

Women's Work policy, pay, progress, and the penalties that remain

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Summary

The economic fallout from the ongoing coronavirus crisis is set to be massive. A large drop in business turnover and a spike in unemployment are already evident in the UK, with the pace of these deteriorations surpassing anything recorded at the time of the financial crisis of 2008. But, while the scars will inevitably be long-lasting, the economic shock should prove temporary. Assuming activity is able to resume within a year or so, the unprecedented scale of the government's response is designed to ensure the fundamentals of our economy remain broadly unchanged, with many businesses able to quickly rescale production and re-employ staff.

Yet while much should remain just as it was, much too is likely to have changed. Current events mean millions are coming to rely on the state for their income, a position that will be novel—and likely frustrating—for many. There is a growing respect too for many of those (disproportionately women) who work in lower-paying roles—from nurses to supermarket cashiers to refuse collectors. Family dynamics are also shifting, with parents having to juggle the competing demands of working from home and looking after children. And we are seeing an upsurge in volunteering, with people wanting to support efforts at both a national and a neighbourhood level.

The months that follow will inevitably be very difficult, with much about the crisis likely to get worse before it gets better. But there is the real possibility that we can emerge from it as a more united country, with greater empathy for each other in the face of economic pressures flowing from entirely unexpected changes in circumstances. Civil society is likely to face a significant ongoing funding challenge, but its central importance to a well-functioning society should at least have been reinforced. And we might find ourselves more open to revisiting the balance between paid work and home life, and between economic 'activity' and broader wellbeing. Ultimately, we have the chance to aim not for a 'return to normal', but for a return to something better.

In this briefing note we focus on one aspect of all this: namely the gender divide that remains in place in relation to work. Public policy has shown its worth over the last half century, helping to narrow substantially the paid employment gap between men and women (from 38 percentage points at the start of the 1970s to an all-time low of 8 percentage points at the end of 2019). But it is clear that this policy approach needs modifying in order to deal with the many other large gaps — in relation to job quality, pay and the distribution of unpaid work — that remain.

Women today account for 47 per cent of all those in paid employment, and 50 per cent of employees. But they comprise 74 per cent of those working part-time, 54 per cent of those on a temporary contract, 56 per cent of those on a zero-hours contract, and 61 per cent of low-paid employees.

The picture has improved over time, but progress has slowed in recent years. For example, the headline gender pay gap (capturing the difference between median full-time male and female hourly pay) fell from 17.4 per cent in 1997 to 10.1 per cent in 2010, but it has drifted only marginally lower since – standing at 8.9 per cent in 2019.

And our analysis shows that a significant part of this pay gap represents a straight pay 'penalty' associated with being female. Looking across the period from 2015 to 2019, we find women continue to earn less than men even after we control for a variety of personal and job characteristics like age, education, industry and occupation (characteristics which can themselves be influenced by barriers and biases faced by women at earlier stages in their educational and career development). A raw gender pay gap of 16.5 per cent (or £2.76 an hour) between women and men age 22-64 contains a fundamental pay 'penalty' of 6.5 per cent (or £1.08), implying that roughly two-fifths of the gap can't be explained by obvious differences in personal experience.

This pay penalty is especially large among women age 30-50 with children. Relative to men of the same age and parental status, such women face a penalty of 10.8 per cent (or £2.01). In contrast, the penalty recorded among women of this age without children is just (a statistically insignificant) 1.4 per cent. The implication is that childbirth plays a major role in explaining the step change in the gender pay gap experienced by women as they age.

That is of course likely to reflect the disproportionate parenting responsibility taken on by mothers relative to fathers. By taking time out of paid employment and/or returning subsequently to part-time paid work, mothers record a cumulative drop in labour market experience relative to fathers, lowering their earnings potential. Those mothers who find themselves constrained by the practicalities of school drop-offs and out-of-hours childcare responsibilities also face a more limited array of job options. Fundamentally, the apparent motherhood pay penalty is an extension of the disadvantage women face as a result of having to fit paid work around the unequal share of unpaid work they undertake.

As of 2015, women on average spent around 25.5 hours a week on unpaid work (including volunteering), 60 per cent longer than men (16 hours). With women tending to engage in unpaid activities with a higher value than men (childcare vs driving for example), this activity is associated with significant 'lost' earnings. That is, if women were paid for their unpaid contributions at the rate prevailing in the labour market, they would have earned an additional £260 a week in 2015 on average. In contrast, men would have earned just £167 more if their unpaid activities were paid at the going rate.

The gender balance of paid and unpaid work has become more even over time, with men age 16-65 increasing the average time they spend on unpaid work by just over six hours a week between 1974-75 and 2014-15. But the corresponding reduction among women was just 0.3 hours a week. Combined with a large increase in paid hours over the same period, women therefore recorded 4.4 hours a week (or 30½ full-time days a year) longer in work in 2014-15 than they did in 1974-75. At 51.9 hours a week, the female total in 2014-15 was two hours longer than the male average. Indeed, it was marginally (0.3 hours a week) longer than the male figure in 1974-75 – a remarkable fact given the long-term downward shift in the time spent in paid work recorded in populations across most advanced economies in this period.

We can bring the impact of the gender pay gap and the female burden of unpaid work together via a simple thought experiment. Applying our hourly pay 'penalty' figure of £1.08 to the average number of paid hours being worked by all women age 16-65 suggests that they are each being underpaid in the official labour market by an average of around £1,190 a year. They are additionally missing out on around £13,500 a year each in relation to the unpaid work being undertaken. With men also missing out on around £8,665 a year for their unpaid work, the overall undervaluation of women's work relative to men's comes to just over £6,000 a year for every woman age 16-65. That's equivalent to roughly £126 billion of total underpayment — which is just under half (47 per cent) of the total £267 billion paid to female employees in 2019.

Given past policy successes, we should take heart in our ability to make further progress on these issues of unpaid work, atypical employment and motherhood penalties. Recent policy changes have focused on supporting shared parental leave and increasing pay transparency in big firms. Both are worthwhile approaches, but as yet there is limited evidence on their effectiveness. Campaigners have therefore called for a strengthening of both approaches, along with pointing to other potential ways of better valuing unpaid work. And there appears to be support for such measures among the public.

In polling carried out by YouGov for Pro Bono Economics last month for example, 54 per cent of non-self-employed adults said they would be prepared to share their personal salary details with work colleagues if it could help to narrow the gender pay gap. The proportion was the same

among men and women, but it was significantly higher among those aged under-45 (just over 60 per cent). The implication is that support for such an idea might continue to grow over time.

The same polling also found that 39 per cent of adults in Britain would favour a basic income for caregivers as a means of valuing their unpaid work contributions. A further 33 per cent said they would instead prefer to see a rebalancing of unpaid work between men and women without the payment of any income. Overall, just 9 per cent said they preferred keeping things as they are.

The precise policy approach will of course require careful thought, but there is at least appetite for change. By highlighting the reality of managing a family budget on a lower income, the frustrations of relying on the state for funds, the value of many lower-paid roles staffed frequently by women, and the difficulty of juggling caring responsibilities and paid employment, current circumstances might just be adding further weight to the case. For now, the future remains very uncertain – and feels a long way off. But we at least appear to be inching towards more properly valuing the contribution of 'women's work' to the UK.

Women are accounting for an ever-growing share of paid employment in the UK

Back in 1972, the proportion of men aged between 16 and 64 in the UK who were in paid employment stood at 91 per cent, a full 38 percentage points higher than the rate of 53 per cent recorded among women of the same age. By 2019, that employment gap had narrowed to an all-time low of 8 percentage points – driven by a sharp increase in the female employment rate (to 72 per cent) and a more modest reduction in the male employment rate (to 81 per cent). ¹

As Figure 1 shows, the longer-term narrowing of the employment gap has been accelerated across the course of successive economic recessions. That is, women have tended to suffer shallower dips in employment and more marked recoveries in each instance. Recessions are undoubtedly bad news, but they have invariably had unintended positive consequences for gender equality over the past 50 years.

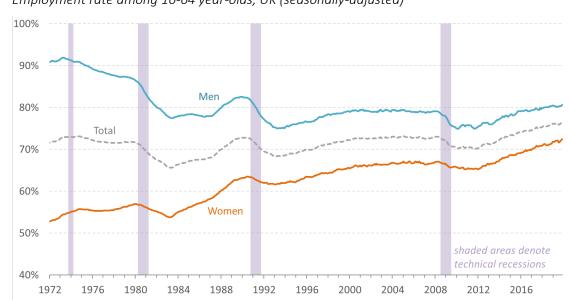


Figure 1: Female paid employment has surged over the last 47 years Employment rate among 16-64 year-olds, UK (seasonally-adjusted)

Source: ONS, Labour Market Statistics

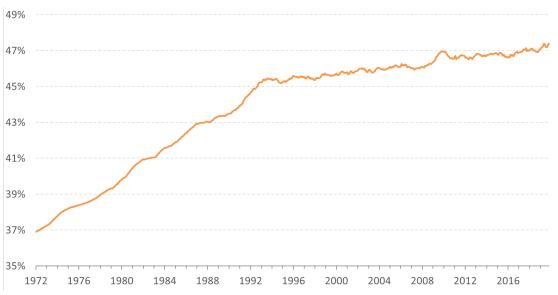
¹ Figures don't sum due to rounding.

As yet of course, we do not know what impact the coronavirus crisis will have on overall employment rates – other than that it is likely to be very significant – or on the gender balance of paid work.

There is certainly no guarantee that we will see the same sort of overnight narrowing of the gap that we have observed over the course of past recessions. We know that female employment is high in some of the sectors most exposed to the effects of social distancing (women account for more than half of the workforce in hotels and restaurants for instance). And the likely temporary nature of the downturn (with many firms effectively entering a period of hibernation, but standing ready to rescale production once the health crisis subsides) should mean that we see less economic reorganisation from old industries to new than has been the case in the past. But even if this downturn doesn't accelerate the process as in the past we might, as a minimum, expect economic recovery to bring with it a resumption of the longer-term shift in the gender balance of paid work.

Figure 2 sets out what this shift has meant for the composition of the UK workforce. Women now account for nearly half (47 per cent) of all paid employment, up from 37 per cent in 1972. The sharpest increase in this share occurred over the course of the 1970s and 1980s, as rises in the female employment rate coincided with falls in the male rate. Since then, the combination of further gains in the female paid employment rate and a broad flat-lining of the male rate has produced a more modest (but still persistent) rise in women's share of the total.

Figure 2: Women now account for just under half of all of those in paid work Proportion of all in employment who are female, UK (seasonally-adjusted)



Source: PBE analysis of ONS, Labour Market Statistics

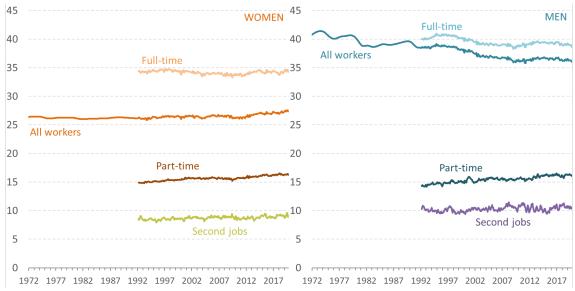
And it is not just the number of women in employment that has increased; the average amount of time each worker is spending on the job each week has also increased. The rise is relatively modest, increasing from 26.1 hours a week at the start of 1972 to 27.4 hours a week towards the end of 2019. But this slight increase is in direct contrast to a marked *decline* in average hours among male workers. Figure 3 presents the trends, showing that the average male paid

² For example, analysis of ONS data shows that women accounted for 54 per cent of all jobs in 'accommodation and food service activities' at the end of 2019 (Source: ONS, NOMIS data query). Female workers are also believed to more exposed to the disease itself. One study has suggested that the average 'Risk Indication Factor' for female-dominated occupations is 63, compared to a factor of 43 in male-dominated occupations (Source: L Kikuchi & I Khurana, <u>The Jobs At Risk Index (JARI)</u>, Autonomy Data Unit, 24 March 2020

working week has fallen from 40.7 hours in 1972, to 36 hours towards the end of 2019. That's still longer than the average female worker's, but the gap has narrowed from 14.2 hours a week to 8.6 hours a week.

Figure 3: Average paid hours have fallen among working men over the longer term, but have remained relatively constant among women

Average weekly hours worked, UK (seasonally-adjusted)



Source: PBE analysis of ONS, Labour Market Statistics

The increase among female workers has been driven by a combination of: increases in the share who work full-time rather than part-time (up from 56 per cent in 1984, to 59 per cent in 2019); a broadly unchanged average paid working week among those working full-time (standing at just over 34 hours in both 1992 and 2019); and a rise in the average paid hours of those working part-time (increasing from 14.9 hours a week in 1992, to 16.2 hours a week in 2019).

Average working weeks have also increased among male part-time workers (from 14.3 hours in 1992, to 16.1 hours in 2019). In contrast to women however, the proportion of men in employment who work full-time has fallen (from 96 per cent in 1984, to 87 per cent), and so too have the average paid hours of these full-time workers (from 40 hours a week in 1992, to 38.6 hours a week in 2019).

The changes in working hours recorded among women over recent decades have been especially marked in some age groups, as Figure 4 shows. For five different birth cohorts, it details the average paid hours worked by those women in employment across the life course. Focusing on shifts between the 1951-55, 1961-65 and 1971-75 birth cohorts for example, it highlights successive increases in the length of the average working week among women in their 30s and 40s. Looking across the 1971-75, 1981-85 and 1991-85 birth cohorts instead, it shows successive *reductions* in average paid working weeks among women in their 20s. Overall, the average hours worked among women in employment aged 18-29 fell from 29.2 a week in 1992 to 28.3 a week in 2018. In contrast, the average rose from 25.2 hours a week to 27.3 hours a week among those aged 30-49 and from 23.7 hours a week to 26.7 hours a week among those aged 50-64.³

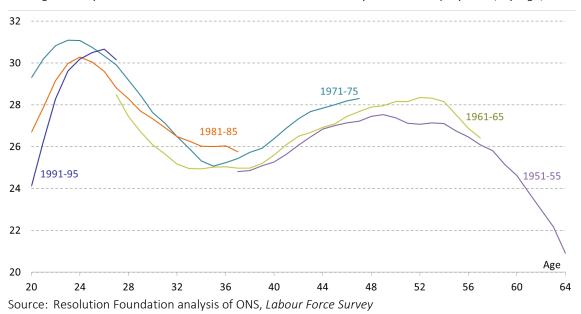
Economic ups and downs have played a part in this story (with those cohorts entering the labour market in the middle of a downturn likely to suffer 'scarring' effects that persist over the

³ Resolution Foundation analysis of ONS, *Labour Force Survey*

longer term for example), but so too have changes in cultural norms such as participation in higher education and the frequency and timing of childbirth.

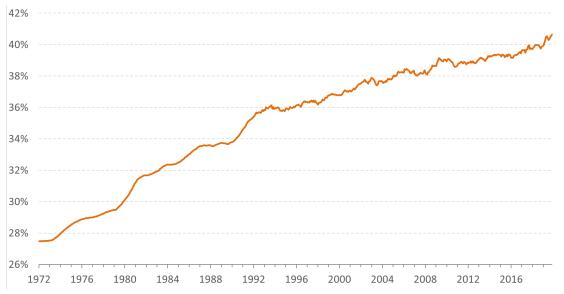
Figure 4: Women in their 30s, 40s and 50s are working longer paid hours on average than previous cohorts did

Average weekly hours worked within selected birth cohorts by those in employment, by age, UK



Taken together, the combination of rising female employment and a narrowing of the gap in average hours between men and women means that the share of total paid hours accounted for by the latter has grown especially sharply over recent decades. Figure 5 shows that women comprised 41 per cent of all paid hours towards the end of 2019, up from just 27 per cent at the start of 1972. Unlike the pattern set out in relation to employment in Figure 2, the growing presence of women in the formal labour market shows no real signs of having slowed down at any point over the last 47 years. If the pace of change were sustained indefinitely, women would account for a majority of all the paid hours worked in the UK economy by roughly 2045.

Figure 5: Women account for 41 per cent of all paid hours, up from 27 per cent in 1972 Proportion of all paid hours of work accounted for by women, UK (seasonally-adjusted)



Source: PBE analysis of ONS, Labour Market Statistics

With an active policy focus playing a big role in this progress

The changes detailed above are undeniably good news. They represent a direct boost to the incomes and independence of women, and they reinforce broader efforts within society for gender equality. The rebalancing of paid work is also likely to have benefited the wider economy, with growing evidence that a more diverse workforce can boost overall productivity (and therefore men's incomes as well as women's).⁴

As noted above, changes in cultural norms have underpinned much of the observed change. For example, women are cohabiting and having children later in life (and less frequently overall) than they used to. That means they have longer to establish their careers before taking any time out for raising children which, in turn, means they are more likely to remain attached to the labour market after giving birth to their first child. The proportion of women with a degree or higher qualification has also increased, important because this characteristic is strongly associated with a higher tendency to participate in the labour market.⁵

These changes have been cultivated by a deliberate and concerted policy focus. The *Equal Pay Act 1970* kick-started much of the process, by enshrining the right for women to equal treatment by employers. The *Employment Act 1980* marked another step forward, by establishing basic rights to maternity leave.

Welfare reforms have also played a key role, with the introduction of working tax credits providing a strong incentive for single parents in particular to enter paid work – an incentive to which many appeared to have responded. The 'activational' nature of welfare support has also been effective, requiring recipients to seek out work and then supporting them via job search assistance and childcare reform.

But big challenges remain, particularly in relation to pay

The job is, however, far from done. The female employment rate in the UK still lags the best performing countries, with one estimate suggesting that closing the gap with Sweden would boost UK GDP by around 9 per cent.⁸ And there are other challenges on which the UK has made too little progress – not least in relation to the *quality* of work available to women, and the associated gender pay gap.

Figure 6 provides some details by setting out the proportion of different categories of paid work comprised by women. It shows that, despite accounting for 47 per cent of everyone in paid employment and 50 per cent of all employees, women comprise 74 per cent of those working part-time, 54 per cent of employees with a temporary contract, 56 per cent of those on a zero-hours contract and 61 per cent of employees who are considered low-paid (earning less than two-thirds of the median hourly wage).

⁴ J D Ostry, J Alvarez, R A Espinoza & C Papageorgiou, <u>Economic gains from gender inclusion: New mechanisms</u>, <u>new evidence</u>, IMF Staff Discussion Notes No. 18/06, 2008

⁵ See B Roantree & K Vira, <u>The rise and rise of women's employment in the UK</u>, Institute for Fiscal Studies, 2018 for more discussion of these issues.

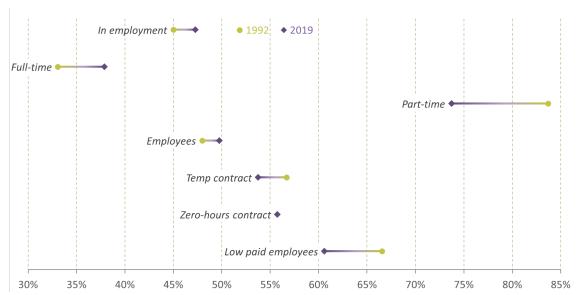
⁶ P Gregg, A Hurrell & M Whittaker, <u>Creditworthy: Assessing the impact of tax credits in the last decade</u> <u>and considering what this means for Universal Credit</u>, Resolution Foundation, June 2012

⁷ A Corlett & P Gregg, <u>An Ocean Apart: the US-UK switch in employment and benefit receipt</u>, Resolution Foundation, June 2015

⁸ PWC, <u>Women in Work Index 2020</u>

Figure 6: Female workers have narrowed gaps with men over time, but women remain more likely to have temporary and zero-hours contracts, and more likely to be low paid

Proportion of selected labour market categories accounted for by women, UK



Notes: "Low paid employees" are those earning less than two-thirds of the median hourly (excluding overtime) rate of pay. The earlier low paid figure relates to 1994, not 1992. Zero-hours contract data is only available from 2013.

Source: PBE analysis of ONS, Labour Market Statistics

The picture has undoubtedly improved over time. Women's disproportionate presence in the low-paid, temporary and part-time categories has fallen significantly since 1992 (when the proportions were 67 per cent, 57 per cent and 84 per cent respectively), despite a simultaneous increase in the share of overall workers accounted for by women. Nevertheless, women remain over-represented in these markers of lower-quality jobs. And that over-representation is likely to be especially problematic during the current crisis, with research from the Resolution Foundation and others highlighting the extent to which the economic fallout of the coronavirus crisis is likely to be felt most acutely by lower paid workers. ¹⁰

Women's low pay prevalence is reflected in the wage distributions of men and women set out in Figure 7. It highlights the clustering of women around the wage floor, with 11.5 per cent of female employees earning between £7.00 and £8.00 across the two years of 2016-18 (the wage floor for those aged 25 and over ranged from £7.20 to £7.83 over this period, while the floor for those aged 21 to 24 ranged from £6.95 to £7.38), compared with 6.8 per cent of male employees.

Indeed, male employees are less likely than female employees to appear in any 50p hourly pay bucket until the £11.00 to £11.50 level is reached; beyond that level, they become more likely to appear in any 50p hourly pay bucket. At the top end of the distribution, 6 per cent of male employees are shown to have earned £36 or more each hour, in contrast to just 2.2 per cent of female employees.

⁹ 1994 in the case of the low pay figure.

¹⁰ Resolution Foundation, <u>Doing what it takes: Protecting firms and families from the economic impact of coronavirus</u>, 19 March 2020

Figure 7: Female employees are more clustered around the wage floor than their male counterparts

Proportion of employees by 50p hourly pay (excluding overtime) bucket, UK 2016-18



Such differences are also reflected in the gender pay gap. Figure 8 shows the evolution of the gap (measured as the difference between median male and median female hourly pay divided by the male figure) for all employees and for full-time and part-time groups. As with many of the other measures discussed above, the picture has improved over time: the full-time gender pay gap (the usual 'headline' gender pay gap measure) fell from 17.4 per cent in 1997, to 8.9 per cent in 2019. That still represents a sizeable difference however, and it is noticeable how progress has slowed in recent years (with the gap actually *rising* last year, in a non-statistically significant way, from its level of 8.6 per cent in 2018).

The part-time gender pay gap is *negative*, meaning median pay among part-time female employees is higher than among part-time male employees (in part reflecting the different nature of part-time female and male jobs, with the latter being spread across the age range while the former are more concentrated among younger workers).

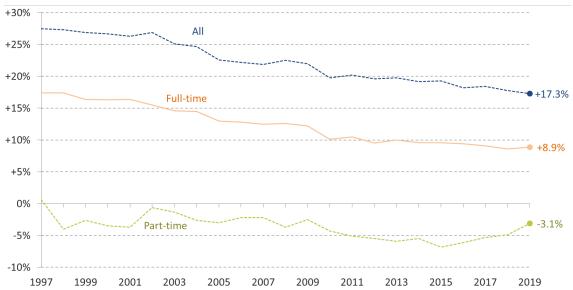
The gender pay gap recorded when looking across all employees stood at 17.3 per cent in 2019. The fact that this is higher than the gap for either the full-time or part-time groups reflects the higher proportion of female jobs made up of (typically lower-paid) part-time roles – that is, it is a compositional effect. While it is higher than the headline gender pay gap, it has narrowed more rapidly in recent years thanks to the partial unwinding of the compositional difference – that is, as more women have moved into full-time roles.

A slowdown in progress is still observed however, reflected in the fact that 'Equal Pay Day' – the notional day in the year when women start working for free relative to men – has shifted by just four days over the last decade. It is estimated to have fallen on 14 November in 2019, as compared to 10 November in 2010 – a pace of change that means it could be another 60 years before the gap will be eradicated according to the Fawcett Society. 11

¹¹ The 'Equal Pay Day' calculation is based on the mean gender pay gap, which stood at 13.1 per cent in 2019. Fawcett Society Press Notice, "Equal Pay Day is on the 14 November 2019", 29 October 2019

Figure 8: The gender pay gap has narrowed over recent years, but a sizeable difference remains

Gender pay gap for median gross hourly earnings (excluding overtime) employees, UK



Notes: For each group, the pay gap is calculated as the difference between men and women's average hourly earnings (excluding overtime) as a proportion of the male figure. It is a measure across all jobs in the UK, not of the difference in pay between men and women for doing the same job.

Source: ONS, Gender pay gap in the UK, 2019

It is worth noting too that the gap between men and women's pay is narrowing even more slowly at the top end of the earnings distribution. Figure 9 shows how the headline full-time median pay gap compares with wage differences at the top and bottom of the earnings scale. Comparing average pay among the lowest paid 10 per cent of women and the lowest paid 10 per cent of men, it shows that the gap has fallen from 13.6 per cent in 1997 to 3.8 per cent in 2019 - a 72 per cent reduction. In contrast, the gap between the highest paid 10 per cent of men and highest paid 10 per cent of women has dropped by just 15 per cent over the same period – from 20.7 per cent to 17.6 per cent.

The rapid pace of improvement at the lower end of the pay scale reflects in part the introduction and development of the minimum wage. The policy has raised the pay of the lowest earners relative to the average — with women's disproportionate presence in this part of the distribution meaning they have benefited more than men. And plans for further above-average increases in the coming years 12 should continue this trend.

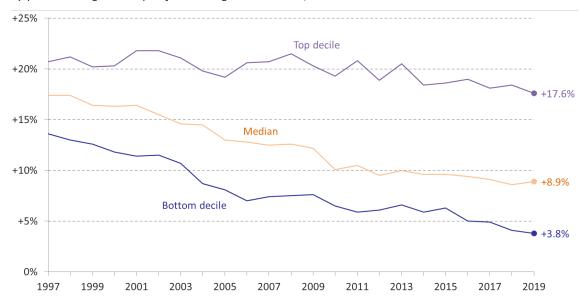
No equivalent policy exists higher up the earnings scale however, helping to explain the slower pace of change in the top decile. Moreover, there is a representation as well as a wage gap that needs closing at the top of organisations. Women account for just 30 per cent of board members at the largest 350 companies on the London Stock Exchange for instance, with only 7 per cent of these firms having a female chair. And this is a problem that persists even in otherwise reasonably well-performing parts of the economy like the charity sector, as Box 1 sets out.

¹² The Chancellor announced at Budget 2020 that the government would target raising the National Living Wage (the wage floor for those aged over-24) to two-thirds of employees by 2024. HMT, <u>Budget 2020</u>, March 2020.

¹³ C Rutter Pooley, "<u>Women board directors hit 30% milestone on FTSE 350</u>", *The Financial Times*, 2 October 2019

Figure 9: Minimum wage policy has helped to narrow the pay gap between lower-paid men and women this century, but the difference among higher-earning men and women has fallen only marginally

Difference in gross hourly earnings (excluding overtime) for men and women working full-time, by position in gender-specific earnings distribution, UK



Notes: For each group, the pay gap is calculated as the difference between men and women's average hourly earnings (excluding overtime) as a proportion of the male figure. For example, the "bottom decile" difference compares pay among the lowest-paid ten per cent of women and the lowest-paid ten per cent of men. It is a measure across all jobs in the UK, not of the difference in pay between men and women for doing the same job.

Source: ONS, Gender pay gap in the UK, 2019

Box 1: The charity sector leads the way on women's pay, but has more to do on representation A study by the NCVO of the data reported by charities with more than 250 employees (and a few smaller charities who publish data voluntarily) as part of the *Gender Pay Gap Regulations 2017*, puts the gender pay gap at around 7 per cent for the charities sector as a whole. ¹⁴ That is better than the gap recorded among private sector firms (12 per cent) and the public sector (11 per cent). And it is pulled upwards by the performance of independent schools, colleges and universities (where the average pay gap recorded is 16 per cent). Such institutions are included in the charity classification, but often not what people think of when visualising the sector. Focusing instead on the 'general charities' sector, the pay gap drops to around 2 per cent.

That is a relatively positive finding for the sector. But there is still room for improvement. Consider for instance that 67 per cent of the charity sector's employees are female and 58 per cent of volunteer time is provided by women, ¹⁵ yet our analysis of Charity Commission data suggests women account for just 42 per cent of charity trustees. That figure is slightly higher than the 36 per cent recorded in a 2017 survey for the Charity Commission, ¹⁶ but highlights the ongoing scope for greater representation.

¹⁴ L Hornung, *Gender pay gap in large charities: findings from the latest data*, NCVO, 22 July 2019

¹⁵ NCVO, *The UK Civil Society Almanac 2019*, 2019

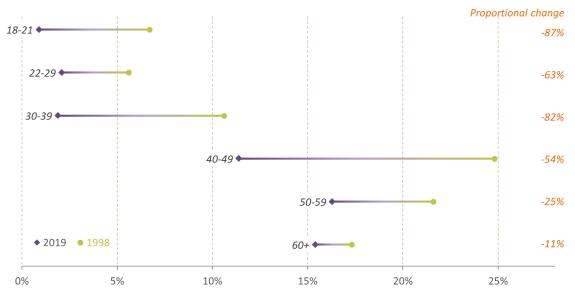
¹⁶ Charity Commission, <u>Taken on trust: the awareness and effectiveness of charity trustees in England and Wales</u>, November 2017. Note that this report used a sample-based survey whereas our analysis has used an algorithm to analyse the full list of trustees registered with the Charities Commission, so differences may be due to different methodologies.

And the Charity Commission's 2017 work highlighted still greater under-representation among board chairs (just 29 per cent female) and treasurers (32 per cent). The same report lamented a lack of diversity more generally, saying that: "Trustees are drawn from a narrow cross section of the communities that they serve. The vast majority are White British, older and above average income and education. There is clearly a need to promote greater diversity within charity trustee boards... There is a danger that charity trustee boards might become myopic in their views and in their decision-making. Characteristically they are found to be overly reliant upon fellow trustees for both recruitment of new trustees and for their principal sources of advice and support". ¹⁷

There is similar variation in both the size of the gender pay gap and the pace at which it has narrowed across different ages. Figure 10 shows that the gap has very nearly closed at younger ages, with women aged 18-21, 22-29 and 30-39 experiencing differences of 0.9 per cent, 2.1 per cent and 1.9 per cent respectively in 2019. For each of these age groups, the gap has narrowed substantially since 1992 – falling by 87 per cent, 63 per cent and 82 per cent in turn.

Figure 10: The gender pay gap has fallen most rapidly at younger ages

Difference in gross hourly earnings (excluding overtime) for men and women, by age group, UK



Notes: For each group, the pay gap is calculated as the difference between men and women's average (median) hourly earnings (excluding overtime) as a proportion of the male figure.

Source: ONS, Gender pay gap in the UK, 2019

Sizeable pay gap reductions have been recorded in older age groups too, but these have been much smaller in magnitude. The gap narrowed by 54 per cent among 40-49 year-olds between 1998 and 2019, and by 25 per cent among 50-59 year-olds and just 11 per cent among those aged 60 and over. The more pertinent point here however, relates to the significantly higher pay gap *levels* recorded at these ages (11.4 per cent, 16.3 per cent and 15.4 per cent respectively). On average, there appears to be a step change in the gender pay gap that occurs at some point between workers' 30s and their 40s.

That step change remains in evidence when we switch to a cohort view. Figure 11 does that, showing how the gender pay gap has varied at different ages for five different birth cohorts. It reinforces the improving picture set out above, with the gap narrowing at every age for each

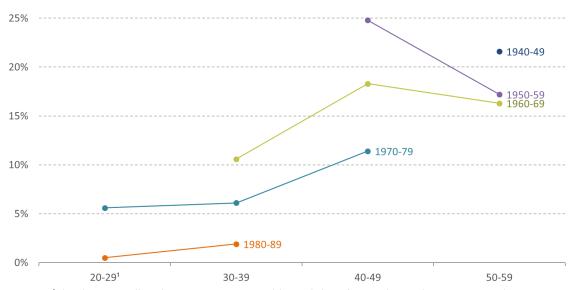
¹⁷ Charity Commission, <u>Taken on trust: the awareness and effectiveness of charity trustees in England and Wales</u>, November 2017, p7

subsequent cohort. However, the step change recorded between ages 30-39 and 40-49 appears to have been just as pronounced for the 1970-79 birth cohort as it was for the 1960-69 cohort.

And the scale of the improvement recorded for each cohort falls as we move through the age groups. For example, the 1980-89 cohort recorded a gender pay gap at age 20-29 that was down 91 per cent on the cohort that came a decade before it. But the cohort-on-cohort reduction fell to 69 per cent when they reached the 30-39 category. Likewise, the 1970-79 cohort recorded a pay gap in their 30s that was down 42 per cent on those born 1960-69, but the cohort-on-cohort reduction fell to 38 per cent when they reached their 40s. And, when in the 40-49 age group, the 1960-69 cohort recorded a gender pay gap that was down 26 per cent on those born in the 1950s, but once they reached their 50s the reduction recorded was just 5 per cent.

Figure 11: The gender pay gap has narrowed consistently cohort-on-cohort

Difference in gross hourly earnings (excluding overtime) for men and women, by age group and birth cohort, UK



Notes: ¹The data actually relates to 22-29 year-olds, and therefore picks up the 1972-79 and 1982-89 birth cohorts instead on the 1970-79 and 1980-89 ones. For each group, the pay gap is calculated as the difference between men and women's average (median) hourly earnings (excluding overtime) as a proportion of the male figure.

Source: ONS, Gender pay gap in the UK, 2019

And the gender pay gap is at least partially a function of a straight pay 'penalty' for being female

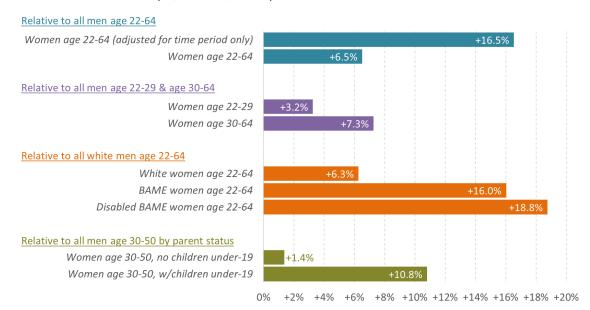
One argument sometimes advanced for why women might continue to earn less than men, despite the illegality of sex discrimination, is that they simply work in lower-paying industries or jobs, or that they have lower qualification levels. That argument is of course fundamentally flawed because it takes no account of the barriers faced by women in relation to their educational and career 'choices'. But even if we do control for factors like industry, education and occupation, the gender pay gap persists.

By undertaking a series of regression analyses, we can control for a whole range of personal and job characteristics – including age, region, qualification level, experience, contract type, industry and occupation.¹⁸ Figure 12 presents the results.

Looking across those aged between 22 and 64 in the period 2015-2019, ¹⁹ it shows that the 'raw' pay gap stood at 16.5 per cent (this covers full-time and part-time workers and is most closely equivalent to the 17.3 per cent gap detailed in Figure 8). That is, women aged 22-64 were paid 16.5 per cent (or £2.76) less than men aged 22-64. Once we control for personal and job characteristics, the gap narrows to 6.5 per cent (or £1.08). That means roughly two-fifths (39 per cent) of the overall pay gap remains in place even when we compare women with men who have broadly the same characteristics as them. This element can therefore be considered akin to a pay 'penalty' associated with being female.

Figure 12: Sizeable gender pay 'penalties' remain in place for women, even after controlling for personal and work characteristics

Difference in gross hourly earnings for men and women after controlling for selected personal and work characteristics, Q1 2015-Q3 2019, UK



Notes: The coefficient for women age 30-50 without children under age 19 is not statistically significant; all other coefficients are significant at p<.001. Personal characteristics controlled for include: age, age squared, region of residence (20 categories), highest qualification held (7 categories), subject studied in higher education (19 categories), years since having left FT education and a binary variable for whether the respondent has at least one child. Work-related characteristics controlled for include: employment mode (FT/PT), occupation (SOC2010 two-digit), industry (SIC 2007 one-digit), public/private sector, and permanent or temporary contract. Disability uses *Equality Act 2010* definitions. Care should be taken in interpreting results because they strip out the impact of career choice, yet we know this is strongly affected by attitudes towards gender.

Source: Resolution Foundation analysis of ONS, Labour Force Survey

¹⁸ More formally, the personal characteristics are: age, age squared, region of residence (20 categories), highest qualification held (7 categories), subject studied in higher education (19 categories), years since having left full-time education and a binary variable for whether the respondent has at least one child. Work-related characteristics include: employment mode (FT/PT), occupation (SOC2010 two-digit), industry (SIC 2007 one -digit), whether public/private sector, and permanent or temporary contract. Disability refers to Equality Act 2010 definitions.

¹⁹ Averaged across 19 quarters' of data from Q1 2015 to Q3 2019.

Splitting this analysis by age, we see that the penalty is again higher at older ages. Nevertheless, it is still evident at younger ages, standing at 3.2 per cent for those aged 22-29, compared with 7.3 per cent among those aged 30-64.

Figure 12 also exposes the double disadvantage faced by some women. For instance, it shows that black, Asian and ethnic minority (BAME) women face a pay penalty relative to white men of 16 per cent – two and half times the 6.3 per cent penalty faced by white women. And if we add in disability the penalty grows still further, standing at a huge 18.8 per cent for BAME women with a disability as defined under the *Equality Act 2010*. The nature of the pay penalty faced by such groups is not simply the sum of the gender penalty and an additional race or disability penalty, it is fundamentally different. Understanding such intersectional inequality is beyond the scope of this note, but it is a topic that is – rightly – growing in prominence.²⁰

Importantly, if we focus on those aged between 30 and 50, we observe a very significant difference in the scale of the penalty by parental status. Women without children under the age of 19 experience a gender pay penalty of 'just' 1.4 per cent²¹ relative to men of this age without children; but that figure soars to 10.8 per cent for women with children relative to men with children. Motherhood is clearly an important part of the gender pay gap story.

Indeed, research undertaken by the Institute for Fiscal Studies has shown that wages for women returning to work after giving birth are, on average, around 2 per cent lower for each year they have taken out of employment – with those working reduced hours also experiencing reduced wage growth.²²

The study suggests that the accumulated effect of reductions in experience of paid work recorded by women after childbirth explain two-thirds of the gender pay gap experienced by graduates 20 years after their first child is born, with that figure dropping to one-third for non-graduate women. Other factors will almost certainly be at play among mothers — including the constraints imposed on job choices and career progression associated with having to work around school runs and childcare windows rather than staying late or socialising with colleagues and managers. What's clear however, is that the caring expectations placed on mothers have a profound and long-lasting impact on their pay prospects.

And in practice, the problem faced by women in relation to pay progression goes beyond looking after children – it stretches to the persistence of a disproportionate distribution of broader unpaid tasks around the home.

The uneven sharing of unpaid work across the sexes represents a significant, and persistent, barrier to female pay progression

The total value of the UK's unpaid household service work was estimated to stand at more than £1.2 trillion in 2016, equivalent to £18,932 per person or almost two-thirds (63 per cent) of the country's GDP.²³ Unsurprisingly, it is women who undertake the majority of this work, with time

²⁰ See for example, S Morris, O Patel, C Stainthorp & O Stevenson, <u>Structurally Unsound - Exploring Inequalities: Igniting research to better inform UK policy</u>, UCL, October 2019.

²¹ This finding is not statistically significant.

²² M Costa Dias, R Joyce & F Parodi, <u>The gender pay gap in the UK: children and experience in work</u>, Institute for Fiscal Studies, February 2018

²³ Unpaid work is defined as service work which households perform for themselves but which they could pay someone else to do for them. This work is not paid, and is therefore not captured in official measures of the economy such as GDP. Examples of unpaid work include: unpaid childcare, unpaid adult care, unpaid preparation of meals, unpaid laundry, unpaid transportation of self or others, unpaid housework,

use studies showing that women carry out around 60 per cent more unpaid work on average than men do: that is, around 25.5 hours a week among women, as opposed to 16 hours a week among men.

Figure 13 presents the breakdown, showing that the gap is even larger in relation to some activities. For example, women undertake 4.7 hours of unpaid housework each week on average, compared with an average of 2.4 hours among men (a gap of 93 per cent). They average 7.3 hours of unpaid cooking, compared with men's 3.7 hours (a gap of 99 per cent). And they spend 4.7 hours each week on unpaid childcare, 147 per cent longer than the average 1.9 hours recorded among men — an imbalance that might be being accentuated at the moment by the closure of schools in response to the coronavirus crisis.²⁴ Indeed, the only unpaid activity on which men spend longer relates to transport (which includes commuting to work), where their average of 7.2 hours a week is 23 per cent higher than the female average of 5.9 hours.





Notes: Unpaid work is defined as unpaid service work which households perform for themselves but which they could pay someone else to do for them. This work is not paid, and is therefore not captured in official measures of the economy such as GDP. Examples of unpaid work include: unpaid childcare, unpaid adult care, unpaid preparation of meals, unpaid laundry, unpaid transportation of self or others, unpaid housework, unpaid DIY, unpaid gardening or volunteering.

Source: ONS analysis of Centre for Time Use Research, 2015 Harmonised European Time Use Survey

This distribution means women are undertaking unpaid work of a higher value than men. ONS work comparing the tasks done by men and women with the wages paid for such activity in the labour market suggests that the average man would earn £167 more each week if his unpaid work was paid, whereas the average woman would earn an extra £260.²⁵

unpaid DIY, unpaid gardening or unpaid volunteering. ONS, <u>Household satellite account, UK: 2015 and 2016</u>, October 2018

²⁴ See for example the Fawcett Society press notice, "<u>Coronavirus: joint call for women's visibility in UK response</u>", 23 March 2020

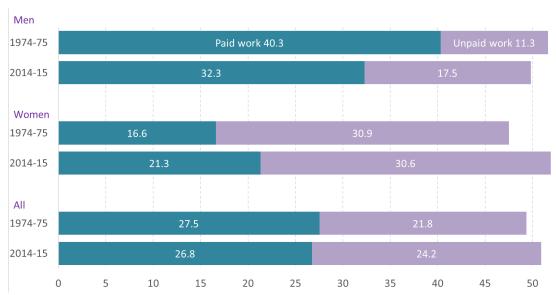
²⁵ ONS, *Women shoulder the responsibility of 'unpaid work'*, November 2016

As with many of the other trends set out in this note, the balance has shifted somewhat over time. Focusing just on those aged 16-65, Figure 14 shows how average working weeks altered for men and women between 1974-75 and 2014-15. ²⁶

For men, paid work fell by 20 per cent (from 40.3 hours a week to 32.3 hours), while unpaid work (including volunteering) increased by 55 per cent (from 11.3 hours a week to 17.5 hours). Among women, paid work increased by 28 per cent (from 16.6 hours a week to 21.3 hours) and unpaid work fell by 1 per cent (from 30.9 hours a week to 30.6 hours). Men are doing less paid work and more unpaid work then, while women are doing more paid work and less unpaid: the distribution between the sexes has become more balanced over the last four decades.

Figure 14: Men's working weeks have shortened in the last 40 years, but women's have lengthened significantly

Average number of hours of paid and unpaid work done each week by those age 16-65, UK



Notes: The definition of paid and unpaid work in this analysis differs from the approach taken in relation to Figure 13, meaning the two sets of figures are not directly comparable. Paid work here includes travel to work. Unpaid work includes: unpaid childcare, unpaid adult care, unpaid preparation of meals, unpaid laundry, unpaid housework, unpaid DIY, unpaid gardening and volunteering.

Source: Resolution Foundation analysis of Centre for Time Use Research, 2015 Harmonised European Time Use Survey

Yet the scale of the changes is worth noting. Among men, average paid work fell by 8.1 hours a week and unpaid work increased by 6.2 hours, producing a net balance of 1.8 fewer hours each week engaged in some form of work. That's equivalent to around 12½ full-time days of work each year. In contrast, the increase in average paid work of 4.7 hours recorded among women dwarfs the 0.3 hours a week reduction recorded in relation to unpaid work. For women then, the net balance points to a *lengthening* by 4.4 hours of the average time spent each week in working activities over the period from 1974-75 to 2014-15. That's equivalent to an extra 30½ full-time working days each year.

²⁶The time use categories used in this analysis differ slightly from those used in the ONS study featured in Figure 13, and not only by covering different age groups. For example, in this Resolution Foundation-based analysis, travelling to work is counted as 'paid work' whereas it is considered 'unpaid work' in the ONS analysis. The two approaches are therefore not directly comparable, but the ONS analysis is useful for observing a detailed breakdown of unpaid work in 2014-15, whereas the Resolution Foundation analysis is useful for showing broader changes over time.

So, where men once 'outworked' women by an average of 4.1 hours each week (51.6 hours versus 47.5 hours), by 2014-15 the balance had flipped, with women 'outworking' men by 2.1 hours a week (51.9 hours versus 49.8 hours). Indeed, the average 'working' week of women in 2014-15 was marginally longer than the average 'working' week of men 40 years earlier.

Taken together, the gender pay gap and the uneven sharing of unpaid activities point to a significant under-valuation of women's work

Things have undoubtedly improved in relation to female working and pay over the last 40 years. But a significant imbalance between the sexes remains. By way of illustration, we can construct a simplified thought experiment.

Our analysis has shown that women²⁷ suffer a pay 'penalty' of £1.08 an hour, even after controlling for the industries and occupations they work in and for personal characteristics like qualifications. With women aged 16-65 undertaking an average of 21.3 hours of paid work each week (Figure 14), that equates to a pay penalty of roughly £23 a week – or £1,190 per woman per year. Additionally, we have seen that ONS analysis suggests that women could earn £260 a week on average if the unpaid work they undertake were remunerated in line with market rates. That's equivalent to £13,500 a year.

Altogether then, the work undertaken by each woman aged 16-65 is being undervalued by around £14,690 a year. Men's unpaid work has an estimated market value of £167 a week, or £8,665 a year. We might therefore conclude that women's work is being undervalued relative to men's by just over £6,000 each year. Given the total population of women aged 16-65, that's equivalent to roughly £126 billion of underpayment across the UK each year – or just under half (47 per cent) of the total amount paid to female employees in 2019. 28

This is, of course, no more than an indicative figure. Nevertheless, it provides a useful sense of the scale by which we continue to undervalue 'women's work'. And it is almost certainly an understatement. As discussed above, the pay 'penalty' we have identified takes no account of the bias and barriers that women face at all stages of their career development – influencing the industries and occupations worked in by women and discounted in our regression analysis.

The average £6,000 undervaluation we have calculated will also mask significant variation across different individuals. In particular, both the gender pay gap and the unpaid work data point to a disproportionate impact for mothers – with the pay penalty being much larger among women with children, and with unpaid childcare responsibilities falling predominantly to women.

Policy has worked before and can work again, but only if we focus it on the right issues and collect appropriate data

It is clear that, despite half a century of equal pay legislation in the UK and significant progress in many areas, gender inequalities persist in relation to work. The policies of past decades have played a key role in helping to level the playing field, but they are insufficient. Our policy response must continue to strengthen, particularly around the transition of women into parenthood.

The Shared Parental Leave Regulations 2014 pushed in this direction, by giving parents the right to request that parental leave is shared. But there is little to suggest that it has had any significant effect, with many new parents ineligible due to their contract status and only 1 per

²⁷ Aged 22-64.

²⁸ ONS, Annual Survey of Hours and Earnings 2019

cent of those who are eligible taking it up.²⁹ More recently, the *Gender Pay Gap Regulations* 2017 forced all employers with more than 250 members of staff to publish information on the pay differences between men and women in their workforce. This is a step in the right direction, but there are calls for more transparency to give women a true "right to know" what their male counterparts earn.³⁰

And it is not just in relation to pay that opacity creates a barrier. Caroline Criado Perez's work shines a light on a multitude of other forms of gender data bias – on a world in which men are treated as the default option.³¹ In relation to work, she calls for a strengthening of the role of men in parental leave, for improved childcare provision for younger children and a right to claim expenses for childcare for out-of-hours work.

More generally, her book is a reminder of the need to more completely value women's contribution to our economy. It is a topic picked up by economist Vicky Pryce, who has suggested that it might be worth exploring the paying of a basic income – with a particular focus on women with children.³² But what does the public think about the division of labour and reward between men and women and how we might rebalance it?

Figure 15 presents findings from a recent YouGov survey conducted on behalf of Pro Bono Economics. When asked whether they felt they were fairly paid, half (55 per cent) of current employees across Great Britain said they believed they were "underpaid".

Despite the gender pay gap analysis set out above, it is interesting to note that the proportion was the same for women (54 per cent) as for men (56 per cent) – a finding that likely reflects the more general under-reporting of self-worth recorded among women. For example, academic research has shown that women tend to systematically undervalue their contributions to successful groupwork outcomes. ³³ A similar belief underpins the concept of the 'Paula principle' – the idea that women work below their level of competence (unlike men who, in line with the 'Peter principle', secure promotion to the level at which they are no longer competent). ³⁴

Respondents – this time including those not currently in work, but still excluding the self-employed – were further asked about their attitude to pay transparency. Specifically, they were asked if they would reveal their pay to their colleagues if it meant women becoming more likely to achieve pay equality. Figure 16 presents the results, showing that more than half (54 per cent) of the non-self-employed said they would. In this instance, there was no difference at all in the proportions responding positively among men and women or among people in different social grades.

²⁹ TUC press notice, "<u>TUC calls for overhaul of shared parental leave</u>", 5 April 2019

³⁰ See for example, The Fawcett Society press notice, "<u>50 years since the Equal Pay Act, Fawcett launches Bill to modernise law</u>", 5 February 2020. This work shows that four-in-ten don't know that women have a right to equal pay for work of equal value, and that only one-in-three know women have a legal right to ask male colleagues about their salary if they suspect pay discrimination.

³¹ C Criado Perez, *Invisible women: exposing data bias in a world designed for men*, Chatto and Windus, 2019

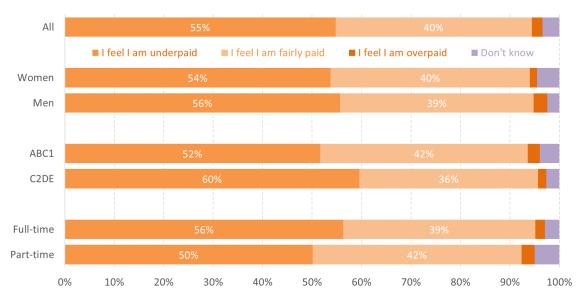
³² V Pryce, *Women vs Capitalism: Why we can't have it all in a free market economy,* Oxford University Press, 2020

³³ M C Haynes & M E Heilman, "<u>It had to be you (not me)! Women's attributional rationalization of their contribution to successful joint work outcomes</u>", *Personality and Social Psychology Bulletin*, 39(7), pp856-

³⁴ T Schuller, "<u>Prisoners of the Paula Principle: why women work below their abilities</u>", *The Guardian*, 12 March 2017

Figure 15: Half of all male and female employees believe they are underpaid

Distribution of responses to question: "Do you feel that you are fairly paid for your current role?" current employees only, 12-13 March 2020, Great Britain



Notes: Total sample size was 2,287 adults, with 1,206 employees providing an answer other than 'not applicable'. Fieldwork was undertaken between 12-13 March 2020. The survey was carried out online. The figures have been weighted and are representative of all GB adults (aged 18+). 'ABC1' and 'C2DE' relate to standard social class measures, with the former taken to relate to 'middle class' and the latter to 'working class'. Full question was: "For the following question, please think about your current job and the requirements of the role (i.e. experience, skill level, and the hours that are required). If you are self-employed, please select the 'Not applicable' option'. Do you feel that you are fairly paid for your current role?".

Source: YouGov Plc for PBE

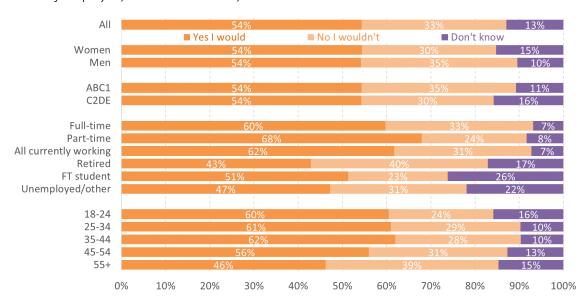
There is, however, a significant difference in response when comparing those currently in work with those not working. The proportion of those saying they would reveal their salary drops substantially among students, retired people and the unemployed/non-workers. Among the retired and the unemployed/non-working it falls to less than 50 per cent.

Before reading too much into this, it is worth noting that this is driven in part by understandably higher proportions in these groups answering "don't know". By removing such responses and by focusing simply on those who answer either "yes" or "no", we see that the distinction between the groups appears to be more generational than anything else. This approach lifts to 62 per cent the overall proportion of past and present employees who say they would reveal their salary. The proportion stands at 60 per cent among the unemployed/non-working, and rises to 67 per cent among those currently in work and 70 per cent among full-time students. But it remains lower – at 52 per cent – among the retired population.

Importantly, even within this group a majority of those providing a categorical response said they would share their salary in the interests of gender pay equality. But the bigger point is that younger cohorts appear even more inclined to support such action — a supposition that is supported by the variation in responses recorded across different age groups. In this instance, the proportion saying they would share their salary details (with "don't know" responses once again included) rose from 46 per cent among those aged 55 and over to 61 per cent among those aged under 45.

Figure 16: A majority of employees would reveal their salary to support gender pay equality

Distribution of responses to question: "Would you reveal your pay/salary to your colleagues?" on the proviso that it would mean that women would become more likely to achieve equal pay, non-self-employed, 12-13 March 2020, Great Britain



Notes: Total sample size was 2,287 adults, with 2,199 past and present employees providing an answer. Fieldwork was undertaken between 12-13 March 2020. The survey was carried out online. The figures have been weighted and are representative of all GB adults (aged 18+). 'ABC1' and 'C2DE' relate to standard social class measures, with the former taken to relate to 'middle class' and the latter to 'working class'. Full question was: "For the following question, please imagine that revealing your pay/ salary to colleagues would mean that women would become more likely to achieve equal pay...Would you reveal your pay/salary to your colleagues?".

Source: YouGov Plc for PBE

Respondents – this time covering all adults, including the self-employed – were asked finally for their thoughts on the introduction of some sort of basic income as a means of recognising the importance of the unpaid work undertaken predominantly by women. Figure 17 shows the extent to which such an approach was preferred to other mechanisms. Overall, it shows that two-in-five (39 per cent) adults said a basic income would be their preferred response. A further one-in-three (33 per cent) said they favoured keeping unpaid work unpaid, but with a more equal sharing of responsibilities between men and women. That means nearly three-in-four (72 per cent) opted for some form of active change to the status quo, with just one-in-ten (9 per cent) saying they favoured keeping things as they are.

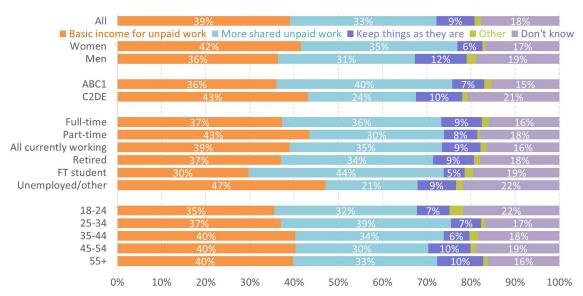
More so than in relation to the other questions asked of the public, responses varied by sex. Men (12 per cent) were twice as likely as women (6 per cent) to say they favoured keeping things as they are, with women more likely than men to favour either a basic income (42 per cent to 36 per cent) or a rebalancing of unpaid work (35 per cent to 31 per cent).

Looking at working status, the basic income approach was most favoured by the unemployed/other not working group (at nearly half, or 47 per cent); this potentially reflects the presence in this category of a significant number of people who are currently out of paid employment due to caring responsibilities. Indeed, digging into family status, the survey found that parents with children under the age of five were more likely (44 per cent) to favour a basic income than were those with older children (just 33 per cent among those with children aged 12 to 16) or those without children (38 per cent).

In this instance there was less variation by age, other than a higher proportion of "don't know" responses from the youngest age group. Strikingly though, the "don't know" response was prevalent across all groups. Just under one-in-five (18 per cent) selected this option overall — likely reflecting the difficulty of tackling the issue of valuing and balancing unpaid work in our society.

Figure 17: Two-in-five British adults favour a basic income for people with caring responsibilities

Distribution of responses to question: "Data from the Office for National Statistics shows that UK women do 60% more unpaid domestic work than men. Unpaid work can limit a person's availability for paid work. Which ONE, if any, of the following do you think is the best response to this? (If your answer doesn't appear in the list below, please type it in the "Other" box)", all adults, 12-13 March 2020, Great Britain



Notes: Total sample size was 2,287 adults. Fieldwork was undertaken between 12-13 March 2020. The survey was carried out online. The figures have been weighted and are representative of all GB adults (aged 18+). 'ABC1' and 'C2DE' relate to standard social class measures, with the former taken to relate to 'middle class' and the latter to 'working class'. Full question was: "Data from the Office for National Statistics shows that UK women do 60% more unpaid domestic work than men (e.g. cooking and cleaning, caring for children and elderly/ sick family members, school runs etc). Unpaid work can limit a person's availability for paid work. Statistics suggest that this has a greater impact on women than on men. Which ONE, if any, of the following do you think is the best response to this? (If your answer doesn't appear in the list below, please type it in the "Other" box)". Full response options were: "Unpaid work should be recognised through the payment of a 'basic' level of income by the state to people with caring responsibilities"; "Unpaid work should remain unpaid, but should be shared more evenly between men and women"; "Things should stay as they are"; "Other"; & "Don't know".

Source: YouGov Plc for PBE

The policy response is inevitably difficult to get right. And, as is implied by the variety of views displayed above in relation to 'fair' payment, salary transparency and our approach to unpaid tasks, it will likely not be without controversy. Any basic income approach also raises as-yet-unanswered questions around how it plays out across genders: there is little if any data from existing basic income trials relating to differences across men and women for instance. The interaction of a basic income with the wider benefit system would of course be crucial — with any changes in payments associated with children and childcare costs having a very direct effect on women's outcomes.

And fundamentally, the idea that a basic income can be used to remunerate people for unpaid tasks carries with it the risk that it entrenches gender roles rather than challenging them. At the very least, it would need to sit alongside additional policy changes around parental leave.

Complex though the debate is, what should be clear is that we cannot assume that we already have the right policy tools in place. Past actions have brought success, and we should aim for more with a new suite of responses.

It is beyond the scope of this note to consider the details of what this might look like. But we believe that taking the right approach rests in no small part on more consistently measuring and understanding unpaid work alongside paid employment. The unusual circumstances imposed by the coronavirus crisis are likely to be already changing some opinions and prejudices within families and across society, but sourcing better data — with the addition of questions on unpaid work and caring responsibilities to official government surveys for instance — should also be a priority as we emerge from today's crisis. This would provide a clearer picture of the amount of such work going on in the economy and its value to our overall wellbeing.