian’ and ‘Black/African/Caribbean/Black British’ ethnicities had lower median gross hourly earnings that ‘White British’ women in 2018.51 ‘White other’ women earned a similar amount per hour as ‘White British’ women, while ‘Indian’ and ‘Chinese’ women and those of ‘Mixed or multiple ethnic groups’ had higher median gross hourly earnings. Overall, ‘Pakistani’ women had the lowest median gross hourly earnings, at £9.61/hour, while ‘Chinese’ women had the highest, at £14.73/hour.

This Great-Britain-level analysis also shows that the difference in hourly pay between men and women differs among ethnic groups. For example, women in the ‘Bangladeshi’ ethnic group earned more per hour on average than their male counterparts, showing a gender pay gap of negative 11% in 2018. ‘Black African, Caribbean or Black British’ men and women also had similar median hourly earnings, with men earning 3% more on average in Britain. However, should be
noted that the ‘Bangladeshi’ ethnic group has a smaller sample size and so these estimates are more susceptible to volatility and inaccuracy than some of the other ethnic groups.

Comparatively, the two ethnic groups with the highest median hourly pay in Britain, ‘Chinese’ and ‘Indian’, had a larger difference in hourly earnings between men and women. ‘Chinese’ men on average earned 19% more per hour than ‘Chinese’ women, and ‘Indian’ men earned 23% more per hour than Indian women. Similar to the ‘Bangladeshi’ ethnic group, the ‘Chinese’ ethnic group has a smaller sample size than the other ethnic groups.

There is evidence that some occupations are low paid solely because of the way skills and values are socially constructed which can mean that certain types of work generally undertaken by women is undervalued. Additionally, we know that some minority ethnic communities are over represented in low paid work, because of a number of different factors including challenges around the recognition of qualifications gained from outside of the UK. We can also see pay increase as the proportion of men entering an occupation rises meanwhile the reverse occurs as sectors feminise.52

6.4 By disability

At the UK level, disabled women aged 16-64 earned less per hour on average than non-disabled women – £11.60/hour in the final quarter of 2017, compared to £13/hour for non-disabled women.53 Disabled men meanwhile earned £13.23/hour, and non-disabled men £15.82.

The disability pay gap for women varies, however, depending on the particular disability.54

6.5 The Living Wage

The real Living Wage is a rate of pay which is enough to ensure that those receiving it can have an acceptable standard of living, and applies to all employees 18 and over. It is a voluntary wage rate which is calculated by the Resolution Foundation and overseen by the Independent Living Wage Commission. The rate is reviewed annually.55 As of March 2020, it stood at £9.30, and £10.75 for those living in London.56

The real Living Wage is different to the National Minimum Wage, which is set by the UK Government and is the legal minimum an employer must pay an employee aged 21 or over. This stood at £7.70 as of March 2020. There is also a national Living
Wage set by the Government for those aged 25 and over, which stood at £8.21 in March 2020.

A fifth of employed women in Scotland (aged 18+) earnt less than the real Living Wage in 2019 – when it stood at £9.00. This compared to one seventh of men (14%). A far higher proportion of part-time than full-time employees earnt less than the real Living Wage. A third (30%) of women working part-time earned less than £9.00/hour in 2019, compared to 12% of those working full-time. A tenth of full-time men earned less than this amount, and two-fifth (40%) of part-time men.

Those aged 18-24 were the age group with by far the highest proportion of employees earning less than the real Living Wage in 2019 – 45%, compared to 16% or less for other age groups – although this data was not broken down by gender. In terms of industry, those with the highest proportion of people not earning the real Living Wage were ‘Accommodation and food service activities’ (60%), ‘Wholesale and retail trade; Repair of motor vehicles and motorcycles’ (43%), ‘Administrative and support service activities’ (31%) and ‘Other service activities’ (30%). These figures were not broken down by gender either, however.

6.6 Causes of the Gender Pay Gap

There are three main factors which determine how much people earn:

1. **Job selection** – the type of jobs that people do
2. **Job valuation** – how much these jobs pay
3. **Job progression** – whether people move into higher paid jobs

Women face different barriers within each of these areas, which lead them to be paid less than men on average. Some of these barriers include:

**1. Job selection**

Expectations about some subjects in education being traditionally ‘male’ subjects and others being ‘female’ subjects can lead girls and women to pursue different subjects to boys and men. Girls and women also experience bullying and harassment in education and work, which can negatively affect their careers. Women also often have to choose their job and/or work pattern partially based on caring responsibilities, which fall disproportionately to women. The availability of suitable jobs which accommodate different working patterns and in which women are not harassed or discriminated against also influences their job selection.

**2. Job valuation**
Many of the jobs which are disproportionately done by women are low-paid (such as cleaning, catering, care and retail), while many of those disproportionately done by men are higher paid (such as technology and finance). This relates to the ways in which different jobs are seen and valued, but also to **working patterns** – part-time workers, who are predominately women, tend to earn less per hour and to get fewer opportunities for training or promotion.

3. Job progression
Fewer women than men reach senior positions, which can be down to both the **opportunity** to progress (due to workplace bias or discrimination as well as there sometimes being fewer opportunities for progression in occupations mainly done by women) as well as the **ability** to progress (often constrained by caring responsibilities and the division of labour at home).

For more on the causes of the gender pay gap, see the **analytical annex** produced in support of the Scottish Government’s gender pay gap action plan, ‘A Fairer Scotland for Women’.

6.7 Responses to the Gender Pay Gap

Only a quarter (26%) of employers in Scotland who are required to report on their Gender Pay Gap (public, private and voluntary sector employers with 250+ employees) and are aware of this requirement say that they have made at least one change to their recruitment practices in relation to equality and diversity, according to the Scottish Employer Perspectives Survey 2019. Over half (58%) said that they had made no specific changes, and 16% didn’t know whether they had or not. Specific changes include increasing the transparency of salaries / salary bands; altering the salaries of positions; recruiting more women; making changes to personnel on recruitment panels; altering the language used in job adverts; raising awareness; and implementing ‘blind’ or ‘no name’ recruitment practices.

Three-quarters of all employers were aware of this Gender Pay Gap legislation in 2019 (74%), and the vast majority of those employers who are required to report (95%).

In 2015, the Scottish Social Attitudes Survey explored views on equal pay. It found that over 9 in 10 (92%) people in Scotland considered it ‘definitely’ or ‘probably wrong’ that a man should be paid more than a women for moving and lifting boxes around a warehouse. Four percent said this was neither right nor wrong and a further 4% felt that it was ‘definitely’ or ‘probably right’ for the man to get paid more. It also examined people’s attitudes to whether it is fair or unfair to offer extra training opportunities to groups under-represented in senior jobs. The majority of people
were supportive of the idea of offering extra training opportunities to these groups if they were under-represented in senior jobs. Nearly two-thirds (65%) thought that it would be ‘definitely’ or ‘probably fair’ to offer women extra training opportunities (and 57% were of the same opinion with regard to black and Asian people).

A considerable proportion of people, however, held a contrary view. A third of people (33%) thought that it would be unfair to offer female employees extra training opportunities if they were under-represented in senior jobs (and 41% held this view in relation to black and Asian people).

A further question about recruitment practices showed that people in Scotland were less supportive of positive action in recruitment than they were of providing extra training opportunities. Overall, only 1 in 5 thought it would be fair to only interview women for a new job in a company where there were not enough women in senior jobs. While overall the Survey recorded more positive attitudes being in 2015 than ever before, people's attitudes to positive action remained almost unchanged since the questions were first asked in 2006.

Those who were more likely to say that offering extra training opportunities to women (and black and Asian people) was ‘definitely’ or ‘probably unfair’ included men, younger people (particularly those aged 18-29), people educated to degree level and those in the highest income group. In addition employers were less supportive of giving extra training to women (45% of employers compared with 23% of those in semi-routine and routine occupations) as were people in work (45%) compared with those who are retired (34%).
7. Occupational segregation

Gender segregation remains a persistent issue across several broad industry sectors and occupational groups in Scotland.

7.1 Occupations

Specific occupational groups show high levels of segregation. In 2019, over two-fifths of women in Scotland (42.3%) were employed in occupations that are gender segregated towards women: Administrative and secretarial (14.5% of women), Personal service (16.8% of women) and Sales and customer service occupations (11.0% of women).61

Just under a third (30.0%) of men in Scotland were employed in occupations that exhibit high levels of gender segregation towards men: Skilled trades (19.3% of men) and Process, plant and machine operatives (10.7% of men).

‘Asian’ women were most likely to be working as a ‘Manager, Director and Senior Official’ in 2011, and ‘African’ women were the least likely to be doing so.62 ‘White’ women were the most likely to be working in administrative or secretarial occupations, while ‘African’ women were by far the most likely to be working in caring, leisure and other service occupations (and more than twice as likely as ‘Asian’ women or those of mixed or multiple, or of other ethnicities to be doing so).

Graph 22 shows that the majority of those from the highest occupational group – ‘Managers, Directors and Senior Officials’ – were male. This was the case across all ethnic groups, apart from the ‘White: Polish’ group where there was a 50-50 split between males and females.

This difference was most prominent in the ‘Other Ethnic group’ and the ‘Pakistani’ group, where the proportion of males in the highest occupational group was 81 and 79 per cent, respectively.
Graph 22: Ethnic Group by Gender, for Managers, Directors & Senior Officials, All People 16-74 years in Employment (Scotland’s Census 2011)

Note: ‘other ethnic groups’ includes Arab, which accounted for around two thirds of those in this ‘other’ category in 2011.

7.2 Industry

Almost half of employed women in Scotland (46.2%) worked in the Public admin, education and health sector in 2019 (note that this is not the same as the Public Sector). Just under half (43.5%) of men worked in sectors that show high levels of gender segregation: Construction (12.3% of men), Manufacturing (11.8% of men), Transport, Storage and Information (11.0% of men), Energy and water (6.2% of men) and Agriculture, Forestry and Fishing (2.2% of men).

At the time of the 2011 Census, a quarter of employed women worked in ‘Human health and social work activities’ (25%), a sixth in ‘Wholesale and retail trade; repair of motor vehicles and motorcycles’ (16%) and one eighth in ‘Education’ (12%). However, this varied with age. For example, the proportion of women working in ‘Human health and social work activities’ rose steadily up to the age of 65.
While just 15% of women aged 16-24 were working in this industry, and 22% of those aged 25-35, this rose to 29% among women aged 50-64.

Nearly a third of employed women aged 16-24 worked in ‘Wholesale and retail trade; repair of motor vehicles and motorcycles’ (29%) but just 13-18% of those in other age groups. Young women were also overrepresented in ‘Accommodation and food service activities’ – while 7% of women overall worked in this industry, this rose to 17% among those aged 16-24.

Women of all ethnicities were most likely to be working in human health and social work activities in 2011, of the industries asked about in the Census.65 ‘African’ women were the most likely to be working in this industry (44% of ‘African’ women aged 16-74 who were in employment the week before the Census) and twice as likely to be doing so as women of mixed or multiple ethnicities (22%). ‘African’ women were also the most likely to be working in administrative and support service activities, while white women were the most likely to be working in public administration and defence or compulsory social work. Between a tenth and a fifth of women of all ethnicities were working in ‘Wholesale and retail trade; repair of motor vehicles and motorcycles’, with ‘Asian’ women (at 19% of those employed) around twice as likely to be doing so as ‘Caribbean or Black’ women (10%) or ‘African’ women (11%). The proportions of women working in education rose from 6% of ‘African’ women to 16% of those of ‘Other ethnic groups’ (the majority of whom were ‘Arab’).

7.3 Public sector employment

Public sector employment accounted for a quarter (26%) of all in employment in Scotland in 2019.66 The local authorities with the highest public sector employment representation, outside of the Islands, were West Dunbartonshire (33%), East Ayrshire (33%) and South Ayrshire (31%). Similar proportions of disabled and non-disabled employed people work in the public sector.

Scottish Government statistics on public sector employment put local government employment at 45% of employment in the public sector for the last quarter of 2019, with women accounting for three-quarters of these local government employees (74%).67

7.4 SMEs

In 2018, 15% of small and medium-sized enterprise (SME) employers in Scotland were women-led, with a further 21% ‘equally-led’, with an equal number of men and women in the management team.68 Just 2% were led by someone from a visible
(non-white) minority ethnic group. Small and medium-size enterprises are businesses with between one and 249 employees.

8. The undervaluation of women’s work

The jobs that women tend to do (in terms of occupation, sector or working pattern) tend to be low paid. These jobs are arguably often undervalued, meaning that they are not adequately remunerated for their contribution to society.\(^6\)

**Market failures** may often mean that the value that society receives from given work is not adequately reflected in its market price, as it should be in theory.\(^7\) This may often be because the crucial benefits that some jobs bring to the economy are not ‘reaped’ until much later on. For example, work in childcare and education play a crucial role through nurturing and educating future generations of workers, but those future workers will not enter the labour market for many years after they first begin being cared for and educated. Market failures may also exist in services like childcare and education because the benefits of these services are spread throughout the economy, rather than only accruing to the person who purchases the service. For example, employers benefit when education and childcare services create a larger and more educated workforce, but may not be involved in purchasing these services.

This is of course also true of the vast amount of care work which is completely unpaid as it is performed outside the market. Women do the majority of this work – they account for around 60% of those providing unpaid care for someone because of a long-term physical condition, mental ill-health or disability, or problems related to old age, and spend far more time on childcare than men (over twice as much, in 2014-15).\(^8\) This is a further example of how the market value of work often does not reflect its social value.

Jobs can also be undervalued when employers have excessive **bargaining power** over workers – for example, when there are a few large employers dominating a market and allowing wages to be suppressed. Women may also be less able to demand higher wages if they have little scope to take alternative work. For example, if they have childcare responsibilities, women may be less able to commute long distances or to work at certain times of day. If the available jobs lack flexibility to accommodate this, women will be unable to not only take higher paid jobs but also to negotiate with their current employers for higher pay. Unions and collective bargaining can help boost workers’ bargaining power, but these institutions are often weak in the low-paid service sectors in which women are concentrated.

Many more women than men also work **part-time**, and part-time work tends to be paid less per hour than equivalent full-time work. In part this is because part-time workers accumulate less labour-market experience than full-time workers, but it may
also relate to differential opportunities for training and progression as well as social perceptions regarding the value of part-time work.

Finally, the value of a job is also partly determined by how different jobs are compared – i.e., their status. Many jobs in which women are concentrated (such as administration, care and retail) are classified as being in the lower skill levels due to taking comparatively less time in education, training and experience than ‘more skilled’ jobs to be able to do. However, this is partially subjective and reflects social perceptions about what ‘skill’ means – and many women’s jobs being seen as ‘low-skilled’ may well be influenced by women’s historically inferior social status.\textsuperscript{72}
9. (In)flexible work

Women do more of both unpaid caring and childcare than men. In 2018, 18% of women aged 16+ undertook unpaid care, compared to 12% of men. Women in the most deprived areas were even more likely to provide regular unpaid care, at 20% compared to 16% of women in the least deprived areas. The vast majority of lone parents are women (87% of lone-parent families in Scotland were female lone parents in 2011) and women spent an average of 35 minutes per day on childcare for resident children in 2014-15, compared to 16 minutes for men.

Those responsible for undertaking care work may often need to look for flexible (or part-time) work to fit around their caring. However, flexible work is not universally available and is far less readily available in some occupations and pay levels than others. For example, it is estimated that only 11% of jobs paying £20,000 or more (full time equivalent) are advertised as being available on a flexible basis.

Flexible work often also incurs penalties in terms of both pay and progression. This in turn may inhibit progress towards gender equality through deterring some men from taking on more of the responsibility for caring.

Great availability of flexible working could therefore be expected to help address some of the gender inequality in the labour market. Broadening the availability of flexible work could also encourage men to assume a larger share of caring responsibilities, although international evidence suggests that while women are more likely to use flexible working to balance work with domestic responsibilities, men are more likely to take advantage of flexibility to advance their careers. The gender impacts of flexible working in any particular situation are mediated by a wide range of factors, including the occupational group, the type of flexible work arrangement, the division of labour within the household, the culture of the organisation, and wider gender norms.

Improving childcare provision, including after-school hours and holiday-related care, could also allow women to enter higher-paid jobs and to take greater advantage of opportunities to progress, by being able to take on roles that currently don’t offer flexible working. Audit Scotland, for example, recently found that a lack of flexibility in the childcare offered in Scotland had combined with the limited numbers of hours available to constrain the impact on parents’ ability to work.

Recent research has also found that older women are particularly disadvantaged in terms of choice around their later working life. Women were more likely than men to have been negatively affected by the cumulative interaction of insecure, low-paid jobs alongside multiple caring responsibilities throughout their lives. Women in this situation were less likely to have built up sufficient pension entitlements to retire with an adequate income. For those participants with caring responsibilities, employer
flexibility around taking leave and adjusting working hours was greatly appreciated as a means of enabling them to combine work and care.
10. Sexual harassment at work

The Equality Act 2010 defines sexual harassment as ‘unwanted conduct of a sexual nature’ which has the purpose or effect of violating someone’s dignity, or ‘creating an intimidating, hostile, degrading, humiliating or offensive environment’ for them.82

A Europe-wide study conducted by the EU Agency for Fundamental Rights in 2012 found that between 45% and 55% of women in the EU-28 had experienced sexual harassment since the age of 15 (depending on the number of different forms of harassment asked about).83 Figures for the UK were higher, at between 58% and 68%. Of those women who reported having experienced sexual harassment at least once since the age of 15, one third (32%) indicated that the perpetrator was known to them in a work context – such as a colleague, a boss or a customer.

The most common form of sexual harassment that women reported experiencing from somebody in the workplace (among those asked about) was sexually suggestive comments or jokes, followed by inappropriate invitations to go on dates, unwelcome touching, hugging or kissing and instructive comments about physical appearance.

The effects reported by women who had experienced some form of sexual harassment included feelings of anger, annoyance, embarrassment, fear, vulnerability, anxiety and loss of self-confidence. Research conducted by TUC looking specifically at workplace sexual harassment found that women reported experiencing feelings of shame, avoiding certain work situations as a result of the harassment and feeling less confident at work.84 Many also suffered a negative impact on their mental health, and either leaving or wanting to leave their job.

The 2014 Scottish Social Attitudes Survey found that the majority of people thought that a male boss repeatedly touching his female employee on the shoulder was wrong, although less than half (46%) saw it as ‘very seriously wrong’.85 Nearly 3 in 5 (58%) said that this behaviour would cause either ‘a great deal’ or ‘quite a lot’ of harm to the employee. Young people (aged 18 to 29) were least likely to think that the boss touching his employee on the shoulder was either wrong or harmful. Only 30% of those aged 18 to 29 thought this behaviour was ‘very seriously wrong’, whereas 47% of those aged 65 years or over did so. Meanwhile, only 14% of those aged 18 to 29 thought it did ‘a great deal’ of harm, compared with 21% of those aged over 65 and, in this instance, as many as 33% of those aged 40 and 64.

The 2014 Scottish Social Attitudes Survey also found that 5% of respondents had themselves experienced being touched inappropriately by a boss or colleague.
11. Impacts of Covid-19

Women are likely to experience particularly adverse impacts from the current crisis for a number of reasons. Women’s overrepresentation as both unpaid carers and in health and social care jobs (80.0% of those employed in health and social work) is likely to put them at higher risk of contracting Covid-19, which in turn increases their likelihood of sick absence from work as well as putting their health at serious risk. The 2011 Census showed that older women were more likely than younger women to be working in Human health and social work activities, while women who identified as ‘African’ were more likely to be doing so than women of any other ethnic grouping – and twice as likely to be doing so as women of mixed or multiple ethnicities (44% vs 22%). This could lead to a fall in earnings through dropping down to statutory or contractual sick pay. The TUC suggests that women, those in insecure work, younger and older workers are most likely to miss out on Statutory Sick Pay through earning below the minimum threshold.

Just over a tenth (12%) of the total workforce had a respiratory, cardiovascular, diabetes or progressive long-term conditions/illnesses in 2019, which may put them at increased risk from Covid-19 – 158,500 women and 165,300 men. The proportion is higher for women who work in health and social work, where 13.4% of women have these related conditions, which is a cause for concern given that they are already at elevated risk of catching the virus.

At the same time, women account for the majority of employment in many of the sectors where government restrictions on social distancing and travel brought in to combat the spread of Covid-19 have been particularly damaging, such as Retail trade, except vehicles (60% women), Accommodation (58%) and Food and beverage service activities (53%). In total, these sectors accounted for 21.4% of women’s employment in 2019. They also account for a higher proportion of part-time workers (30% of women who worked part-time were employed in these industries, and 42% of part-time men). Other badly affected areas have majority male employment (such as Wholesale trade, except vehicles (66% men), Sports, amusement, recreation (60% men) and Creative, arts and entertainment (59% men)), but overall women account for around 54% of those employed in these key affected areas.

Women of all ethnicities were far more likely than men to be working in either caring, leisure and other service occupations or sales and customer service occupations, where homeworking may be much less feasible, and ‘African’ women were by far the most likely to be doing so, while those of ‘other’ or ‘mixed or multiple’ ethnic groups were the least likely.
Women are more likely to shoulder responsibility for caring (for children as well as for those requiring care as a result of illness, disability or old age) and this may make it harder to maintain or take on employment. The vast majority of lone parents are also women, and three-quarters of lone parent households were already financially vulnerable in 2016-18 (73%), and more likely than average to be in unmanageable debt. Women as a whole earn less than men on average and are less likely to be eligible for sick pay. They are also over-represented in many of the sectors in Scotland where average hourly pay will fall below the current rate of the real living wage if employers do not bridge the 20% shortfall for furloughed staff, meaning that they are in greater danger of not having enough money to meet their basic needs if their income is reduced. These sectors include Accommodation and Food Services (54.8% women), Administration and Support Services (53.6% women) and Wholesale and Retail Trade (50.6% women overall, with a smaller proportion of women in wholesale sub-sectors and a greater proportion – 60.5% – in the sub-sector ‘Retail trade except vehicles’). Women account for 63.8% of those employed in Other Service Activities, which includes Activities membership organisations, Repair of computers and other goods, and other personal service activities (54.7% women among those aged 50+ in the sector).
References

Data sources drawn on in this report collect self-reported data on whether respondents are male or female. The term gender is therefore used throughout this report, although though some data sources use the term sex in their research.

1 For more, see https://economicactionplan.mygov.scot/fair-work/ and https://www.fairworkconvention.scot/


53 This analysis refers to working age adults (16-64) who are economically active and have positive hourly pay. Respondents with an hourly pay value of £100 or more have been excluded from this analysis. ONS, 2018. *Average hourly pay by sex and disability status: UK, April 2013 to December 2017*. Available at: [https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/adhocs/008588averagehourlypaybysexanddisabilitystatusukapril2013todecember2017](https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/adhocs/008588averagehourlypaybysexanddisabilitystatusukapril2013todecember2017) [accessed 30 March 2020].


62 Of women aged 16 to 74 who were in employment the week before the census. Scotland’s Census 2011 - National Records of Scotland. Table DC6213SC - Occupation by ethnic group by sex by age. Available at: https://www.scotlandscensus.gov.uk/ods-web/standard-outputs.html [accessed 21 February 2020].
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