

No equal pay?

By Julia M. Thompson

Women, who work full-time, on average, earn 17% less per hour than men working full-time. For women who work part-time, the gap in pay relative to full-time men is a massive 38%, according to the EOC. So, how can things change?

Typical British women working full-time earn £330,000 less than male counterparts during their working life - despite over 30 years of equal pay laws. But if this were not the case and employers chose to balance the scales, joint family incomes would be boosted, the economy would benefit and so would the treasury.

Not so simple, say the skeptics. "The 1970 Equal Pay Act has achieved a great deal but at the current rate of change, it will still take decades to close the pay gap," says Jenny Watson, chair of the Equal Opportunities Commission (EOC).

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"I am appalled by these figures... It simply isn't fair to pay half the workforce less for doing the same work - It's institutionalised discrimination. And it just goes to show that we have to keep fighting this battle," Liz Willis, of The Springboard Consultancy, one of the UK's leading training consultancies specialising in personal and professional development, told Money Market.

Springboard (www.springboardconsultancy.com) runs a number of award-winning workshops and courses aimed at empowering women in the workforce.

New laws, since April 2007, require public-sector employers to take proactive action to identify and tackle pay gaps. The reforms the EOC is seeking would extend a similar requirement to the private sector - where the gender pay gap is higher.

So how can women strive for a better deal?

Well, aside from moving to Sweden, Norway, Iceland, Denmark or Finland - countries cited by the World Economic Forum (WEF) as having the narrowest gender gap, you could work for a progressive company, and there are some, a woman and, if possible, full-time, as working part-time can really scupper your earning potential.

"Because so many women work part-time, this is a major contributor to the gender pay gap," according to the Women and Equality Unit. This is because part-time workers are sometimes less qualified and less experienced, and the jobs are usually less well-paid.

If you work full or part-time, a woman boss may be more sympathetic. In the US, for instance, Haverford College Economics professor Linda Bell has found that women executives working in women-led firms earn between 15-20% more in total compensation than women working in other firms.

"My research shows very strong empirical evidence that women leaders are associated with positive outcomes for women executives in substantive and important ways," said Bell of her research.

Springboard's Willis says that while this is fantastic, it "lets the guys off the hook." She says that in order to improve women's opportunities in the workplace some organisations will need to change: "They cannot continue to ignore 50% of the workforce."

Changes will benefit women and organisations, because by employing and rewarding women, businesses will build on "the strengths and benefits and the richness of varied life experience," says Willis.