

GM4WOMEN2028

EMPLOYMENT GROUP

BRIEFING NOTE 2023

2021 Scorecard:

- **Indicator 1: Employment Rate Gap.** In 2021 the gender employment rate gap in Greater Manchester was 4.8 percentage points. This was an improvement on the 9 percentage point gap in 2020 and was below that for Great Britain as a whole. However the improvement was mainly because men's employment fell between 2020 and 2021 in GM.
- **Indicator 2: Gender Pay Gap.** The gender pay gap widened in 2021 from 9.1 in 2020 to 12.3 percentage points in 2021, This was around the same level as found in 2019.

2022 Scorecard:

- **Indicator 1: Employment Rate Gap.** The gap between employment rates for men and women in Greater Manchester now stands at 8 percentage points, a considerable jump from just below 5 percentage points in 2021. This is due to a rise in men's employment after last year's fall but also a decline in women's employment rate by 1.5 percentage points .
- **Indicator 2: Gender Pay Gap** The gender pay gap narrowed in 2022 from 12.3 percentage points to 10.3, a welcome fall of 2.1% and is well below the GB average of 15.1% Whilst positive this mainly reflects lower wages for men in the North West in comparison to the GB average.

This briefing note produced by the GM4Women's Employment Action Group starts by reviewing the main challenge that women face in 2023: the cost of living crisis. This new crisis has come sharp on the heels of the COVID pandemic and this time, instead of the country clapping for its care workers, it is the nurses who are going out on strike as their pay has been declining for over a decade. After looking at how the cost of living is creating challenges for women in Greater Manchester (GM) we turn to our annual review of women's position in employment in GM and then draw on an exciting new report, based on research designed in collaboration with GM4women2028 on what women in GM actually want in relation to employment and childcare support.

Women's employment and the cost of living crisis

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The cost of living crisis is affecting everyone in Greater Manchester but is causing particular problems for women. Women tend to have lower incomes and therefore are often less able to cope with the particularly large rises in the costs of basic goods such as food and energy as they spend a higher share of their income on such commodities. Parents struggle to put food on the table especially if they are lone parents, most of whom are women. In a cost of living crisis women's earnings become even more vital for personal and family survival. Yet in order to be able to work women often need access to childcare, and research suggests that childcare is simply unaffordable for many women as it absorbs nearly half of median earnings for women in full-time employment (Women's Budget Group 2022). All of this puts more pressure on women to earn more either through securing higher wages or working more hours.

The challenges for women depend in part on the type of job they do. The national minimum wage has been increased- albeit with a delay- in line with inflation – and this provides some protection to those in low paid jobs. Yet those in part-time jobs may not be guaranteed the hours they need to meet their needs. So a rise in hourly pay does not mean that they will have sufficient income to meet these high and rising costs.

Another group under pressure are those who work in public services. It is public sector workers that are at the forefront of strikes over pay. The current high inflation rates have been the final factor leading them to strike action as many have seen the real value of their wages eroded over the past decade or so— by up to a fifth in the case of nurses. This erosion of public sector pay is impacting on both lower and higher skilled women as around three in five of all women in employment with a degree work in public services. The clapping for the frontline workers in the pandemic has all but been forgotten and women are again the main losers from a new round of austerity in public services.

A mixed picture from the scorecard data on women's employment

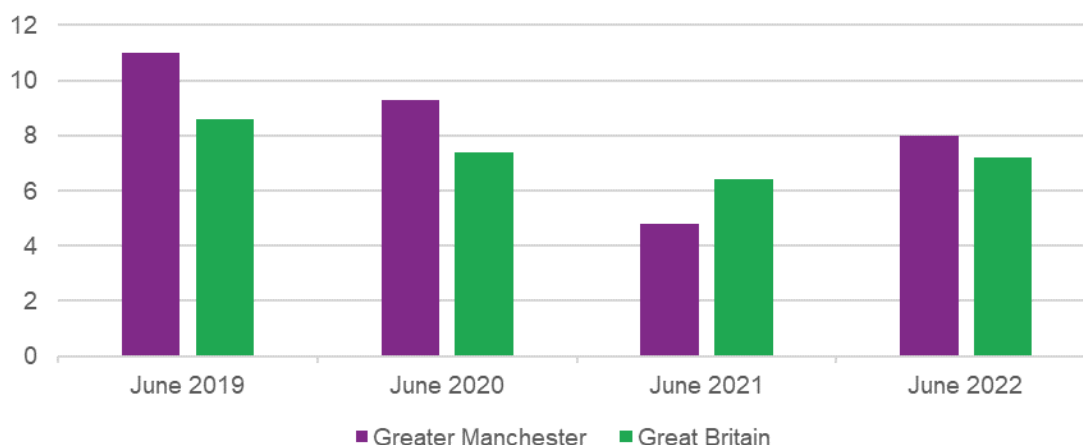
The scorecard data on women's employment and pay in Greater Manchester (GM) again show a mixed picture with the data for 2022 largely reversing the patterns found in 2021.

Women employment in GM has fallen slightly in 2021/2022

This year the employment rate gap by gender has widened considerably with men's employment rate standing some eight percentage points higher than that for women in GM compared to just under 5 percentage points in 2021.



Figure 1. Gender Employment Rate Gap



This reflects a rise in men’s employment rate and a fall in the employment rate for women as we show in table 1.

Table 1. Employment rates by gender in Greater Manchester

July to June	Men	Women	Gender gap
2021/2022	75.8	67.8	8.0
2020/2021	74.1	69.3	4.8
2019/2020	77.5	68.2	9.3
2018/2019	77.8	66.8	11.0

However, if we compare back to 2019 before the COVID-19 pandemic, women’s employment rate in GM is still slightly higher than it was in 2019 while men’s still lags behind. In fact the employment rate gap, though large at 8 percentage points, is lower than in either 2019 or 2020. More worrying is the finding that the gender employment rate gap now exceeds that for Great Britain (GB) as a whole while in 2021 the gap in GM was smaller than that in GB.

There are also highly variable employment rates by ethnic group in GM (see Table 2); by far the lowest rates are found for women of Pakistani and Bangladeshi ethnicity at only 32%, under half the rate for all women in GM. The other ethnic group category at 38% and Black women at 52% also have low employment rates, while those of mixed ethnicity or of Indian ethnicity are close to or above the average rate.



Table 2. Employment rates for women in GM by ethnic group June 2022

All	White	Mixed	Indian	Pakistani/ Bangladeshi	Black	Other
67.8	73.1	65.2	72.0	32.0	51.9	37.9

The employment rate for disabled women in GM has fallen to 51.9% compared to 53.7% in 2021. This is lower than the employment rate for GB as a whole at 55.5% and the fall may reflect the regional rise in inactivity since COVID associated with worsening health.

The Gender Pay Gap in GM has narrowed and is well below the average for Great Britain

When it comes to pay there is more positive news. The gender pay gap narrowed this year in GM from 12.3 to 10.3 percentage points. This two percentage point drop well exceeded the half a percentage point drop for GB as a whole from 15.6 to 15.1 percentage points. This apparently strong performance for GM is rather misleading as it is mainly driven by relatively low earnings for men in GM compared to GB as a whole.

Figure 2. Gender Pay Gap in GM and GB



The other positive news is that fewer women (14% compared to 20.9% in 2021) and indeed fewer men (10.8% compared to 18% in 2021) are being paid below the voluntary real living wage in GM. This could in part be the results of campaigns and an active push by the Greater Manchester Combined Authority to make GM a living wage city region, as well as the growing movement to support the Good Employment Charter which requires member organisations to pay the real living wage. However, a similar reduction is found for GB as a whole and the main



explanation may lie in a narrowing gap between the legal national minimum wage and the voluntary real living wage (the gap by April 2022 had narrowed to 40 pence an hour from 59 pence in 2021). Table 3 reveals that within GM there is a wide variation between the ten constituent local authorities with Rochdale and Tameside reporting well over twice the incidence of Manchester and Salford. Note that this data refers to jobs in organisations located in the local authority and not to the jobs held by residents of these local authorities. Data by residents, only available for 2020 and 2021, showed somewhat higher incidence of low pay in both Manchester and Salford.

Table 3: Share of women paid below the real living wage in GM, by local authority and in Great Britain April 2021		
April 2022	Share of all women in employment	Share of women working part-time
Greater Manchester	14.0	24.9
Great Britain	14.5	24.4
Bolton	14.5	21.3
Bury	13.6	35.7
Manchester	10.1	24.0
Oldham	19.8	27.6
Rochdale	23.2	34.8
Salford	9.5	Na
Stockport	14.1	18.6
Tameside	27.3	44.0
Trafford	11.6	18.5
Wigan	18.0	25.4

Table 3 also shows that there is in fact a slightly smaller share of women in GM paid below the real living wage at 14.0 percent compared to 14.5% for GB as a whole. Note the share for men, although lower than for women, is still just under a percentage point above the national average for men in GB.

When we look at the share of part-timers who are low paid, that is paid below the real living wage, we find the rate in GM at just under a quarter is actually half a percentage point above

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that for GB, suggesting that it is a lower share of part-time jobs in GM, associated with GM's lower overall employment rate for women, that accounts for a slightly below average share of women paid below the real living wage.

Evidence that our key asks matter for women in GM

Our key policy priorities for 2022 were for better pay for women particularly for those working in the care sector, and for better support for working parents. This year we have new evidence from a report on a survey representing all ten local authorities in GM that these key asks do matter to women throughout GM. The report is by Rosalind Shorrocks and Anna Sanders in partnership with the University of Manchester and University of York **What Women Want: Capturing Women's Diverse Experiences and Perspectives across Greater Manchester.**

First of all, with respect to pay, the report found that more women disagreed than agreed with the statement 'Considering my qualifications, experience and skill level, I feel I get paid appropriately'. Thus 34% of women in Greater Manchester agreed that they were paid appropriately, while 46% disagreed. There are no significant differences across local authorities. However, there is variation among women based on their age, whether they have children, and their ethnicity.'

Some of the highlighted differences include:

- 51% of women with children under 12 in Greater Manchester disagreed that they are paid appropriately, compared to 44% of women without children under 12.
- Non-white women were less likely to think they are paid appropriately given their skills, experience and qualifications: 45% of white women disagreed that they are paid appropriately, compared to 56% of non-white women. These differences are likely due to the structural inequality and discrimination that women of colour face in the labour market.

Second, with respect to support for working parents, the report found that when women with children under 12 in Greater Manchester were asked what would most improve their childcare arrangements...[they] are most likely to cite reducing the cost of childcare (45%) and flexibility to vary hours and days of childcare (20%). The percentage of those who would like to see a reduced cost of childcare increases to 59% among women with children under 5 (versus 31% for women with children aged between 5-12). The percentage of women who would like to see more flexibility to vary hours and days of childcare also increases for women with children under 5, to 28% (versus 12% for women with children aged 5-12). Meanwhile, satisfaction with childcare arrangements drops for women with children under 5: 21% of women with children under 5 say that they are completely satisfied with their childcare arrangements, compared to 50% of women with children aged 5-12.'

This report also asked participants to name the most important issue facing the country, GM and their particular borough; in each case the most common choice was the cost of living crisis by a very large margin, with a score three to four times higher than the next most popular choice.

Key policy priorities for 2023

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On the basis of this new targeted evidence on women in GM we repeat our asks for 2022 but also add a new one for 2022, for support for those facing major difficulties in meeting core needs during the cost of living crisis. Our three key asks are thus:

1. Employers and policymakers are asked to ensure that social care workers and early years practitioners are paid at least the real living wage. Central government and local authorities who set the level of funding need to ensure that this is high enough to cover the real living wage and then take measures to ensure that the private providers actually pay the real living wage.

2. Support for working parents (and all those unable to work due to childcare problems) should be at the centre of GM's strategy. Changes are required in GM employment practices (GMCA Employment Charter must include flexible working from day one), and a coordinated strategy is needed to campaign for, and deliver, flexible and affordable childcare in all areas of GM. The central government needs to provide better funding for its current schemes and to extend free childcare to younger age ranges.

3. Support is maintained and improved upon for all those women vulnerable to the cost of living crisis. Central and local governments must put in place measures to support financially vulnerable women, the disabled and the elderly. Measures discontinued after the COVID crisis, including free school meals during school holidays, need to be reinstated and the costs of the energy crisis on the poorest households addressed.

Authors

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Reference

Rosalind Shorrock and Anna Sanders (2023) *What Women Want: Capturing Women's Diverse Experiences and Perspectives across Greater Manchester*.

Women's Budget Group(2022) *The Cost Crisis: a Gendered Analysis*
<https://wbg.org.uk/wp-content/uploads/2022/09/FINAL-VERSION-UPDATED-The-cost-crisis-paper-31082022.pdf>

To contact the authors or to join the employment group to discuss the challenge of decent work for women in Greater Manchester Contact: gm4women2028@gmail.com

Data sources and definitions

All employment data come from the Annual Population Survey available from the NOMIS website <https://www.nomisweb.co.uk/>. Employment rates are calculated as the number of people in employment divided by the 16-64 year old working population. Data on employment rates for the disabled is drawn from Table T02A Economic Activity by Disability (Equality Act)

All earnings data on gender pay gaps and the real living wage come from the Annual Survey of Hours and Earnings (ASHE). Gender pay gap (GPG) is defined as the difference between men's median and women's



median hourly earnings as a percentage of men's earnings. For 2022 the real living wage is defined by the Living Wage Foundation at £9.90, £11.05 in London.

